

Registration number: 05483127

Nativo Resources PLC
Annual Report and Consolidated Financial Statements
for the Year Ended 31 December 2024

Nativo Resources PLC

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Nativo Resources PLC

Company Information

Directors

Christian Yates

Stephen Birrell

James Parsons (resigned 26 June 2024)

Martin Hull (resigned 31 October 2024)

Andrew Donovan (appointed 26 September 2024)

Company secretary

AMBA Company Secretarial Services Limited

Registered office

First Floor
85 Great Portland Street
London
W1W 7LT

Auditors

MAH, Chartered Accountants
2nd Floor
154 Bishopsgate
London
EC2M 4LN

Nativo Resources PLC

Strategic Report for the Year Ended 31 December 2024

Nativo Resources PLC (“Nativo” or the “Company”) has interests in gold mining and exploration projects in Peru. Through a 50:50 joint venture (“JV”) established in July 2024 with an experienced local partner (“Boku”), Nativo secured an opportunity to scale operations at the Tesoro Gold Concession, owning 50% of the production and resources. Production and sales of ore to a local gold ore processing plant began in late December 2024.

In March 2025, Boku signed an option agreement to evaluate the opportunity to recover and sell gold and silver from the Toma La Mano tailings deposit in the Ancash region, redepositing the tailings in line with legislation. The Company is investigating other similar tailings opportunities in the region.

In April 2025, Nativo acquired directly a 100% interest in the Morrocota Gold Mine, proximal to the Tesoro Gold Concession. Longer-term, the Company plans to establish its own gold ore processing plant to retain a higher margin from production at its mines. Nativo is a growth-focused mining company seeking balanced risk reward opportunities across the resource value chain. Whilst focused on Latin America, the Company will consider opportunities to extend its reach across new geographies. The Company’s strategy is to build a sustainable asset base of production and booked reserves, through transaction led growth, taking advantage of the extensive experience in executing transactions, with a disciplined approach to delivering shareholder value.

Nativo maintains its philosophy of equitable treatment and open communication with all of its stakeholders and the communities in which it operates.

Chair’s and Chief Executive Officer’s Statement

Nativo was formerly Echo Energy plc (name changed in September 2024) which had oil and gas producing assets in Argentina, the majority interest being sold in May 2023. By the end of 2023, only a 5% interest had been retained by the Company in the assets. Historical exploration and production had been funded through debt with c.£11 million remaining at the end of 2024, comprising a €10m Eurobond plus accrued interest and a loan facility of c.£605,000 plus £315,000 accrued interest (the “Spartan Loan”).

The executive team, Christian Yates (Chair) and Stephen Birrell (Chief Executive Officer), (the “Executive”) was appointed to replace the previous executive leadership in November 2023. Through the first half of 2024, the business was restructured, costs were slashed and creditors managed while a new strategic direction for the Company was prepared.

Early fund-raising in Q1 2024 allowed the Executive to establish a Latin America-focused precious metals mining company, initially concentrating on gold and silver opportunities in Peru. This business was formally established in July 2024 through a JV with an experienced local partner, Boku Resources, who contributed a fully permitted concession, Tesoro, in the Arequipa region. The strategy in Peru is to develop three revenue streams from gold mining, gold processing and the recovery of precious metals from cleaning legacy tailings deposits.

The shaft of the first mine at Tesoro, Bonanza, was sunk in September 2024. Within three months of commencing exploration development at Bonanza, Nativo sold its first batch of high-grade ore to a commercial processor to secure first revenues. As exploration development at Bonanza transitions to production, growing cash flow will be directed towards sustaining and expanding operations across the wider Tesoro project; it is envisaged that it will eventually include a standalone processing facility. In October 2024, an option agreement was signed with a landowner for the establishment of a processing plant close to the Bonanza mine. The land has permits and infrastructure in place. In December 2024 the 100% acquisition by Nativo of a neighbouring mine to Bonanza called Morrocota was announced with the transaction completing in April 2025. The intent behind the acquisition of this mine, where preparation to mine has commenced, is to accelerate the growth in production on the Tesoro concession.

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The next phase of the business development plan is to reprocess historic tailings deposits to recover lost metals whilst rehabilitating environmental liabilities – an approach that has been successfully employed by others and it is a mining story with a positive ESG angle. Based on historical records, Nativo and Boku have identified numerous high potential tailings projects in the Ancash region of central Peru which subject to agreements will be assessed for their potential to be reprocessed to recover lost metals. Tailings reprocessing represents a cheap and low risk approach to build a resource inventory. Defining a resource and demonstrating cost-effective routes for the economic recovery of the lost metals will be required before a final investment decision is made. Current metal prices and modern recovery processes will help with this. The first tailings deposit of up to two million tonnes was secured via an option agreement in April 2025.

In July 2024 Boku acquired the polymetallic Ana Lucia exploration project in the Ancash region. This project has the potential to add commodity diversification and scale, subject to further analysis.

In January 2025 the Company announced the further restructuring of the Spartan Loan to help with cash flow going forward as the Company seeks to grow and develop new revenue streams. Negotiating a further restructuring of the €10m Eurobond is also in progress as this will be key to attracting significant future investment.

Finally, turning to Board matters, James Parsons retired from the Board at the AGM in June 2024. Martin Hull resigned as a Director at the end of October 2024. Andrew Donovan joined the Board in September 2024. The Board continues to be focused on creating value for shareholders through delivery of the strategy outlined above.

Christian Yates
Chair

Stephen Birrell
CEO

4 June 2025

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Business Model

Nativo has interests in gold mining and exploration projects in Peru. The strategy in Peru is to develop initially three revenue streams, as follows:

1. Gold mining: early cash flow from formalised artisanal mining. Nativo initiated production and cash flow from Tesoro Gold Concession in December 2024. Nativo also completed the acquisition of a neighbouring mine called Morrocota in April 2025.
2. Develop own gold ore processing capability, replacing use of a tolling plant which would enable Nativo to retain higher margin from mined material.
3. Secure and clean known tailings deposits containing gold, silver and potentially other precious metals. Nativo has identified a number of tailings deposits in Northern Peru which contain gold and silver from historic polymetallic mining. This is a low cost, low risk approach, with quick and cheap resource definition and requires limited capex and opex. Nativo will redeposit the tailings in line with legislation, thereby benefiting the environment.

The Company is also seeking to acquire pre-development stage gold mine opportunities, deploying capital to bring the mine into production, using a farm-in model where all shareholders' cash is used for development. This approach allows non organic growth while building near term gold reserves and production.

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Strategic Report for the Year Ended 31 December 2024

Strategy Execution and Key Performance Indicators (“KPIs”)

The KPIs are how we measure the performance of our Board of Directors and Executive against the objectives of the business. The objectives are the measurable targets or activities that provide clarity on what needs to be achieved, when and how, in order to execute and deliver the strategy.

Nativo’s objectives for 2024 focused on the following areas: Delivery / Execution, Funding, Growth, Corporate. How the Board and Executive have delivered against these metrics in 2024 is set out in the Performance column of the corporate scorecard below.

2024 KPI		PERFORMANCE
Delivery / Execution		
	Maintain cost control with expenditures appropriate to the scale of the Company	The company uses a monthly reconciled working capital model to manage investments, costs and cash balances. This has been very effective
	Maximise value from the legacy Argentine assets	Achieved in a challenging environment
Funding		
	Secure material capital raise	The Company raised over £1.3 million from shareholders in 2024. This investment allowed the Company to secure the Peruvian assets and invest in the Tesoro mine
	Restructure debt	Subsequent to the year end, a restructuring of the Spartan Loan was achieved, effectively avoiding having to repay the debt in 2025. This was a key outcome for the Company, conserving capital
Growth		
	Secure strategic direction and cornerstone assets for the Company	In July 2024, the Company signed a JV in Peru to mine gold at the Tesoro concession. Following the incorporation of the JV; the Company secured an option on a pre-permitted processing plant site in Acari. Post year-end, the Company acquired the first tailings deposit option of 1.8 million tonnes
	Prioritise business development opportunities to deliver growth and rebuild the asset base	Business development has focused on screening precious metal asset opportunities in Peru and East Africa
Corporate		
	Health and safety	The mine works in Peru measured and reported using standard leading and lagging indicators to install a culture of safety and care across all operations
	Sustainability	The Company installed solar panels to provide power at our mine camp, while measuring and managing water use and CO ₂ emissions
	Investor support	Engaged with investors and established open communications with the support of Vigo, the Company’s Investor Relations (“IR”) consultant
	Regulatory and filing timelines	Achieved on time across all categories

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Strategic Report for the Year Ended 31 December 2024

2025 KPIs

The 2025 performance of the business and its Executive will be measured across a set of objectives which have evolved since 2024. These objectives are set out below. The Board's and Executive's performance will be judged on the delivery of the desired outcomes throughout the year.

2025 KPI	
Delivery / Execution	
	Oversee effective operations in Peru
	Manage Boku JV
	Manage finances in line with budget
Funding	
	Raise capital
	Restructure debt
Growth	
	Develop an operating model for all three target revenue streams
Corporate	
	Respect and protect the health, safety and wellbeing of our employees, contractors, the local community and environment in which we operate
	Interaction with the NOMAD and other advisers or service providers

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Strategic Report for the Year Ended 31 December 2024

Sustainability Review

As a corporate operating across Peru, Nativo believes in conducting a business that positively impacts the local communities and environment in which it operates and respects the resources on which our future depends.

Our Corporate and Social Responsibility (“CSR”) Objectives

Nativo seeks to manage and maintain positive and respectful relationships with our stakeholders. To meet these objectives, Nativo aims to:

- Protect the health, safety and wellbeing of our staff, contractors and the local communities which our operations impact;
- Manage and maintain positive and respectful relationships with the communities with which we conduct business and in which we operate;
- Maintain a high standard of care for the natural environment and adopt appropriate environment management systems in the areas where we operate; and
- Reduce our environmental footprint by efficient use of resources, remediating tailings deposits, managing water and energy consumption and managing waste and emissions.

Anti-Bribery and Corruption (“ABC”)

Nativo has zero tolerance for bribery, corruption or unethical conduct in our business. Our policies require compliance with all applicable ABC laws, in particular, the UK Bribery Act, and the Peruvian Criminal Code, approved by Legislative Decree N° 635. The majority of our operations are based in Peru. The Transparency International’s Corruption Perception Index (“CPI”) assesses corruption in the public sector when ranking different countries. In 2024, the CPI ranked Peru 127th out of 180 participating countries worldwide with a score of 31/100. By comparison, the UK is ranked at 20th out of 180 with a score of 71/100.

Nativo operates in a competitive market and faces competition in securing mining interests, forming partnerships, attracting and retaining the most efficient service providers, and building cooperative relationships with all stakeholders. We are very aware of the pressures and challenges that we face. We are committed to upholding the highest levels of corporate and operational behaviour and our objective is to develop our business responsibly and with integrity at all levels. We have a system of documented ABC policies and procedures that provide a consistent policy framework with which all employees are issued and trained in. Our policies and training encompass anti-bribery and corruption, gifts and entertainment, third-party representatives and whistle blowing.

Social Responsibility

Nativo is committed as an organisation to be a responsible and ethical participant in the community, placing great consideration on aiming to protect the health, safety and wellbeing of our staff, contractors and the local communities.

Environmental Responsibility

Nativo is very conscious of the natural environment in which it operates, and the Company works hard to minimise its impact on that environment. Nativo is committed to the responsible stewardship of the environment and, on the conclusion of the Company’s operations, to return our sites to the condition in which Nativo found them, or better if possible.

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Strategic Report for the Year Ended 31 December 2024

Environmental Responsibility (continued)

Nativo is committed to working closely with our partners and the various agencies in the jurisdictions in which we operate to make sure that all environmental and other regulations are complied with in full as the Company undertakes its activities. The health and safety of our employees, contractors and partners on our sites is also paramount and more information is available in the Health, Safety and Environment (“HSE”) review.

Diversity and Inclusion

Nativo is proud to embrace a culture of inclusivity across our organisation. Nativo is an equal opportunities employer and has a stated policy as part of its Code of Conduct to deal fairly and equitably with all of our employees in the workplace. The Company is dedicated to encouraging inclusion and diversity at all levels of the business, acknowledging that a more diverse workforce, with the right mix of skills, experience, culture, ethnicity, nationality, gender, and knowledge, can make a valuable contribution to the Company. Nativo has committed to extend equal employment opportunities to all, irrespective of race, colour, gender, sexual orientation, religion or belief, age, nationality, ethnicity, marital or civil partnership status, pregnancy and maternity, or disability.

Nativo strives to maintain high levels of ethical and business practices at all times and has implemented clearly defined policies to assist employees with these issues. The primary aim is to protect the health, safety and wellbeing of our staff, partners, contractors, and the local communities in which the Company operates.

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Strategic Report for the Year Ended 31 December 2024

Managing Risks

Nativo is dedicated to managing the risks of the business in a structured manner. Our internal risk management system has five key steps in dealing with risks:

1. Identify
2. Assess
3. Mitigation options
4. Manage and execute
5. Review

As a result of the divestment of the discontinued businesses, the risk profile of the Company has changed significantly. Risks identified in previous years relating to detailed operational outcomes such as subsurface performance and Argentine gas prices no longer represent the major risks to the business going forward. The priority risks relating to the business as identified by the Board are now as follows:

Funding Risk – where the Company is unable to meet its financial obligations as a result of insufficient funds. This is a high priority and significant risk that could lead to the Company not being able to continue as a going concern. Strategies to mitigate this funding risk include the cost reduction programme implemented over the last 18 months and the ongoing ability to raise new funds (potentially equity and debt) in the future.

Business development risk – the Company's growth strategy relies upon the successful identification, execution and completion of acquisitions to grow the asset base. Failure to successfully complete such transactions due to lack of attractive opportunities or for any other reasons would result in the growth strategy having failed and could directly impact future funding potential. The Company has prioritised business development and has further increased its internal capacity in this important area.

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Strategic Report for the Year Ended 31 December 2024



Stakeholder Engagement

Nativo considers collaborative engagement with all stakeholders as vital for, and at the core of, our business. Stakeholders include not only our shareholders, lenders, and our partners, but also our suppliers and customers, our team, governments & regulators, and the communities in which we operate. By maintaining regular dialogue, we receive feedback on our strategy, performance and governance which can then be factored into the Board's decision-making process.

The table below describes how the Directors of the Company have regard for the matters set out in Section 172(1) of the Companies Act 2006; these are:






- a) the likely consequences of any decision in the long-term;
- b) the interests of the Company's employees;
- c) the need to foster the Company's business relationships with suppliers, customers, and others;
- d) the impact of the Company's operations on the community and the environment;
- e) the desire of the Company to maintain a reputation for high standards of business conduct;
- f) the need to act fairly as between members of the Company.

This table forms the Board's statement on such matters as required by the Act. Further information regarding Nativo's assessment of environmental and community issues associated with our operations can be found in the Sustainability Review on pages 9 to 10 and in the Health, Safety and Environment ("HSE") Review on page 28. Review of the key decisions and issues discussed in Board meetings and by various committees in 2024 is contained in the Corporate Governance Statement from page 15 to 35.

	Why is it important to engage?	How do we engage?
Shareholders 	<p>Nativo seeks to develop an investor base of long-term holders that are aligned with our strategy. By clearly communicating our strategy and objectives, we maintain continued support for what we do.</p> <p>Important issues include:</p> <ul style="list-style-type: none"> • Sustainable financial and operational performance • Continued execution of mining projects 	<p>There is regular dialogue between both institutional and retail investors through meetings, calls, conferences, presentations and regular social media posts.</p> <p>The Company engages with investors with the support of Vigo, the Company's IR consultant.</p>
Lenders 	<p>By maintaining supportive relationships with our lenders, we can ensure access to debt finance that enables us to invest in high quality assets that generate sustainable long-term cash flows.</p> <p>Important issues include:</p> <ul style="list-style-type: none"> • Sustainable financial and operational performance • Capital allocation • Refinancing plans 	<p>Nativo has continued to fulfil our obligations and engage with noteholders and lenders.</p> <p>Highlights in 2024 include:</p> <ul style="list-style-type: none"> • Restructuring of the Company's £1 million Spartan Loan, finally achieved in February 2025, post-year end

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Strategic Report for the Year Ended 31 December 2024

 Partners	<p>Sharing of risk is a fundamental component of our industry and by maintaining aligned and collaborative relationships with our JV partners, we can ensure that maximum value can be extracted from our operations in a safe and sustainable manner.</p> <p>Important issues include:</p> <ul style="list-style-type: none"> • Operational performance & HSE • Project ranking and work programmes • Budget setting 	<p>Nativo ensures that we maintain an open dialogue with partners in Boku. We seek to ensure that all partners are aligned around common objectives for the mines and maintain safe and efficient operations.</p>
 Customers & Suppliers	<p>The supply chain is managed by our partners who operate on our behalf. We have further developed strong relationships with key corporate suppliers.</p> <p>Important issues include:</p> <ul style="list-style-type: none"> • Contract management strategy • Uninterrupted service for customers • Enhance value 	<p>We maintain an ongoing open and transparent dialogue with our customers and suppliers where relevant</p>
 Workforce	<p>Our current and future success is underpinned by our ability to engage, motivate, and adapt our workforce. Creating the right environment for employees where their various strengths are recognised and their contributions are valued, helps to ensure that we can deliver our shared objectives.</p> <p>Important issues include:</p> <ul style="list-style-type: none"> • Group strategy • Corporate culture 	<p>During 2024, internal communications continued so employees were kept informed of all the workstreams across the Company and helped to raise key issues with Directors and Executive.</p> <p>Highlights include:</p> <ul style="list-style-type: none"> • Production & strategy updates • All staff involvement on CSR initiatives
 Governments & Regulators	<p>Maintaining respectful and collaborative relationships with our host government and local regulatory authorities is vital. We believe that the strength of these relationships will allow us to make a sustainable and beneficial contribution to the regions in which we operate.</p> <p>Important issues include:</p> <ul style="list-style-type: none"> • Identifying and securing new opportunities • Providing views on upcoming legislation and factors that are important to the industry • CSR commitments 	<p>Management continues to work closely with the government and regulators where relevant</p> <p>The Company monitors relevant changes in legislation and/or policy, and its ongoing compliance with any such changes, through the Company's legal representative in Peru.</p>
 Communities & Environment	<p>Minimal environmental impact in the localities in which we operate ultimately help Nativo reach its corporate objectives as well as simply being the right thing to do. Building and maintaining the Company's reputation fosters our long-term goals and the support and commitment of all employees.</p> <p>Important issues include:</p> <ul style="list-style-type: none"> • Operating in an open and honest and socially responsible manner • Social responsibility initiatives 	<p>All employees are briefed in ABC standards and all counterparties are expected to adhere to these. Regular engagement with operator HSE officers occurs through operational committee meetings maintaining positive focus on health, safety, and the environment.</p> <p>The mine works in Peru measured and reported using standard leading and lagging indicators to install a culture of safety and care across all operations.</p>

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Strategic Report for the Year Ended 31 December 2024

Financial Review

Income Statement

The Group's loss from continuing operations for the year to 31 December 2024 was US \$2.1 million (2023: US \$4.1 million) and total Group loss including discontinued operations was US \$2.1 million (2023: profit US \$5.0 million).

For the year ended 31 December 2024, Group revenue from continuing operations was US \$44,000 (2023: US \$nil).

The Group had the following costs from continuing operations:

- Group operational costs were US \$217,000 (2023: US \$nil).
- Administrative expenses were US \$1.4 million (2023: US \$1.2 million)
- Finance costs, largely composed of interest costs offset in part by foreign exchange gains, were US \$0.7 million (2023: US \$2.9 million).

Balance Sheet

Careful management of cash balances, negotiated repayment of legacy positions with supportive creditors and equity fund raises supported the business through the year. The Group ended the period with US \$0.05 million cash at bank compared to the prior year balance of US \$0.08 million.

Post Balance Sheet

Note 30 provides details of share issuance post 31 December 2024 to raise funds.

This Strategic Report was approved by the Board on 4th June 2025 and signed on its behalf by:

Stephen Birrell
Chief Executive Officer

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Corporate Governance Statement

Strong corporate governance is a key building block that allows an organisation to be successful

Dear Shareholder

I was appointed Chair of the Company in November 2023 and transitioned into the role of Executive Chair on 1 May 2025. Having served as a Non-Executive Director since January 2022, I am pleased to present the Corporate Governance Statement for the year ended 31 December 2024. I firmly believe that strong corporate governance enables an organisation to grow successfully and to win confidence of the stakeholders. The Board is committed to good governance across the business, at an executive level and throughout its operations. The importance of strong governance within the organisation has been essential amid ongoing business and economic pressures.

Changes to the Board took place during 2024: James Parsons stood down as a director at the AGM in June 2024; Andrew Donovan joined the Board as a Non-Executive Director in September 2024; and Martin Hull resigned in October 2024.

The Company continues to follow the Quoted Companies Alliance (“QCA”) Corporate Governance Code as the framework for its approach to corporate governance. In line with our commitment to maintaining high standards of governance, we are currently in the process of transitioning to the 2023 QCA Code (“2023 QCA Code”). This transition reflects our ongoing efforts to align with evolving best practices and to ensure that our governance structures remain fit for purpose. The 2023 QCA Code has ten principles of corporate governance that the Company has committed to apply within the foundations of the business. The 2023 QCA Code requires companies listed on the Alternative Investment Market (“AIM”) of the London Stock Exchange to adopt a ‘comply or explain’ approach in respect of the recommended guidelines. The 2023 QCA Code principles are listed below in ‘The Principles of the 2023 QCA Code’, and we work to ensure that these principles are adhered to as much as the Company is able. Both within the Annual Report and Accounts and on the corporate website, stakeholders can see how the Company complies with these principles.

The Board not only sets expectations for the business but also works towards ensuring that strong values are set and carried out by the Directors across the business. A strong corporate culture is paramount to the success of a business. The Board strives to ensure that the objectives of the business, the principles and risks are underpinned by values of good governance that are fed down throughout the organisation.

The importance of engaging with our shareholders underpins the essence of the business, including ensuring that there are numerous opportunities for investors to engage with both the Board and the Executive.

Christian Yates

Chair

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

The Principles of the 2023 QCA Code

The Board of Directors of the Company recognises the importance of corporate governance and applies the 2023 QCA Code, which we believe is the most appropriate governance code for a company of our size with shares admitted to trading on AIM. The 2023 QCA Code provides the Company with the framework to help ensure that a strong level of governance is maintained, enabling the Company to embed the governance culture that exists within the organisation as part of building a successful and sustainable business for all its stakeholders.

In line with the 12-month period provided for adoption of the 2023 QCA Code, the Company has implemented a number of the updated provisions and is working towards further compliance by the end of the next financial year. Where full alignment has not yet been achieved, the Company continues to review its governance arrangements to actively progress towards full compliance. A detailed explanation of the current position and areas for development is given below. The Company's website disclosures can be found under the Aim Rule 26 section of the Company's website.

Further information and governance disclosures can be found in the AIM Rule 26 section of the Company's website: <https://www.nativoresources.com/aim-rule-26/>

Principles	Disclosure
1. <i>Establish a purpose, strategy and business model which promotes long-term value for shareholders</i>	a) <i>Explain the Company's purpose, business model and strategy including key challenges in their execution.</i>
Comment: a) See the Strategic Report on pages 4-5 and the Company's website for further information on the Company's purpose. The Company's purpose is to create value for shareholders through identifying cash generative opportunities in the extraction of natural resources which have the potential to deliver significant growth.	
2. <i>Promote a corporate culture that is based on ethical values and behaviours</i>	a) <i>Describe the desired Company culture within the strategic report. How is the desired corporate culture supportive of the Company's purpose, strategy, and business model? How is the tone from the top (board, chief executive, and senior management) supportive of this culture? How does the Board assess and monitor corporate culture and how were any actions which notably deviated from what is expected addressed?</i>

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

<p>Comment:</p> <p>a) The Directors are committed to delivering shareholder value in an ethical, safe and respectful manner. These values and behaviours are applied across the Board and the Company as a whole. The Board is mindful of the industry and jurisdictions in which the business operates in and takes all issues of ethical behaviours seriously. These behaviours are instilled throughout the organisation. The importance of delivering success in a safe environment is integral to achieving sustainable success.</p> <p>Governance structures and processes that are fit for purpose and support good decision-making by the Board are maintained. Policies, procedures are in place and best practice is supported.</p> <p>Issues of bribery and corruption are taken very seriously. The Company has a zero-tolerance approach to bribery and corruption and has an anti-bribery and corruption policy in place to protect the Company, its employees and those third parties with which the business engages with. Employee are required to comply with the policies. There are financial controls across the business to ensure ongoing monitoring and early detection of anti-bribery and corruption.</p> <p>A whistleblowing policy is in place, which enables staff to raise any concerns in confidence.</p>	
<p>3. <i>Seek to understand and meet shareholder needs and expectations</i></p>	<p>a) <i>Describe the shareholder engagement activities, including the topics discussed and actions taken in response.</i></p> <p>b) <i>Provide appropriate quantitative and qualitative reporting of the Company's environmental and social matters to meet investor needs and expectations.</i></p>
<p>Comment:</p> <p>a) Copies of our Annual Report, Notice of Annual General Meetings ("AGM") and the interim report are available to all shareholders and can be downloaded from the investors section of our website.</p> <p>We engage with shareholders through updates to the Market via regulatory news flow ("RNS") on matters of a material substance and regulatory nature.</p> <p>Our AGM is an annual opportunity for shareholders to meet with the Board and to receive a full update on the Company's business and strategy. All shareholders are provided with an opportunity to ask questions and raise issues during the formal business or more informally following the meeting. At the AGM, separate resolutions are proposed on each substantial issue. For each proposed resolution, shareholders are provided with an opportunity to vote in advance of the AGM by proxy if they are unable to vote in person. Our registrars, MUFG Corporate Markets, count the proxy votes which are properly recorded, and the results of the AGM are announced through an RNS.</p> <p>The Board is keen to ensure that the voting decisions of shareholders are reviewed and monitored and that approvals sought at the Company's AGM are to the extent possible within the recommended guidelines of the QCA Code.</p> <p>Shareholders with queries should email info@nativoresources.com</p> <p>b) The Company is working towards providing appropriate quantitative and qualitative reporting of its environmental and social matters to meet investor needs and expectations.</p>	

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Corporate Governance Statement for the Year Ended 31 December 2024

<p>4. Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success</p>	<p>a) Describe the environmental and social issues that the Board has identified as being material to the Company with reference to its purpose, strategy, and business model.</p> <p>b) Set out any relevant associated KPIs that are used for tracking performance on such matters and, where relevant, key forward-looking targets that have been established.</p>
<p>Comment:</p> <p>a) The Board's primary goal is to create shareholder value in a responsible way that serves all stakeholders. The Board considers its key stakeholders to be its employees, customers, shareholders, suppliers and the communities and environment in which the Group operates. We value the feedback we receive from our stakeholders, and we try to ensure that, where possible, their wishes are duly considered.</p> <p>b) The Board at year-end reviews Company performance against a set of KPIs to establish, if any, year-end bonus is to be awarded. The KPIs follow key value-creating aspects of the business and include indicators for 2025.</p>	
<p>5. Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation</p>	<p>a) Describe how the Board has embedded effective risk management, internal controls and assurance activities in order to execute and deliver strategy. This should include a description of what the Board does to identify, assess and manage risk and how it gets assurance that the risk management and related control systems in place are effective.</p> <p>b) Risk and control information should be disclosed as required in the strategic report and corporate governance statements, including the non-financial reporting narrative.</p> <p>c) Explain the Company's governance around climate-related risks and opportunities; the process for identifying, assessing and managing climate-related risks and how these processes are integrated into the Company's overall risk management framework.</p> <p>d) Explain how the Audit Committee has monitored and formally considered auditor independence during the corporate reporting cycle.</p>
<p>Comment:</p> <p>a) The Company's approach to the management and identification of risk is set out in the Risks section of the Strategic Report on page 11. The Company encourages a culture of risk awareness. Risks are reviewed by the Audit Committee and the Board.</p> <p>b) See the Risks section of the Strategic Report on page 11.</p> <p>c) The Company is working towards reporting on its governance around climate-related risks and opportunities.</p> <p>d) The Audit Committee formally assesses the independence of the Company's auditors on an annual basis.</p>	

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

<p>6. Establish and maintain the Board as a well-functioning, balanced team led by the chair</p>	<ul style="list-style-type: none"> a) Identify each Director and describe the relevant experience, skills, and capabilities that each Director has brought to the Board's agenda during the year. b) Explain how the Board contains (or will contain) the necessary mix of experience, skills, and capabilities – including with reference to diversity characteristics. c) Identify those Directors who the Board considers to be independent; where there are grounds to question the real, or perceived independence of a Director, this must be explained. d) Describe the time commitment required from Directors (including Non-Executive directors as well as part-time executive directors, if any) and any restrictions on both executives and non-executives with respect to assuming external roles. e) Include the number of meetings of the Board (and any committees) during the year, together with the attendance record of each Director. f) Where performance-related remuneration for non-executive directors has been introduced, the company must disclose how it has consulted its shareholders and how their support was obtained.
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Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Comment:

a) Information on each of the Directors is provided on page 29. All of their details can also be found on the Company's website.

Although the QCA Code recommends that all Directors be presented for re-election annually, the Board, given its current small size, considers this approach inappropriate at this stage. Frequent re-elections could disrupt leadership continuity, which is crucial for a small company navigating growth or strategic changes. However, this decision will remain under review.

b) The Board of Directors covers a range of experience and skills. The Board has significant international, industrial, financial and governance experience, possessing the necessary mix of experience, skills, personal qualities and capabilities to deliver the strategy of the Company for the benefit of the shareholders over the medium to long-term.

Each of the Directors on the Board has considerable experience and has demonstrated skills which are complementary, independent and sufficient to cover all of the requirements of the Board.

c) The Board includes one independent Non-Executive Director ("INED") (considered independent in terms of character and judgement). The Company is mindful of diversity although Board appointments are made with the primary aim of ensuring that the candidate offers the required skills, knowledge and experience.

On 1 May 2025 the Chair transitioned from Non-Executive Chair to Executive Chair. This change was made given the size, structure, operational needs and strategic opportunities of the Company, and the fact that the Chair had been providing considerable additional support to the Executive, it was appropriate for the Chair to take an executive role to commit more time and provide further support to the Executive.

For full background refer to page 29 and the Company's website.

d) The Executive Directors will be expected to devote substantially the whole of their time to their duties with the Company. NEDs have a lesser time commitment which is set out in their letter of appointment. The Chair is spending additional time on the organisational aspects of the Company and the running of the business.

There is no formal policy restricting the Directors' external appointments, save appointments to direct competitors, however each Director discusses with the Chair any proposed additional appointments prior to being appointed and it is presented to full Board for approval.

e) See page 27.

f) NEDs are not awarded any performance related pay.

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

<p><i>7. Maintain appropriate governance structures and ensure that individually and collectively the Directors have the necessary up to date experience, skills and capabilities</i></p>	<p><i>a) Explain how each Director keeps their skillset up to date, setting out how the Company provides the necessary resources for updating and developing each Director's knowledge and skills.</i></p> <p><i>b) Set out any Board sub-committees that have been established to facilitate more focused discussions and/or oversight of particular subject matters.</i></p> <p><i>c) Where the Board or any committee has sought external advice on a significant matter, this must be described and explained.</i></p> <p><i>d) Where external advisers to the Board or any of its committees have been engaged, explain their role.</i></p>
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<p>Comment:</p> <p>a) The Board is kept abreast with developments of governance and AIM regulations. The Company Secretary provides updates on governance issues and the Company's NOMAD provides Board AIM Rules updates as well as the initial training as part of a new Director's onboarding.</p> <p>The Directors have access to the Company's advisers as and when required and are able to obtain advice from other external bodies when necessary.</p> <p>b) The Audit Committee assists with the Board's oversight of the integrity of the financial reporting and the independence and performance of the Company's Auditor.</p> <p>The Remuneration and Nominations Committee consider all material elements of remuneration, including the Executive Directors' remuneration and performance. In addition, the Committee meets as and when required to consider matters related to succession planning and new nominations to the Board.</p> <p>c) During 2024, the Board have used some external professional advisers in respect of various segments of its business where it was felt that external advice was required, notably in relation to remuneration policy.</p> <p>d) The Directors have access to the Company's Nominated Advisor, Company Secretary and lawyers and are able to obtain advice from other external bodies as and when required.</p> <p>The Directors are in regular dialogue with the Company's Nominated Adviser. The Nominated Adviser provides ongoing advice on matters pertaining to the Company's compliance with the AIM Rules for Companies.</p> <p>The Company Secretary advises on corporate governance, arranges, attends and minutes all Board and committee meetings. The Company Secretary works closely with the Non-Executive Chairman, Board members, and advisers of the Company as and when required.</p> <p>Lawyers are engaged to provide legal advice when required by the management team and by the Board or committees.</p>
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Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

<i>8. Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement</i>	<i>a) Include a high-level explanation of the Board performance effectiveness process.</i> <i>b) Set out when the last externally facilitated board review took place and when the next one is planned for. Where an externally facilitated review has not taken place and there are no plans to have one, this must be explained.</i> <i>c) Where a Board performance evaluation has taken place in the year, provide a brief overview of it, how it was conducted and its results and recommendations. Progress against previous recommendations should also be addressed.</i> <i>d) Provide an outline description of the succession planning process including any indicative timelines for expected appointments (to the extent practicable).</i>
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Comment:

- a) The directors consider seriously the effectiveness of the Board, Committees and individual performance. Whilst the Company has not undertaken a formal Board evaluation in the year, regular considerations is given by the Board to its performance to ensure the requirements of the business are met. Given the recent changes to the Board and future changes to be made, Board continues to assess the best timing to conduct an evaluation review.
- b) As set out above.
- d) The Board as a whole is mindful of the need for succession planning, however, given the changes to the Board in 2024 a review was not held but will be kept under consideration.

See pages 24-25 for a high level summary of the functions of the Board, the performance of the Board and Matters Reserved for the Board.

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

<p>9. Establish a remuneration policy which is supportive of long-term value creation and the Company's purpose, strategy and culture</p>	<p>a) Explain how the remuneration structure and practice supports the delivery and attainment of the Company's purpose, business model, strategy and culture.</p>
<p>Comment:</p> <p>a) The Company has a Remuneration Policy in place.</p> <p>Pay structures for the Executive are simple and easy to understand.</p> <p>The Remuneration Report on page 30.</p>	
<p>10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and any other key stakeholders</p>	<p>a) Within the corporate governance report, reflect on challenges experienced in the year and signpost to how these were addressed at the Board and whether any changes were made to Board structure or process.</p> <p>b) Include an audit committee report (or equivalent report if such committee is not in place).</p> <p>c) Include a remuneration committee report (or equivalent report if such committee is not in place).</p> <p>d) If the Company has not published one or more of the disclosures set out under Principles 1-10, the omitted disclosures must be identified and the reason for their omission explained.</p>
<p>Comment:</p> <p>a) The Board retains ultimate accountability for governance and is responsible for monitoring the activities of the Executive. The Chair has the responsibility for ensuring that the Board discharges its responsibilities. No one individual has unfettered powers of decision.</p> <p>The Chair is responsible for facilitating full and constructive contributions from each member of the Board in determination of the Group's strategy and overall commercial objectives.</p> <p>The Board maintains a healthy dialogue between it and its stakeholders including its shareholders. The Chair is primarily responsible for communicating with shareholders.</p> <p>Copies of the Company's report and accounts, and all other shareholder communications are maintained on the Company's website.</p> <p>b) See page 25.</p> <p>c) See page 26.</p> <p>d) The Company has published all of the disclosures set out under Principles 1-10.</p>	

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

The Board

The Board comprises an Executive Chair, one Non-Executive Director, and the Chief Executive Officer (“CEO”).

The Board has significant industry, financial, public markets and governance experience, possessing the necessary mix of experience, skills, personal qualities and capabilities to deliver the strategy of the Company for the benefit of the shareholders over the medium to long-term.

The roles of the Chair and CEO are split. The Chair has the responsibility of ensuring that the Board discharges its responsibilities and is also responsible for facilitating full and constructive contributions from each member of the Board in determination of the Group’s strategy and overall commercial objectives. On 1 May 2025 the Chair transitioned from Non-Executive Chair to Executive Chair. This change was made given the size, structure, operational needs and strategic opportunities of the Company, and recognising that the Chair had been providing additional support to the Executive, it was appropriate for the Chair to take an executive role in order to be able to commit more time and provide further support to the Executive.

The CEO leads the business and the Executive ensuring that strategic and commercial objectives are met. The CEO is accountable to the Board for the operational and financial performance of the business.

The Board as a whole is kept abreast with developments of governance and AIM regulations. The Company’s lawyers provide updates on governance issues as required and the Company’s NOMAD provides Board room updates as well as the initial training as part of a director’s onboarding.

The Directors have access to the Company’s NOMAD, Company secretary, lawyers and auditors and are able to obtain advice from other external bodies as and when required.

The 2024 performance of the business and its staff is measured across both financial and operational functions and is captured in a corporate scorecard. The scorecard is made up of various KPIs and is tracked throughout the year. The Board and executives’ performance within the year was judged on the delivery of certain desired outcomes.

Christian Yates, Chair, was appointed to the Board in January 2022 as an independent non-executive director and then assumed the role of Non-Executive Chair in November 2023, and then transitioned to Executive Chair in May 2025. Christian brings to the Board considerable experience within the renewables and related sectors, including solar PV, wind, waste to energy and battery energy storage systems (“BESS”).

Stephen Birrell, CEO, was appointed to the Board in November 2023. Stephen is a geologist and has worked in the upstream oil and gas industry for over 35 years, with a particular focus on development across multiple jurisdictions, additionally he has a strong base in natural resources.

Andrew Donovan was appointed as an independent non-executive director in September 2024. He is a Chartered Accountant, having trained with Arthur Andersen. He has considerable investment banking experience, having worked on numerous transactions at Schroders, Citi, Lexicon Partners, Evercore Partners, and Schroders Greencoat over the past 29 years. He currently serves as a Non-Executive Director on the board of Gresham House Renewable Energy VCT2.

Martin Hull resigned as a director in October 2024.

James Parsons stepped down as a director of the Company at the AGM in June 2024.

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Board Performance

The Directors consider seriously the effectiveness of the Board, committees and individual performance. The Board meets formally at least five times a year, with ad hoc Board meetings as the business demands. There is a strong flow of communication between the Directors, in particular the relationship between the CEO and the Chair. The agenda is set with the consultation of both the CEO and Chair, with consideration being given to both standing agenda items and the strategic and operational needs of the business. Resulting actions are tracked for appropriate delivery and follow up.

In addition to the above, the Directors have a wide knowledge of the business and requirements of Directors' fiduciary duties. The Directors have access to the Company's NOMAD and auditors if and when required. They are also able, at the Company's expense, to obtain advice from external bodies if required.

During the year, the Board continuously strived to further strengthen the governance structure already in place. Regular consultations are held with the Company's NOMAD, Company Secretary and lawyers in respect of compliance with the QCA Code, Companies Act and other statutory requirements, and to ensure that best practices are followed. An effective investor relation strategy was maintained and regulatory disclosure obligations were met, through a consistent flow of news releases to the market. All members of the Board are well acquainted with, and understand global regulations on, ethical business practices and ensure that adequate internal policies and a supervisory mechanism is established in the business, through senior management. Whilst being mindful of the size and stage of development of the Company, the Board reviews and ensures the highest level of governance is maintained at all levels.

Matters Reserved for the Board

The Directors adopted a schedule of those matters that should be reserved for the Board. Those matters include:

- Approval of the Group's strategy and objectives;
- Approval of the Group budgets, including operating and expenditure budgets;
- Growth of activities into new business or geographical locations;
- Material changes to the Group's structure and management; and
- Changes to the Company's listing, governance or business processes.
- Board Committees

The Board has established an audit committee, a remuneration and a nominations committee. At present, a decision has been made not to establish an HSE committee due to the fact that the Company is still in the development stage. Any HSE matters are dealt with within the Board meetings.

Audit Committee Report

Current Committee membership: Andrew Donovan, Christian Yates

Andrew joined the Audit Committee as Chair in September 2024. Martin Hull had chaired the committee until Andrew's appointment, at which point he stepped down from the committee. The committee generally meets up to four times a year. The committee has engaged MAH Chartered Accountants to act as external auditors and they are also invited to attend committee meetings, unless they have a conflict of interest. The CEO also joins the Audit Committee meetings by invitation.

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

An important part of the role of the committee is its responsibility for reviewing and monitoring the effectiveness of the Group's financial reporting, internal control policies, and procedures for the identification, assessment, and reporting of risk. The Audit Committee is also responsible for overseeing the relationship with the external auditor. The main functions of the audit committee include:

- Reviewing and monitoring internal financial control systems and risk management systems on which the Company relies;
- Considering annual and interim accounts and audit reports; and
- Making recommendations to the Board in relation to the appointment and remuneration of the Company's auditor as well as annually reviewing and monitoring their independence, objectivity, and effectiveness.

During 2024 and 2025 the Audit Committee:

- Met with the Company's auditor;
- Approved the audited year end and interim financial statements;
- Recommended to the Board the re-appointment of MAH, Chartered Accountants as auditor of the Company;
- Reviewed the Audit Committee's terms of reference; and
- Consider the risk register and manual of authorities.

Remuneration Committee report

Current Committee membership: Andrew Donovan and Christian Yates

Following James Parsons stepping down from the Board at the 2024 AGM, Christian re-assumed the position of chair of the Remuneration Committee. Christian had chaired the committee prior to November 2023 when James had taken over for the period until his departure in June 2024. Following Christian's appointment as Executive Chair on 1 May 2025, he stood down as chair of the committee and Andrew took the position as chair.

The Committee usually meet at least twice annually. During the year ended 31 December 2024, the committee met five times.

Nominations Committee report

Current Committee membership: Andrew Donovan and Christian Yates

Following James Parsons stepping down from the Board, Christian re-assumed the position of chair of the committee. Christian had chaired the Committee prior to November 2023 when James had taken over for the period until his departure in June 2024. Martin Hull joined the committee as a member, until September 2024 when he stood down and Andrew was appointed to join the committee. Following Christian's appointment as Executive Chair, he stood down as chair of the committee and Andrew took the position as chair.

The Nominations Committee is responsible for Board recruitment and succession planning, keeping under review the leadership of the organisation and ensuring that the Board has the right skillset required for the business. During 2024 the Committee did not formally meet.

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

The Directors' attendance at scheduled Board meetings and committee meetings during 2024 is detailed in the table below:

Year ended 31 December 2024	Board (scheduled)	Board (ad hoc*)	Audit Committee	Remuneration Committee	Nominations Committee
Number of meetings held	5	24	2	5	0
Christian Yates	5	24	2	5	
Stephen Birrell	5	24	-	-	
Andrew Donovan ¹	1	5	-	2	
Martin Hull ²	4	22	2	1	
James Parsons ³	2	12	-	2	

*Ad hoc meetings are called for specific matters, generally of a more administrative nature not requiring full Board attendance.

1. Andrew Donovan was appointed on 26 September 2024
2. Martin Hull resigned on 31 October 2024
3. James Parsons resigned on 26 June 2024

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Health, Safety and Environment Review 2024

Nativo is committed to conducting its business and operations in a manner that safeguards the health of employees, contractors and the public, and minimises the impact of operations on the environment.

The Company is committed to ensure that these objectives are achieved through:

- Providing all employees with training of a high standard and only using equipment that is certified and appropriate for its scope;
- Using only qualified contractors, who can work to the highest possible HSE standards;
- Ensuring near-misses and incidents, whether Nativo or partner operated, are fully investigated and improvements implemented;
- Fostering a working culture where openness and reporting leads to standout operational and health, safety and environmental performance; and
- Working with our operating partners to make sure that health and safety hazards and environmental impacts have been fully assessed and appropriately mitigated.

HSE performance is reported to the Board, which ensures that appropriate resources are provided to achieve these objectives in full. Where the Company participates in, but does not operate joint ventures, it seeks to ensure that similar standards are adopted by its operators. These commitments are in addition to our basic obligation to comply with applicable laws and regulations where we work.

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Board of Directors

Christian Yates

Executive Chair (as of 1 May 2025)

Christian joined the Company in January 2022 and was appointed Chair in November 2023. He has extensive operational leadership experience at Chief Executive and Board level acquired during a wide-ranging career in fund management, private equity and growth companies. Sector experience includes renewable energy (solar, wind, BESS), real estate, alternative investments, wealth management, institutional fund management and hospitality. He is an experienced member of Audit & Risk, Nominations and Remunerations Committees.

Christian is Chair of Gresham House Renewable Energy VCT 2 plc, one of two listed investment companies he co-founded in 2010.

Christian is a member of the Audit, Remuneration and Nominations Committees.

Stephen Birrell

Chief Executive Officer

Stephen was appointed to the Board in November 2023. Stephen is a geologist with a base in natural resources and has worked in the upstream oil and gas industry for over 35 years, with a particular focus on development across multiple jurisdictions with Britoil, BP and Elf and Sterling Resources, where he discovered and initiated the development of the Black Sea gas field complex, Ana/Doina in Romania. Stephen has a BSc Honours in Applied Geology and is a member of the Association of International Energy Negotiators and the Society of Petroleum Engineers.

Stephen is also a Non-Executive Director of Live Company Group plc, Expedez Financial Services Limited and Ossian Energy Limited.

Andrew Donovan

Non-Executive Director

Andrew is a Chartered Accountant, having started his career at Arthur Andersen, before moving into corporate finance. He has worked on numerous transactions in the renewable energy and wider utilities sectors at Schroders, Citi, Lexicon Partners, Evercore Partners and Schroders Greencoat over almost 30 years. He has also been involved in the development of solar projects and battery storage projects in the UK. He currently serves as a Non-Executive Director on the Board of Gresham House Renewable Energy VCT2.

Martin Hull

Non-Executive Director

Martin resigned from the Board on 31 October 2024

James Parsons

Non-Executive Director

James resigned from the Board on 26 June 2024.

Executive Team

Christian Yates

Executive Chair

Stephen Birrell

Chief Executive Officer

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Directors' Remuneration Report

The Remuneration Committee, along with the Board as a whole, is committed to attracting and retaining talent to ensure the success of the Company. The Remuneration Committee works to ensure that the policies and framework are in place to reward staff for achievements and targets met, which in turn creates value for shareholders.

The Company offers a fixed remuneration package of salary, pension and certain benefits. In addition, there is a discretionary bonus award and EMI/share option scheme in place. As the business grows, it may consider implementing a performance related LTIP for senior executives and executive directors.

Stephen Birrell's contract contains a six month notice period.

The bonus and option awards are presented to the remuneration committee by the CEO for approval. The bonus awards are made to individuals taking account of their own performance and the Company's performance as a whole over the previous year. Members of the executive team have their level of bonus reviewed in line with their individual scorecards that are agreed at the beginning of the financial year. The amount of bonus and options awarded is set within a pre-agreed range for each level of staff.

Any bonus awards and options made to the CEO are agreed by the remuneration committee and are discretionary based on individual and Company performance.

A pension scheme is provided to all employees into which, subject to certain criteria, the Company contributes 8% of the individual's base salary.

Chair and Non-Executive Directors' Fees

The fees paid to the Chair and Non-Executive Directors are set at a level both in line with the market and to appropriately reward and retain individuals of high calibre. The fees paid reflects the level of commitment and contribution to the Company.

Fees are paid monthly in cash and are inclusive of all committee roles and responsibilities.

Remuneration of Directors

Actual remuneration for the year in the Income Statement, which includes movements in deferred salaries accrued:

	Salary paid (US \$)	Movement in deferred salaries (US \$)	Share option charge (US \$)	Total 2024 (US \$)	Total 2023 (US \$)
Stephen Birrell	161,028	92,063	3,022	256,112	21,827
James Parsons	54,665	20,428	-	75,093	67,173
Christian Yates	97,098	40,574	-	137,672	45,631
Andrew Donovan	10,956	1,872	-	12,829	-
Martin Hull	58,939	-16,177	-	42,762	210,681
Total all directors	382,686	138,760	3,022	524,468	345,312

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Remuneration of Directors

Contractual entitlement for the year

	Salary (US \$)	2024 Share option charge (US \$)	Total 2024 (US \$)	Total 2023 (US \$)
Stephen Birrell	243,304	3,022	246,326	21,827
James Parsons	66,750	-	66,750	99,151
Christian Yates	137,672	-	137,672	62,207
Andrew Donovan	12,829	-	12,829	-
Martin Hull	42,762	-	42,762	289,150
Total all directors	503,317	3,022	506,339	472,335

Contractual entitlements not yet paid have been deferred. Included within accruals in the Group and Company there is a balance of US \$368,568 (2023: 233,770) related to deferred salaries.

Share Options Awards

	Date of Grant	Exercisable Date	Acquisition Price per share (cents)*	Options held at 1.1.24 000's	Options held at 31.12.24 000's
Martin Hull	24.10.19	11.12.23	7.90	12,000	-
Martin Hull	19.12.19	20.12.22	3.14	23,000	-
Martin Hull	28.01.21	28.01.22	0.89	8,000	-
Martin Hull	28.01.21	28.01.23	0.89	8,000	-
Martin Hull	28.01.21	28.01.24	0.89	8,000	-
Stephen Birrell	21.12.23	21.12.26	0.013	238,469	238,469
James Parsons	09.03.17	09.03.20	1.96	-	-

Share Options Awards

*Calculated at the exchange rate of US \$1 to GBP £0.789.

No directors exercised options in the year ended 31 December 2024.

This Remuneration Report was approved by a duly authorised committee of the Board on 4th June 2025 and signed on its behalf by:

Christian Yates
Chair

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Directors' Remuneration Policy

In order to encourage the delivery of the Company's strategy, the main objectives of Nativo's remuneration policy (the "Remuneration Policy") are:

- To have a transparent, simple and effective remuneration structure which encourages the delivery of Company targets in accordance with our strategic plan.
- To motivate and retain people of high calibre by providing appropriate short- and long-term variable pay which is dependent upon relevant performance conditions.
- To promote the long-term success of the Company and ensure that our policy is aligned with the interests of our shareholders.
- To have a competitive remuneration structure which will attract new appropriately skilled executives.

The Remuneration Committee follows the principles of good corporate governance in relation to the structure of its Remuneration Policy and, accordingly, takes account of the QCA Code as adopted by the Board.

Directors' Remuneration Policy

Element	Purpose and link to strategy	Operation	Maximum Potential	Performance Measures
Base salary	To provide a competitive base salary to attract, motivate and retain Executive Directors with the experience and capabilities to achieve the strategic aims and to attract, motivate and retain Non-Executive Directors with the experience and business acumen to support and/or challenge the executive directors as appropriate.	Reviewed annually after considering pay levels at comparably sized listed companies and sector peers; the performance, role and responsibility of each Director; the economic climate, market conditions and the Company's performance; and the level of pay across the Company as a whole.	n/a	n/a

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Element	Purpose and link to strategy	Operation	Maximum Potential	Performance Measures
Benefits	To provide market- competitive benefits package.	Offered in line with market practice, and may include a car allowance, private medical, income protection and death in service insurance. For external and internal appointments, the Remuneration Committee may agree that the Company will meet certain relocation expenses as it considers appropriate.	n/a	n/a
Pension	To provide an appropriate level of retirement benefit.	Workforce aligned pension provision.	5% of salary	n/a
Annual bonus	To reward performance against annual targets which support the strategic direction of the Company.	Awards are based on annual performance, both Company and personal, and are normally payable in cash and/or shares.	100% of salary for the Executive Chair 100% of salary for the CEO	Scorecard of financial, strategy execution, governance, regulatory compliance and/or alignment with the best interests of the Company.
Option plan	To drive and reward the achievement of share price growth and promote share ownership for Executive Directors.	Market priced options. Vesting is normally over a period of 3 years. Awards may be subject to malus / clawback provisions at the discretion of the Remuneration Committee.	Annual award as determined by the Remuneration Committee	As options are granted with a market value exercise price, they may be granted without additional performance conditions.
<i>As the business grows it may consider implementing a performance related LTIP for senior executives and executive directors.</i>				

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

Element	Purpose and link to strategy	Operation	Maximum Potential	Performance Measures
LTIP	To drive and reward the achievement of longer-term objectives, support retention and promote share ownership for Executive Directors.	Conditional shares and/or nil cost or nominal cost share options. Vesting is normally subject to the achievement of challenging performance conditions, normally over a period of 3 years. Dividend equivalents may be awarded to the extent awards vest. Awards may be subject to malus / clawback provisions at the discretion of the Committee.	Appropriate % of salary awards for the Executive Chair & CEO to be determined when implementing	Performance metrics will be linked to financial and/or share price and/ or strategic and/or governance or regulatory
Shareholding Guidelines	To promote share ownership for Executive Directors.	Executive Directors are expected to build a shareholding in the Group over time by retaining the net of tax value from share awards that vest.	No minimum shareholding level currently set, but may be introduced in the future	n/a
Non- executive Directors	The fees for the Non-Executive Directors are agreed by the Executive Directors	Fees are reviewed periodically taking into account the level of responsibility, relevant experience. Fees may include a basic fee and additional fees for further responsibilities. Fees are paid in cash.	n/a	n/a

Service Contracts

The service contract of the Executive Directors continues unless and until terminated by either the individual or the Company giving at least 6 months' notice.

Recruitment remuneration policy

For external candidates, it may be necessary to make additional awards in connection with the recruitment to buy-out awards forfeited by the individual on leaving a previous employer.

For any buy-outs, the Company will not pay more than is, in the view of the Committee, necessary and will in all cases seek, in the first instance, to deliver any such awards under the terms of the existing Annual Bonus and/or Share Option Plan. It may, however, be necessary in some cases to make buy-out awards on terms that are more bespoke.

Nativo Resources PLC

Corporate Governance Statement for the Year Ended 31 December 2024

All buy-outs, will take due account of the service obligations and performance requirements for any remuneration relinquished by the individual when leaving a previous employer. The Remuneration Committee will seek (where it is practicable to do so) to make buy-outs subject to what are, in its opinion, comparable requirements in respect of service and performance.

Termination/change of control policy summary

Incentives	If a leaver is deemed to be a ‘good leaver’; for example, leaving through injury or disability, redundancy, retirement ill-health, sale or transfer of business or otherwise at the discretion of the Committee	If a leaver is not a ‘good leaver’	Change in control
Annual bonus	The Remuneration Committee has discretion to determine an annual bonus which may be limited to the period actually worked.	Annual bonus not generally paid.	Remuneration Committee has discretion to determine annual bonus.
Options	Options will be exercisable for six months from cessation based on a time pro-rated extent.	May only be exercised in relation to the proportion and within such period as determined by the Remuneration Committee	As ‘good leaver’

On death, the Option Grants, may be exercised by personal representatives within the period of twelve months beginning with the date of death subject to the satisfaction of any performance-related condition.

The Company has the power to enter into settlement agreements with Directors and to pay compensation to settle potential legal claims. The Company may make a contribution towards that individual’s legal fees and fees for outplacement services as part of a negotiated settlement.

Malus and clawback

Malus (being the forfeiture of unpaid or unvested awards) and clawback (being the ability of the Company to claim repayment of paid amounts) provisions apply to the Annual Bonus and Option Plan in certain circumstances (e.g. material misstatement of accounts, miscalculation of vesting/payouts and conduct that would or could justify summary dismissal). Normally, clawback can operate for up to three years following the vesting of an award.

Nativo Resources PLC

Directors Report for the Year Ended 31 December 2024

Directors' Report

The Directors submit their report and accounts for the financial year ended 31 December 2024. The comparative period is the year ended 31 December 2023.

Principal Activities

Nativo's purpose is to create value for shareholders through identifying cash generative opportunities in the extraction of natural resources which have the potential to deliver significant growth.

Nativo has interests in gold mining and exploration projects in Peru. Through a 50:50 JV established in July 2024 with an experienced local partner, Nativo secured an opportunity to scale operations at the Tesoro Gold Concession, owning 50% of the production and resources. Production and sales of ore to a local gold ore processing plant began in late December 2024.

In March 2025, Boku signed an option agreement to evaluate the opportunity to recover and sell gold and silver from the Toma La Mano tailings deposit in the Ancash region, redepositing the tailings in line with legislation.

In April 2025, Nativo acquired directly a 100% interest in the Morrocota Gold Mine, proximal to the Tesoro Gold Concession.

Future Developments

The Company is investigating other similar regional tailings opportunities. Longer-term, the Company plans to establish its own gold ore processing plant to retain a higher margin from production at its mines.

Results and Dividends

Turnover for the year, all in the continuing operations, was US \$44,000 (2023: US \$nil), and the loss before tax from continuing operations was US \$2.2 million (2023: US \$4.1 million). The Directors have not declared any, dividend in respect of the year ended 31 December 2024 (2023: US \$nil).

Directors

The Directors who served during the period were as follows:

Christian Yates (appointed 17 January 2022)
Stephen Birrell (appointed 13 November 2023)
Andrew Donovan (appointed 26 September 2024)
Martin Hull (resigned on 31 October 2024)
James Parsons (resigned 26 June 2024)

Directors' Insurance

The Group has taken out an insurance policy to indemnify the Directors and Officers of the Group against liability when acting for the Group.

Nativo Resources PLC

Directors Report for the Year Ended 31 December 2024

Auditor

Each person who is a Director at the date of approval of this annual report confirms to the best of their knowledge that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director has taken all steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.
- This information is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to reappoint the auditor MAH, Chartered Accountants will be proposed at the next General Meeting at which these accounts are laid.

Directors' Shareholding and Interests in Shares

Directors and connected persons	No. of shares at 31 December 2024
Christian Yates	280,531
Stephen Birrell	690,637
Andrew Donovan	-
Martin Hull (resigned 31 October 2024)	600,000
James Parsons (resigned 26 June 2024)	-

Subsequent Events

Events which have occurred since 31 December 2024 are included in Note 30 to the attached financial statements.

Going concern

The financial information for the year to 31 December 2024 has been prepared assuming the Group will continue as a going concern. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations.

The Group incurred a loss of \$2,247,205 during the year ended 31 December 2024 and, at that date, had the net current liabilities of \$1,475,449 and net liabilities of \$9,015,706. As stated in note 2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group's ability to continue as a going concern.

Information Set Out in the Strategic Report

The Directors have chosen to set out the following information relating to the assessment of financial risk on both page 11 of the Strategic Report, and in Note 23 of the Financial Statements.

Signed by order of the Directors

Stephen Birrell
Chief Executive Officer

4 June 2025

Nativo Resources PLC

Statement of Directors' Responsibilities

Directors are responsible for preparing the Strategic Report, the Directors' Report, and the Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the financial statements in accordance with UK-adopted international accounting standards and applicable law. Under Company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Company and the Group for that period.

In preparing these financial statements the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and to disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. They are further responsible for ensuring that the Strategic Report, the Directors' Report, other information included in the Annual Report and Financial Statements are prepared in accordance with applicable laws in the United Kingdom. The maintenance and integrity of the Company's website is the responsibility of the Directors: the work carried out by the auditor does not involve the consideration of these matters and accordingly, the auditor accepts no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website. Legislation in the UK governing the preparation and dissemination of the accounts and the other information included in the Annual Report may differ from legislation in other jurisdictions.

We confirm to the best of our knowledge:

- The Financial Statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertaking included in the consolidation taken as a whole.
- The Strategic Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Annual Report and Financial Statements, taken as a whole, are fair, balanced, understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

Stephen Birrell
Chief Executive Officer
4 June 2025

Nativo Resources PLC

Independent Auditor's Report to the Members of Nativo Resources PLC

Opinion

We have audited the financial statements of Nativo Resources PLC (the parent company) and its subsidiaries (the “group”) for the year ended 31 December 2024, which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Statements of Financial Position, the Consolidated and Parent Statements of Changes in Equity, the Consolidated and Parent Statements of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted International Accounting Standards.

In our opinion the financial statements,

- give a true and fair view of the state of the Group’s and of the parent company’s affairs as at 31 December 2024 and of the Group’s loss for the year then ended;
- have been properly prepared in accordance with UK adopted International Accounting Standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicate that the group incurred a loss of \$2,247,205 during the year ended 31 December 2024 and, at that date, had the net current liabilities of \$1,475,449 and net liabilities of \$9,015,706. As stated in note 2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors’ use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors’ assessment of the entity’s ability to continue to adopt the going concern basis of accounting included a critical assessment on budgets, including challenging models and undertaking stress tests, and a detailed discussion with management on the key cashflow pinch points, including loan repayments and funding available to the Group.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the Directors made subjective judgments, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

Nativo Resources PLC

Independent Auditor's Report to the Members of Nativo Resources PLC (continued)

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

The Group financial statements are a consolidation of a number of reporting units and components, comprising the Group's operating businesses and holding companies.

We performed audits of the complete financial information of Nativo Resources PLC and Boku Resources SAC which were individually financially significant and accounted for the vast majority of the Group's revenue, profit and loss, assets and liabilities. We also performed specified audit procedures over certain account balances and transaction classes that we regarded as material to the Group or subject to audit risk across the other reporting units and components. We have overall coverage of 100% of Group loss before tax, revenue, total assets and total liabilities.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

Key audit matters

Acquisition of Boku Resources SAC ("Boku")

The Group acquired a 50% interest in Boku in Peru for consideration of \$750,000 and has consolidated it as a subsidiary.

There is a significant risk the acquisition has not been correctly treated as a business combination under IFRS 3 and that the 50% interest does not meet the consolidation criteria under IFRS 10.

How our audit addressed the key audit matter

Our audit work in this area included:

- We reviewed the documentation around the acquisition and verified that the cost of acquisition was \$750,000.
- We confirmed the existence and ownership of the 50% interest by vouching to supporting documentation
- We checked and confirmed how the consideration has been paid, as well as the acquisition costs.
- We reviewed the joint venture and shareholder agreements and confirmed that the Group has sufficient power, control and the right to receive variable returns from Boku to meet the IFRS 10 criteria to be consolidated as a subsidiary.
- We checked and confirmed that there were no significant pre-acquisition reserves or losses, and no significant identifiable assets or liabilities at the acquisition date, and that no goodwill is recognised upon consolidation.

Nativo Resources PLC

Independent Auditor's Report to the Members of Nativo Resources PLC (continued)

Key audit matters

Going concern

The Group incurred a loss of \$2,247,205 during the year ended 31 December 2024 and, at that date, had the net current liabilities of \$1,475,449 and net liabilities of \$9,015,706.

These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and there is a significant risk that the going concern basis of preparation is not appropriate.

How our audit addressed the key audit matter

Our audit work in this area included:

- A critical assessment of the detailed cash flow projections prepared by the Directors, which are based on future revenue and cash injections, we also evaluated the sensitivity analysis against this forecast.
- We evaluated and challenged the key assumptions in the forecast, which were consistent with our knowledge of the business and considered whether these were supported by the evidence we obtained. We have analysed the risks affecting the ability of the Group and Company to continue to trade and meet its liabilities as they fall due for at least twelve months from the date of approval of the Group and Company financial statements.
- We examined the disclosures relating to the going concern basis of preparation and found that these provided an explanation of the Directors' assessment that was consistent with the evidence we obtained.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

	Group financial statements	Company financial statements
Overall materiality	\$42,000	\$39,000
How we determined it	2% of the loss for the year	2% of the loss for the year

Rationale for benchmark applied:

The Group has limited revenues and assets and has incurred significant expenses in the year. We believe the loss for the year is the primary measure used by the shareholders in assessing the performance of the Group and Company and is a generally accepted auditing benchmark.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between \$7,500 and \$9,000 (excluding dormant companies).

Nativo Resources PLC

Independent Auditor's Report to the Members of Nativo Resources PLC (continued)

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Nativo Resources PLC

Independent Auditor's Report to the Members of Nativo Resources PLC (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Group, including AIM rules and the Companies Act 2006.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Group's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias;
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;

There are inherent limitations in our audit procedures described above. The more removed those laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Nativo Resources PLC

Independent Auditor's Report to the Members of Nativo Resources PLC

Non-audit services

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or Company and we remain independent of the Group and Company in conducting our audit. Our audit opinion is consistent with the additional report to the audit committee.

Other matter

We were engaged to audit the financial statements for the year ended 31 December 2023 however we were not able to express an opinion and we issued a disclaimer of opinion.

This was due to the lack of information and accounting records relating to the Group's wholly owned subsidiaries Eco Energy CDL Op Limited and Eco Energy TA Op Limited and the sale of the Santa Cruz operations in Argentina. We were not able to obtain sufficient audit evidence over the results from discontinued operations, the gain on disposal and the related disclosures.

However, we have reviewed the circumstances and the audit evidence available for the Group's assets and liabilities as at 31 December 2023 and have not identified any issues which affect the balances as at 31 December 2024 or the profit and loss for the year then ended. We note that the above subsidiaries were dormant in the current year and did not have any significant assets or liabilities included within the Group's Statement of Financial Position as at 31 December 2023 or 2024.

Use of this report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mohammed Haque (Senior Statutory Auditor)
For and on behalf of
MAH, Chartered Accountants,
Statutory Auditor
2nd Floor
154 Bishopsgate
London
EC2M 4LN

Date: 4 June 2025

Nativo Resources PLC

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2024

		2024 US \$	2023 (Restated) US \$
Continuing operations	Note		
Revenue	5	44,000	-
Cost of sales		(216,701)	-
Gross profit		(172,701)	-
Distribution costs		-	-
Administrative expenses		(1,418,959)	(1,218,489)
Other losses	7	3,289	(2,298)
Operating loss		(1,588,371)	(1,220,787)
Finance income		433,944	203,371
Finance costs		(1,092,778)	(3,068,100)
Net finance income/(cost)	8	(658,834)	(2,864,729)
Loss before tax		(2,247,205)	(4,085,516)
Taxation	13	-	-
Loss for the year		(2,247,205)	(4,085,516)
Minority interest adjustment		157,133	-
Loss for the year from continuing operations		(2,090,072)	(4,085,516)
Discontinued operations			
Profit/(loss) for the year after taxation from discontinued operations	11	-	9,055,875
Profit/(loss) for the year		(2,090,072)	4,970,359
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)			
Exchange difference on translating foreign operations		-	1,634,560
Total comprehensive income for the year		(2,090,072)	6,604,919
Profit/(loss) attributable to:			
Owners of the company		(2,090,072)	4,970,359
Profit/(loss) per share (US cents)			
Basic	14	(0.01)	0.10
Diluted		(0.01)	0.10

Nativo Resources PLC

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2024

**Profit/(loss) per share (US cents) for
continuing operations**

Basic	14	<u>(0.01)</u>	<u>(0.08)</u>
Diluted		<u>(0.01)</u>	<u>(0.08)</u>

The notes on pages 57 to 90 form an integral part of these financial statements

Nativo Resources PLC

(Registration number: 05483127)

Consolidated Statement of Financial Position as at 31 December 2024

	Note	31 December 2024 US \$	31 December 2023 (Restated) US \$
Assets			
Non-current assets			
Property, plant and equipment	16	32,599	1
Intangible assets	17	36,200	-
Right of use asset	18	-	41,958
		<u>68,799</u>	<u>41,959</u>
Current assets			
Trade and other receivables	21	178,996	94,459
Equity accounted investments	20	86,738	283,422
Cash and cash equivalents	22	46,073	83,127
		<u>311,807</u>	<u>461,008</u>
Assets of disposal group held for sale		-	-
Total assets		<u>380,606</u>	<u>502,967</u>
Equity and liabilities			
Equity			
Share capital	25	(19,868,311)	(19,796,814)
Share premium		(86,177,203)	(84,123,447)
Capital contribution reserve		(7,212,492)	(7,212,492)
Foreign currency translation reserve		1,846,481	1,846,481
Warrant reserve		(263,273)	(510,732)
Share option reserve		(3,022)	(676,294)
Non-Controlling Interest		157,133	-
Retained earnings		120,536,393	119,370,074
Equity attributable to owners of the company		<u>9,015,706</u>	<u>8,896,776</u>
Non-current liabilities			
Loans and borrowings	26	(7,609,056)	(8,556,912)
		<u>(7,609,056)</u>	<u>(8,556,912)</u>
Current liabilities			
Loans and Borrowings	26	(1,133,337)	-
Current portion of lease liabilities	24	-	(44,078)
Trade and other payables	24	(653,919)	(798,753)
		<u>(1,787,256)</u>	<u>(842,831)</u>
Total liabilities		<u>(9,396,312)</u>	<u>(9,399,743)</u>
Total equity and liabilities		<u>(380,606)</u>	<u>(502,967)</u>

Nativo Resources PLC

(Registration number: 05483127)

Consolidated Statement of Financial Position as at 31 December 2024

Approved by the Board on 4 June 2025 and signed on its behalf by:

.....
Stephen Birrell
Director

The notes on pages 57 to 90 form an integral part of these financial statements

Nativo Resources PLC

(Registration number: 05483127)

Company Statement of Financial Position as at 31 December 2024

	Note	31 December 2024 US \$	31 December 2023 (Restated) US \$
Assets			
Non-current assets			
Property, plant and equipment	16	1	1
Intangible assets	17	-	-
Right of use assets	18	-	41,958
Trade and other receivables	21	757,878	-
		<u>757,879</u>	<u>41,959</u>
Current assets			
Current investments	20	86,738	283,422
Trade and other receivables	21	61,334	94,459
Cash and cash equivalents	22	6,540	82,357
		<u>154,612</u>	<u>460,238</u>
Total assets		<u>912,491</u>	<u>502,197</u>
Equity and liabilities			
Equity			
Share capital	25	(19,868,311)	(19,796,814)
Share premium		(86,177,871)	(84,123,447)
Capital contribution reserve		(7,212,492)	(7,212,492)
Foreign currency translation reserve		2,531,799	2,531,799
Warrant reserve		(263,273)	(510,732)
Share option reserve		(3,022)	(676,294)
Retained earnings		119,978,932	118,949,904
Total equity		<u>8,985,762</u>	<u>9,161,924</u>
Non-current liabilities			
Loans and borrowings	26	(7,609,056)	(8,556,912)
Other non-current financial liabilities		(551,331)	(264,378)
		<u>(8,160,387)</u>	<u>(8,821,290)</u>
Current liabilities			
Loans and Borrowings	26	(1,133,337)	-
Current portion of lease liabilities	24	-	(44,078)
Trade and other payables	24	(604,529)	(798,753)
Total liabilities		<u>(9,898,253)</u>	<u>(9,664,121)</u>
Total equity and liabilities		<u>(912,491)</u>	<u>(502,197)</u>

Nativo Resources PLC
(Registration number: 5483127)
Company Statement of Financial Position as at 31 December 2024

The Company has not presented its own profit and loss account. Its loss for the year was US \$1,952,781 (2023: US \$4,662,557).

Approved by the board on 4 June 2025 and signed on its behalf by:

.....
Stephen Birrell
Director

The notes on pages 57 to 90 form an integral part of these financial statements

Nativo Resources PLC

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2024

	Share capital US \$	Shares to be issued US \$	Share premium US \$	Capital contribution reserve US \$	Foreign currency translation reserve US \$	Share option reserve US \$	Warrant reserve US \$	Minority Interest US \$	Retained earnings US \$	Total equity US \$
At 1 January 2024	19,796,814	-	84,123,447	7,212,492	(1,846,481)	676,294	510,732	-	(118,094,311)	(7,621,013)
Prior Year Adjustments (Note 31)	-	-	-	-	-	-	-	-	(1,275,763)	(1,275,763)
At 1 January 2024 (Restated)	19,796,814	-	84,123,447	7,212,492	(1,846,481)	676,294	510,732	-	(119,370,074)	(8,896,776)
Loss for the year	-	-	-	-	-	-	-	-	(2,247,205)	(2,247,205)
Discontinued operations	-	-	-	-	-	-	-	-	-	-
Minority Interest for Boku	-	-	-	-	-	-	-	(157,133)	157,133	-
Total comprehensive income	-	-	-	-	-	-	-	(157,133)	(2,090,072)	(2,247,205)
New share capital subscribed	71,497	-	2,053,756	-	-	-	-	-	-	2,125,253
Warrants issued	-	-	-	-	-	-	321,278	-	(321,278)	-
Warrants lapsed	-	-	-	-	-	-	(568,737)	-	568,737	-
Shares lapsed	-	-	-	-	-	(676,294)	-	-	676,294	-
Share-Based payments	-	-	-	-	-	3,022	-	-	-	3,022
At 31 December 2024	19,868,311	-	86,177,203	7,212,492	(1,846,481)	3,022	263,273	(157,133)	(120,536,393)	(9,015,706)

Nativo Resources PLC

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2023

	Share capital US \$	Shares to be issued US \$	Share premium US \$	Capital contribution reserve US \$	Foreign currency translation reserve US \$	Share option reserve US \$	Warrant reserve US \$	Retained earnings US \$	Total equity US \$
At 1 January 2023	19,795,863	97,523	83,790,504	7,212,492	(3,481,041)	644,560	1,433,428	(125,263,129)	(15,769,800)
Loss for the year	-	-	-	-	-	-	-	(2,809,753)	(2,809,753)
Discontinued operations	-	-	-	-	-	-	-	9,055,875	9,055,875
Exchange reserve	-	-	-	-	1,634,560	-	-	-	1,634,560
Total comprehensive income	-	-	-	-	1,634,560	-	-	6,246,122	7,880,682
New share capital subscribed	951	(97,523)	332,943	-	-	-	-	-	236,371
Warrants issued	-	-	-	-	-	-	(36,756)	36,756	-
Warrants lapsed	-	-	-	-	-	-	(885,940)	885,940	-
Share based payments	-	-	-	-	-	31,734	-	-	31,734
At 31 December 2023	19,796,814	-	84,123,447	7,212,492	(1,846,481)	676,294	510,732	(118,094,311)	(7,621,013)

Nativo Resources PLC

Company Statement of Changes in Equity for the Year Ended 31 December 2024

	Share capital US \$	Shares to be issued US \$	Share premium US \$	Capital contribution reserve US \$	Foreign currency translation reserve US \$	Share option reserve US \$	Warrant Reserve US \$	Retained earnings US \$	Total US \$
At 1 January 2024	19,796,814	-	84,123,447	7,212,492	(2,531,799)	676,294	510,732	(117,674,141)	(7,886,161)
Prior Year Adjustments (Note 31)	-	-	-	-	-	-	-	(1,275,763)	(1,275,763)
At 1 January 2024 (Restated)	19,796,814	-	84,123,447	7,212,492	(2,531,799)	676,294	510,732	(118,949,904)	(9,161,924)
Loss for the year	-	-	-	-	-	-	-	(1,952,781)	(1,952,781)
Exchange reserve	-	-	668	-	-	-	-	-	668
Total comprehensive income	-	-	668	-	-	-	-	(1,952,781)	(1,952,113)
New share capital subscribed	71,497	-	2,053,756	-	-	-	-	-	2,125,253
Warrants issued	-	-	-	-	-	-	321,278	(321,278)	-
Warrants lapsed	-	-	-	-	-	-	(568,737)	568,737	-
Share options lapsed	-	-	-	-	-	(676,294)	-	676,294	-
Share-based payments	-	-	-	-	-	3,022	-	-	3,022
At 31 December 2024	19,868,311	-	86,177,871	7,212,492	(2,531,799)	3,022	263,273	(119,978,932)	(8,985,762)

Nativo Resources PLC

Company Statement of Changes in Equity for the Year Ended 31 December 2023

	Share capital US \$	Shares to be issued US \$	Share premium US \$	Capital contribution reserve US \$	Foreign currency translation reserve US \$	Share option reserve US \$	Warrant Reserve US \$	Retained earnings US \$	Total US \$
At 1 January 2023	19,795,863	97,523	83,790,504	7,212,492	(2,228,569)	644,560	1,433,428	(115,210,043)	(4,464,242)
Loss for the year	-	-	-	-	-	-	-	(3,386,794)	(3,386,794)
Exchange reserve	-	-	-	-	(303,230)	-	-	-	(303,230)
Total comprehensive income	-	-	-	-	(303,230)	-	-	(3,386,794)	(3,690,024)
New share capital subscribed	951	(97,523)	332,943	-	-	-	-	-	236,371
Warrants issued	-	-	-	-	-	-	(36,756)	36,756	-
Warrants lapsed	-	-	-	-	-	-	(885,940)	885,940	-
Share-based payments	-	-	-	-	-	31,734	-	-	31,734
At 31 December 2023	19,796,814	-	84,123,447	7,212,492	(2,531,799)	676,294	510,732	(117,674,141)	(7,886,161)

Share premium represents the amounts subscribed for share capital in excess of the nominal value of the shares issued, net of cost of issue.

Capital contribution reserve represents a contribution to group made as part of the 2022 debt restructuring, through forgiveness of debt.

Warrant reserve represents the cumulative fair value of share warrants granted which are not lapsed, cancelled or exercised.

Share options reserve represents the cumulative fair value of share options granted.

Foreign currency translation reserve arises on the retranslation of the prior period results and financial position of foreign operations into presentation currency.

Retained earnings represents the cumulative net gains and losses recognised in the income statement.

The notes on pages 57 to 90 form an integral part of these financial statements

Nativo Resources PLC

Consolidated Statement of Cash Flows for the Year Ended 31 December 2024

	Note	2024 US \$	2023 (Restated) US \$
Cash flows from operating activities			
Profit/(loss) for the year on continued operations		(2,247,205)	(4,085,516)
Profit/(loss) for the year on discontinued operations		-	9,055,875
		(2,247,205)	4,970,359
Adjustments to cash flows from non-cash items			
Depreciation and amortisation		16,395	27,972
Impairment of intangible assets and goodwill		-	(372,433)
Loss from sales of tangible assets		(3,289)	2,298
Fair value losses of current investments		208,722	226,522
Finance income	8	(3,025)	(3,450)
Finance costs	8	884,056	916,292
Exchange differences		(401,670)	649,523
Share option issued and lapsed		(923,753)	-
Share based payment transactions		3,022	31,735
Minority Interest		157,133	-
Loss on disposal of investments		-	(8,232,617)
Total adjustments		(62,409)	(6,754,158)
Decrease/(increase) in inventory		-	-
Decrease/(increase) in trade and other receivables	21	(2,944)	675,092
(Decrease)/increase in trade and other payables	22	(38,255)	(1,538,208)
Total working capital movement		(41,199)	(863,116)
Net cash flow from operating activities		(2,350,813)	(2,646,915)
Cash flows from investing activities			
Interest received	8	3,025	3,450
Acquisitions of property plant and equipment		-	-
Net cash flows from investing activities		3,025	3450
Cash flows from financing activities			
Issue of share capital		2,125,253	235,463
Loans received		185,481	1,358,513
Net cash flows from financing activities		2,310,734	1,593,976
Net increase/(decrease) in cash and cash equivalents		(37,054)	(1,049,489)
Cash and cash equivalents at 1 January		83,127	1,132,616
Foreign exchange gains/(losses) on cash and cash equivalents		-	-
Cash and cash equivalents at 31 December		46,073	83,127

The notes on pages 57 to 90 form an integral part of these financial statements

Nativo Resources PLC

Company Statement of Cash Flows for the Year Ended 31 December 2024

	Note	2024 US \$	2023 (Restated) US \$
Cash flows from operating activities			
Profit/(loss) for the year from continuing operations		(1,952,781)	(4,662,557)
Profit/(loss) for the year from discontinuing operations		-	-
Adjustments to cash flows from non-cash items			
Depreciation and amortisation		16,395	27,972
Impairment charges		-	1,562,322
Exchange differences		(381,827)	649,523
Fair value loss		208,722	226,522
Profit from disposals of investments		1,383	(734,470)
Finance income	8	-	-
Share option issued and lapsed		(923,753)	-
Finance costs	8	884,056	916,292
Share based payment transactions		3,022	31,735
Total adjustments		(192,002)	2,679,896
Decrease/(increase) in amounts owing by subsidiary undertakings			
(Increase)/decrease in trade and other receivables	21	(724,753)	139,719
(Decrease)/increase in trade and other payables	24	489,739	180,943
Net cash flow from operating activities		(2,379,797)	(1,661,999)
Cash flows from investing activities			
Interest received	8	(6,754)	3,450
Purchase of intangible assets		-	-
Purchase of investments		-	-
Net cash flows from investing activities		(6,754)	3,450
Cash flows from financing activities			
Issue of share capital		2,125,253	235,463
Loans received		185,481	1,358,513
Net cash flows from financing activities		2,310,734	1,593,976
Net increase/(decrease) in cash and cash equivalents		(75,817)	(64,573)
Cash and cash equivalents at 1 January		82,357	146,930
Cash and cash equivalents at 31 December		6,540	82,357

The notes on pages 57 to 90 form an integral part of these financial statements

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

1 General information

These financial statements are for Nativo Resources PLC (“the Company”) and subsidiary undertakings (“the Group”). The Company is a public company limited by share capital, incorporated and domiciled in England and Wales. The Company was incorporated under the Companies Act 2006. The nature of the Company's operations and its principal activities are set out in the Directors' Report on pages 36 to 37.

The Company's functional current is the United States dollar (US \$). Transactions arising in currencies other than the US \$ are translated at average exchange rates for the relevant accounting period, with material transactions being accounted for at the rate of exchange on the date of the transaction.

The Group presents its financial information in US \$. The results and position of subsidiary undertakings that have a different functional currency to US \$ are treated as follows:

- Assets and liabilities for each financial reporting date presented are translated at the closing rate of that financial reporting period.
- Income and expenses for each income statement (including comparatives) is translated at exchange rates at the dates of transactions. For practical reasons, the Company applies straight average exchange rates for the period.
- All resulting changes are recognised as a separate component of equity.
- Equity items are translated at exchange rates at the date of transactions.

2 Accounting policies

Statement of compliance

The group financial statements have been prepared in accordance with International Financial Reporting Standards and its interpretations adopted by the UK ("UK adopted IFRSs").

Summary of material accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with adopted IFRSs and under historical cost accounting rules.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies.

Going concern

The financial information has been prepared assuming the Group will continue as a going concern. Under the going concern assumption, an entity is ordinarily viewed as continuing in business for the foreseeable future with neither the intention nor the necessity of liquidation, ceasing trading or seeking protection from creditors pursuant to laws or regulations.

The Group incurred a loss of \$2,247,205 during the year ended 31 December 2024 and, at that date, had the net current liabilities of \$1,475,449 and net liabilities of \$9,015,706. These conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

2 Accounting policies (continued)

Going concern (continued)

When assessing the foreseeable future, the Directors have looked at a period of 12 months from the date of approval of this report. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic report and Directors' report. In addition, note 23 to the financial statements includes the Group's objectives, policies and processes for managing its capital, its financial risk management objectives and its exposures to credit risk and liquidity risk.

The Directors continue to hold positive discussions with existing and potential investors. Moreover, they also continue to engage in negotiations to acquire cash generative opportunities in the extraction of natural resources, which would add to the Company's existing portfolio of mining interests and which have the potential to deliver significant growth. The post balance sheet events referred to in Note 30 also have a positive impact on going concern.

Consequently, the Directors think the going concern assumption continues to be appropriate although there remain material uncertainties as to:

1. Successfully raising sufficient funds;
2. Restructuring the €10m Eurobond within a suitable timescale;
3. The Company's existing assets and projects becoming sufficiently cash-positive to fund the business going forward.

In the meantime, the Company's working capital position remains tight, and the Directors are carefully managing the Company's cashflows and creditors. The Company will need to raise further funds by the end of July in order to continue as a going concern. There can be no certainty at this stage as to the likelihood of success or the timing of these fundraising efforts.

The Directors prepare annual budgets and cash flow projections that extend beyond 12 months from the date of this report. These projections include the proceeds of future fundraising necessary within the next 12 months to meet the Company's and Group's overheads and planned discretionary project expenditures and to maintain the Company and Group as going concerns. Although the Company has been successful in raising finance in the past, there is no assurance that it will obtain adequate finance in the future. This represents a material uncertainty related to events or conditions which may cast significant doubt on the Group's and Company's ability to continue as going concerns and, therefore, that they may be unable to realise their assets and discharge their liabilities in the normal course of business. However, the Directors have a reasonable expectation that they will secure additional funding when required to continue meeting corporate overheads and exploration costs for the foreseeable future and therefore the Directors believe that the going concern basis is appropriate for the preparation of the financial statements.

After making enquiries, the Directors have a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis in preparing the annual report and financial statements, however as noted above a material uncertainty exists which may cast significant doubt on the Group's ability to continue operating as a going concern.

Basis of consolidation

The group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 December 2024.

A subsidiary is an entity controlled by the company. Control is achieved where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

2 Accounting policies (continued)

Basis of consolidation (continued)

The purchase method of accounting is used to account for business combinations that result in the acquisition of subsidiaries by the Group. The cost of a business combination is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the business combination. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised is recorded as goodwill.

Inter-company transactions, balances and unrealised gains on transactions between the Company and its subsidiaries, which are related parties, are eliminated in full.

Intra-group losses are also eliminated but may indicate an impairment that requires recognition in the consolidated financial statements.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling shareholder's share of changes in equity since the date of the combination. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

A joint arrangement is one in which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Certain of the Group's licence interests are held jointly with others. Accordingly, when the Company holds a majority stake, the Group accounts for its share of assets, liabilities, income and expenditure of these joint operations, classified in the appropriate statement of financial position and income statement headings.

Where the Group's interest is in a minority, relinquishing control and having only a right to profits, with an indemnity against future costs, the Group account on an investment basis, only recognising income on receipt of, effectively, dividend income.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 January 2024 have had a material effect on the financial statements.

None of the standards, interpretations and amendments which are effective for periods beginning after 1 January 2024 and which have not been adopted early, are expected to have a material effect on the financial statements.

Revenue recognition

Revenue comprises the invoice value of goods and services supplied by the Group, net of value added taxes and trade discounts. Revenue is recognised in the case of gold ore sales when goods are delivered and title has passed to the customer. This generally occurs when the product is physically transferred. Nativo recognised revenue in accordance with IFRS 15. Our joint venture partner markets gold on our behalf. Gold prices vary from month to month based on seasonal demand from customer segments and, production in the market as a whole. Our partner agrees pricing based on agreed pricing mechanisms in contracts.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

2 Accounting policies (continued)

Tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from, or paid to, the tax authorities. The tax rates and the tax laws used to compute the amount are those that are enacted, or substantively enacted, by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the current year amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit.

Deferred tax assets are recognised to the extent the temporary difference will reverse in the foreseeable future and it is probable that future taxable profit will be available against which the asset can be utilised.

Deferred tax is recognised for all deductible temporary differences arising from investments in subsidiaries, branches and associates, and interests in joint ventures, to the extent it is probable that the temporary difference will reverse in the foreseeable future.

Property, plant and equipment

Property, plant and equipment is stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

Gold properties are depleted on a unit of production basis commencing at the start of commercial production or depreciated on a straight-line basis over the relevant asset's estimated useful life. Expenditure is depreciated on a unit of production basis; the depletion charge is calculated according to the proportion that production bears to the recoverable reserves for each property. Depreciation will not be charged on an asset in the course of construction, depreciation commences when the asset is brought into use and will be depleted according to the proportion that production bears to the recoverable reserves for each property.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Fixtures & fittings	12% to 33.3% straight line

Property right of use asset

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use lease is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before commencement date plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted using the incremental borrowing rate of the individual company which is the lessee.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

2 Accounting policies (continued)

Other intangible assets - exploration and evaluation costs

Exploration and evaluation (“E&E”) expenditure comprises costs which are directly attributable to researching and analysing exploration data. It also includes the costs incurred in acquiring mineral rights, the entry premiums paid to gain access to areas of interest and amounts payable to third parties to acquire interests in existing projects. When it has been established that a mineral deposit has development potential, all costs (direct and applicable overhead) incurred in connection with the exploration and development of the mineral deposits are capitalised until either production commences or the project is not considered economically viable. In the event of production commencing, the capitalised costs are amortised over the expected life of the mineral reserves on a unit of production basis. Other pre-trading expenses are written off as incurred. Where a project is abandoned or is considered to be of no further interest, the related costs are written off.

Impairment of tangible and intangible assets excluding goodwill

At the date of each statement of financial position, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit (“CGU”) to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the Group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

2 Accounting policies (continued)

Investments

Investments in securities are classified on initial recognition as available-for-sale and are carried at fair value, except where their fair value cannot be measured reliably, in which case they are carried at cost, less any impairment.

Unrealised holding gains and losses other than impairments are recognised in other comprehensive income. On maturity or disposal, net gains and losses previously deferred in accumulated other comprehensive income are recognised in income.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

Trade receivables

Trade receivables are amounts due from customers for goods or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

2 Accounting policies (continued)

Conversion of foreign currency

Foreign currency transactions are translated at the average exchange rates over the year, material transactions are recorded at the exchange rate ruling on the date of the transaction. Assets and liabilities are translated at the rates prevailing at the balance sheet date. The Group has significant transactions and balances denominated in Euros and GBP. The year-end exchange rate to USD was US \$1 to GBP £0.7990 and US \$1 to €0.9335 (2023: US \$1 to GBP £0.7855, US \$1 to €0.9060) US \$1 to ARS \$1,144.52 (2023: US \$1 to ARS \$810.819) and the average exchange rate during 2023 was US \$1 to GBP £0.7981 (2023: US \$1 to GBP £0.8039).

In the Company financial statements, the income and expenses of foreign operations are translated at the exchange rates ruling at the dates of the transactions. The assets and liabilities of foreign operations, both monetary and non-monetary, are translated at exchange rates ruling at the balance sheet date. The reporting currency of the Company and group is United States Dollars (US \$).

Share-based payments

The fair value of equity instruments granted to employees is charged to the income statement, with a corresponding increase in equity. The fair value of share options is measured at grant date, using the binomial option pricing model or Black-Scholes pricing model were considered more appropriate, and spread over the period during which the employee becomes unconditionally entitled to the award. The charge is adjusted to reflect the number of shares or options that vest.

The Group operates an equity-settled, share-based compensation plan, under which the entity receives services from employees as consideration for equity instruments (options) of the entity. The fair value of the employee services received is measured by reference to the estimated fair value at the grant date of equity instruments granted and is recognised as an expense over the vesting period. The estimated fair value of the option granted is calculated using the Black Scholes option pricing model. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Inventory

Nativo has chosen to value gold inventories, a commodity product, at net realisable value, the value is based on a discounted observable year-end market price. Other inventory items are valued at the lower of net realisable value and cost.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

2 Accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Equity instruments

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions, in accordance with IAS 32:

- They include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- Where the instrument will or may be settled in the Group's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the Group exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the financial instrument is classified as a financial liability.

Use of estimates and judgements

The preparation of financial statements in conforming with adopted IFRSs requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities as at the balance sheet date and the reported amount of revenues and expenses during the period. Actual outcomes may differ from those estimates. The key sources of uncertainty in estimates that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are the impairment of assets and the Group's going concern assessment.

Amounts capitalised to the consolidated statements of financial position

In accordance with the Group policy, expenditures are capitalised only where the Group holds a licence interest in an area. All expenditure relating to the Bolivian company has been expensed to the statement of comprehensive income, as the Group has not yet been assigned any licence interests in the country. The Group has capitalised its participation in the SCS assets.

Prior to the decision to dispose of the majority of its SCS interest, expenses incurred in the UK relating to SCS were capitalised. All such capitalised UK costs were then impaired to nil value following the disposal decision.

Valuation of assets

In the previous year in line with the requirements of IFRS 5, management have considered impairment in the assets held for sale by comparing the expected fair value less costs to sell (which was agreed in June 2023) and the carrying value of the disposal group. On the basis the fair value less costs to sell were in excess of the carrying value of the disposal group no impairments were considered necessary.

In the previous year the parent company's investment in subsidiary has been written down to the fair value less costs to sell as the value achieved is indicative of the value at the balance sheet date and the majority of the activity of the subsidiaries is linked to the discontinued operations.

Management have previously impaired \$506,818 of intangible assets which were costs associated with asset capitalised in the parent company. This intangible has not been disposed of but is linked to the activities of the discontinued operations and therefore have been fully impaired at 31 December 2023.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

2 Accounting policies (continued)

Functional currency

The groups principal activities are undertaken in the UK and Peru. Judgement is required to assess to the functional currency of the Group's components and subsidiaries. Consistent with previous years, management have determined that the functional currency is USD on the basis that revenues, a portion of the cost base and financing activities are denominated in USD.

Settlement of financial liabilities

As detailed in note 26, during the year the Company renegotiated and / or settled certain financial liabilities. These were on favourable terms to the Group. Judgement is required to assess whether the counterparties to the liabilities were acting in their capacity as shareholders to the Group. On the basis of the favourable terms management have determined they were acting in their capacity as shareholders and have accounted for the renegotiation or settlement accordingly as detailed in note 26.

Carrying value of investment subsidiaries

An impairment provision has been made on the carrying value of investment in subsidiaries, writing them down to the disposal value achieved on the sale of the underlying SCS interests in June 2023.

3 Segmental analysis

The Group has adopted IFRS 8 Operating Segments. Per IFRS 8, operating segments are regularly reviewed and used by the Board of Directors being the chief operating decision maker for strategic decision-making and resources allocation, in order to allocate resources to the segment and assess its performance.

At the year end 31 December 2024, there are two business segments based on operations:

SEGMENTAL RESULTS	Boku (Peru) 2024	Head office (UK) 2024	Total 2024
Revenue	44,000	-	44,000
Operating profit (loss) before depreciation, share-based payment charges, restructuring costs and gain (loss) on sale of assets and foreign exchange:	(313,826)	(1,255,128)	(1,568,954)
Depreciation of tangibles	-	(16,395)	(16,395)
Amortisation of intangibles	-	-	-
Share based payments	-	(3,022)	(3,022)
Foreign exchange gain	-	-	-
Operating profit/(loss)	(313,826)	(1,274,545)	(1,588,371)
Finance expense	(2,450)	(1,090,328)	(1,092,778)
Other income	2,010	431,934	433,944
Profit/(loss) before taxation	(314,266)	(1,932,939)	(2,247,205)

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

3 Segmental analysis (continued)

SEGMENTAL ASSETS	Boku (Peru) 2024	Head office (UK) 2024	Total 2024
Property, plant and equipment	32,598	1	32,599
Intangible assets	36,200	-	36,200
Cash and cash equivalents	23,525	22,548	46,073
Trade and other receivables	25,862	153,134	178,996
	118,185	175,683	293,868

At the year end 31 December 2023, there is one business segment based on operations, due to the discontinued operations:

SEGMENTAL RESULTS	Head office (UK) 2023 (Restated)	Total 2023 (Restated)
Revenue	-	-
Operating profit (loss) before depreciation, share-based payment charges, restructuring costs and gain (loss) on sale of assets and foreign exchange:	(1,161,081)	(1,161,081)
Depreciation of tangibles	(27,972)	(27,972)
Amortisation of intangibles	-	-
Share based payments	(31,734)	(31,734)
Foreign exchange gain (loss)	-	-
Operating profit/(loss)	(1,220,787)	(1,220,787)
Finance expense	(3,068,100)	(3,068,100)
Other income	203,371	203,371
Profit/(loss) before taxation	(4,085,516)	(4,085,516)
SEGMENTAL ASSETS		
Property, plant and equipment	1	1
Intangible assets	-	-
Cash and cash equivalents	83,127	83,127
Trade and other receivables	94,459	94,459
	177,587	177,587

There is no difference in geographical information for both the year end 31 December 2023 and 2024 for continuing operations. The accounting policies of the reportable segments are the same as the Group's accounting policies.

Activity in Argentina, being the Santa Cruz Sur operations are set out within discontinued operations within note 11.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

4 Discontinued operations

Disposal of SCS

On 30 June 2023, the group disposed of SCS, which formed part of the group operations. Cash flows and operations that relate to a major component of the business or geographical region that has been sold are shown separately from continuing operations.

Assets and businesses classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell. No depreciation is charged on assets and businesses classified as held for sale.

Assets and businesses are classified as held for sale if their carrying amount will be recovered or settled principally through a sale transaction rather than through continuing use. This condition is regarded as being met only when the sale is highly probable and the assets or businesses are available for immediate sale in their present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Finance income or costs are included in discontinued operations only in respect of financial assets or liabilities classified as held for sale or derecognised on sale.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

5 Revenue

The analysis of the Group's revenue for the year from continuing operations is as follows:

	2024 US \$	2023 (Restated) US \$
Sales	44,000	-

The revenue for 2024 derives from Boku's artisanal gold mining operations in Peru and the sales were made at a point in time.

6 Other operating income

The analysis of the Group's other operating income for the year is as follows:

	2024 US \$	2023 US \$
Other operating income	-	-

7 Other losses

	2024 US \$	2023 US \$
Other losses		
Profit / (Loss) on disposal of fixed asset	3,289	(2,298)

8 Finance income and costs

	2024 US \$	2023 (Restated) US \$
Finance income		
Other finance income	3,025	3,450
Foreign exchange gains	401,670	-
Sale of option	-	25,462
Other operating income	29,249	174,459
Net foreign exchange gain	433,944	203,371
Finance costs		
Fair value losses	(208,722)	(226,522)
Foreign exchange losses	-	(649,523)
Interest on bank overdrafts and borrowings	-	-
Interest expense on other financing liabilities	(884,056)	(2,192,055)
Total finance costs	(1,092,778)	(3,068,100)
Net finance income/(costs)	(658,834)	(2,864,729)

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

9 Expenses and auditors' remuneration

	2024	2023
	US \$	US \$
Depreciation of property, plant and equipment	16,395	27,972
Fees payable to the company's auditor	35,043	31,827

10 Staff costs

The aggregate payroll costs (including directors' remuneration) were as follows:

	2024	2023
	US \$	US \$
Wages and salaries	525,547	558,049
Social security costs	40,294	62,791
Pension costs, defined contribution scheme	-	25,743
Share-based payment expenses	3,022	31,735
	<u>568,863</u>	<u>678,318</u>

Remuneration of key personnel is set out in the table below:

	2024	2023
	US \$	US \$
Wages and salaries	521,446	330,865
Social security costs	40,169	40,103
Pension costs, defined contribution scheme	-	8,517
Private health insurance	1,722	5,930
Share-based payment expenses	3,022	31,735
	<u>566,359</u>	<u>417,150</u>

The average number of persons employed by the Group (including directors) during the year, analysed by category was as follows:

	2024	2023
	No.	No.
Administration and support	<u>4</u>	<u>8</u>

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

11 Discontinued operations

In November 2022 the Company committed to selling virtually all of its interest in the Santa Cruz oil and gas operations in Argentina to its joint-venture partner Interoil. A term of the sale was for Nativo to relinquish any management and accounting in respect of the joint venture, instead receiving a profit share in proportion to the remaining 5% holding in the joint venture, effectively as investment income.

The sale was completed on 26 June 2023, satisfied by £825,000 in cash, shares to the value of £400,000 in Interoil and £75,000 investment in Nativo Resources PLC shares by Interoil. At 31 December 2022 the Argentinian operations were classified as a disposal group held for sale and as discontinued operations. The results of the Argentinian operations for the period are presented below:

	2024 US \$	2023 US \$
Revenue		
Oil and Gas Revenue	-	3,632,393
Total revenue	-	3,632,393
Cost of sales		
Production costs	-	(7,912,008)
Depletion	-	-
Total cost of sales	-	(7,912,008)
Gross loss	-	(4,279,615)
Exploration expenses	-	-
Impairment of plant and equipment	-	-
Administrative expense	-	(803,530)
Operating loss from discontinued operations	-	(5,083,145)
Finance expense	-	(4,157,561)
Foreign exchange gain	-	(34,792)
Profit on disposal	-	18,331,373
Profit/(Loss) for the year before taxation from discontinued operations	-	9,055,875
Deferred tax asset write-off	-	-
Profit/(Loss) for the year after taxation from discontinued operations	-	9,055,875

12 Joint arrangements

As described in both the strategic and governance reports, in particular in the Financial Review, Nativo has interests in gold mining and exploration projects in Peru. Through Boku, a 50:50 joint venture, established in July 2024, with an experienced local partner, Nativo secured an opportunity to scale operations at the Tesoro Gold Concession, owning 50% of the production and resources. Production and sales of ore to a local gold ore processing plant began in late December 2024. Nativo has power and control over Boku and the right to receive variable returns and so they are treated as subsidiary and consolidated in 31 December 2024.

As set out in Note 11, in December 2022 the decision was made to divest of the Group's previous joint arrangements and concessions, following which, in June 2023 that interest was reduced to a 5% holding and the joint arrangement thereby has been treated in the accounts as discontinued operations.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

13 Taxation

	Year to 31 December 2024 US \$	Year to 31 December 2023 (Restated) US \$
Tax on profit on ordinary activities		
Taxation charged based on profits for the period	-	-
UK corporation tax based on the results for the period	-	-
Deferred tax asset write-off in subsidiary	-	-
Total tax expense in income statement	-	-

Reconciliation of the tax expenses

UK corporation tax is calculated at 25% (2023:19%) of the estimated assessable loss for the year. The UK corporation tax rate was 19% until April 2023 when it increased to 25% for groups with taxable profits of over £250,000. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

The Group tax expense for the year can be reconciled to the loss per the income statement as follows:

	Year to 31 December 2024 US \$	Year to 31 December 2023 (Restated) US \$
Loss on ordinary activities before taxation	(2,090,072)	(4,085,516)
Profit / (loss) from discontinued operations	-	9,055,875
Profit / (loss) for the year before tax	(2,090,072)	4,970,359
Profit / (loss) on ordinary activities multiplied by standard rate of corporation tax in the UK	(522,518)	944,368
Effects of:		
Expenses disallowed for tax purposes	8,036	5,315
Disposal of investments	-	(1,720,616)
Unrealised fair value adjustments of investments	27,452	
Deferred tax not provided – tax losses carried forward	487,030	770,933
Deferred tax asset in subsidiary written off	-	-
Total current tax	-	-

The parent entity has tax losses available to be carried forward, and further tax losses are available in certain subsidiaries. With anticipated substantial lead times for the Group's projects, and the possibility that these may expire before their use, it is not considered appropriate to anticipate an asset value for them. The amount of tax losses carried forward for which a deferred tax asset has not been recognised is US \$54million (2023: US \$52million). The potential deferred tax asset is US \$13.5million (2023: US \$9.9million).

No amounts have been recognised within tax on the results of the equity-accounted joint ventures.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

14 Loss per share

The calculation of basic and diluted loss per share at 31 December 2024 was based on the loss attributable to ordinary shareholders. The weighted average number of ordinary shares outstanding during the year ending 31 December 2024 and the effect of the potentially dilutive ordinary shares to be issued are shown below.

	Year to 31 December 2024	Year to 31 December 2023(Restated)
Net loss for the year (US \$) before exchange on translating foreign operations	(2,090,072)	4,970,359
Net loss on continuing operations	(2,090,072)	(4,085,516)
Basic weighted average ordinary shares in issue during the year	35,374,897,853	4,867,580,788
Diluted weighted average ordinary shares in issue during the year	35,374,897,853	4,867,580,788
Loss per share (cents)		
Basic and diluted (cents)	(0.01)	0.10
Loss per share on continuing operations (cents)		
Basic and diluted (cents)	(0.01)	(0.08)

In accordance with IAS 33 and as the entity is loss making, including potentially dilutive share options in the calculation would be anti-dilutive.

Deferred shares have been excluded from the calculation of loss per share due to their nature. Please see Note 24 for details of their rights.

15 Loss of the parent company

The parent company is not required to produce its own profit and loss account (or IFRS equivalent) because of the exemption provision in Section 408 of the Companies Act 2006.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

16 Property, plant and equipment

Group

	PPE – Gold Properties	Fixtures & Fittings	Total
	US \$	US \$	US \$
31 December 2024			
Cost or valuation			
At 1 January 2024	-	95,219	95,219
Additions	33,814	-	33,814
Disposals	-	-	-
At 31 December 2024	33,814	95,219	129,033
Depreciation			
At 1 January 2024	-	95,218	95,218
Charge for year	1,216	-	1,216
Disposals	-	-	-
At 31 December 2024	1,216	95,218	96,434
Carrying amount			
At 31 December 2024	32,598	1	32,599
At 31 December 2023	-	1	1
	PPE – Gold Properties	Fixtures & Fittings	Total
	US \$	US \$	US \$
31 December 2023			
Cost or valuation			
At 1 January 2023	-	98,210	98,210
Additions	-	(2,991)	(2,991)
At 31 December 2023	-	95,219	95,219
Depreciation			
At 1 January 2023	-	95,911	95,911
Charge for year	-	-	-
Disposals	-	(693)	(693)
At 31 December 2023	-	95,218	95,218
Carrying amount			
At 31 December 2023	-	1	1
At 31 December 2022	-	2,299	2,299

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

16 Property, plant and equipment (continued)

Company

	Fixtures & Fittings US \$	Total US \$
31 December 2024		
Cost or valuation		
At 1 January 2024	92,903	92,903
Additions	-	-
At 31 December 2024	92,903	92,903
Depreciation		
At 1 January 2024	92,902	92,902
Charge for year	-	-
Disposals	-	-
At 31 December 2024	92,902	92,902
Carrying amount		
At 31 December 2024	1	1
At 31 December 2023	1	1
	Fixtures & Fittings US \$	Total US \$
31 December 2023		
Cost or valuation		
At 1 January 2023	92,903	92,903
Additions	-	-
Assets of disposal held for sale	-	-
At 31 December 2023	92,903	92,903
Depreciation		
At 1 January 2023	92,902	92,902
Charge for year	-	-
Disposals	-	-
At 31 December 2023	92,902	92,902
Carrying amount		
At 31 December 2023	1	1
At 31 December 2022	1	1

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

17 Intangible assets

Group

	Mining operations US \$	Total US \$
31 December 2024		
At 1 January 2024	-	-
Additions	36,200	36,200
At 31 December 2024	36,200	36,200
Depletion and impairment		
At 1 January 2024	-	-
Depletion	-	-
Impairment	-	-
At 31 December 2024	-	-
Carrying amount		
At 31 December 2024	36,200	36,200
At 31 December 2023	-	-
	Mining operations US \$	Total US \$
31 December 2023		
At 1 January 2023	-	-
Additions	-	-
Assets of disposal held for sale	-	-
At 31 December 2023	-	-
Depletion and impairment		
At 1 January 2023	-	-
Depletion	-	-
Impairment	-	-
Assets of disposal held for sale	-	-
At 31 December 2023	-	-
Carrying amount		
At 31 December 2023	-	-
At 31 December 2022	-	-

All intangible assets relate to gold mining activities within the Boku CGU. During the year the Group acquired the Ana Lucia Project, a group of mining concessions covering 2,100 hectares in central Peru's Ancash region.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

18 Right of use assets

Group and Company

	Office lease US \$	Total US \$
31 December 2024		
At 1 January 2024	69,930	69,930
Disposal	(69,930)	(69,930)
At 31 December 2024	-	-
Depreciation		
At 1 January 2024	27,972	27,972
Charge for the year	16,317	16,317
Disposal	(44,289)	(44,289)
At 31 December 2024	-	-
Carrying amount		
At 31 December 2024	-	-
At 31 December 2023	41,958	41,958
	Office lease US \$	Total US \$
31 December 2023		
At 1 January 2023	-	-
Additions	69,930	69,930
At 31 December 2023	69,930	69,930
Depreciation		
At 1 January 2023	-	-
Charge for the year	27,972	27,972
Impairment	-	-
At 31 December 2023	27,972	27,972
Carrying amount		
At 31 December 2023	41,958	41,958
At 31 December 2022	-	-

Depreciation of \$16,317 (2023: 27,972) and interest on lease liabilities of \$5,493 (2023: \$6,993) are recognised in the statement of comprehensive income.

The office lease was terminated in the year.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

19 Interest in subsidiary undertakings

	Year to 31 December 2024 US \$	Year to 31 December 2023 US \$
Cost or valuation		
At 1 January	30,521,648	30,521,648
Additions	-	-
At 31 December	30,521,648	30,521,648
Impairment		
At 1 January	30,521,648	28,959,327
Impairment	-	1,562,321
At 31 December	30,521,648	30,521,648
Carrying amount		
At 31 December 2024	-	-
At 31 December 2023	-	-

Details of the subsidiaries are as follows:

Subsidiary	Class of share	% owned	Country of registration	Nature of business
Echo Energy Holdings (UK) Limited	Ordinary	100%	England & Wales	Holding company
Echo Energy Argentina Holdings Limited	Ordinary	100%	England & Wales	Holding company
Echo Energy Tapi Aike Limited	Ordinary	100%	England & Wales	Holding company
Eco Energy TA Op Limited	Ordinary	100%	England & Wales	Dormant
Echo Energy C D & LLC Limited	Ordinary	100%	England & Wales	Holding company
Eco Energy CDL Op Limited	Ordinary	100%	England & Wales	Dormant
Echo Energy Bolivia (Hold Co 1) Limited	Ordinary	100%	England & Wales	Holding company
Echo Energy Bolivia (Op Co 1) Limited	Ordinary	100%	England & Wales	Dormant
Echo Energy Bolivia (Hold Co 2) Limited	Ordinary	100%	England & Wales	Holding company
Echo Energy Bolivia (Op Co 2) Limited	Ordinary	100%	England & Wales	Dormant
Echo Natural Resources Limited	Ordinary	100%	England & Wales	Holding company
Boku Resources SAC	Ordinary	50%	Peru	Peruvian operating company
Dydima EIRL	Ordinary	100%	Peru	Dormant

The registered address for all of the above subsidiaries which are registered in England & Wales is: 85 Great Portland Street, London, W1W 7LT.

Business combinations

During the year Nativo acquired a 50% interest in Boku Resources SAC via Echo Natural Resources Limited. The consideration is US \$750,000 and payable in cash and there were no pre-acquisition reserves/transactions or any identifiable assets or liabilities or contingent liabilities at the acquisition date and there is no goodwill upon consolidation. See also Note 12 for further information.

The operating results, assets and liabilities of the acquired company have been consolidated from the acquisition date of 28 June 2024 and Boku Resources SAC's loss for the period from incorporation to 31 December 2024 was the same as its post-acquisition loss of \$314,266.

Acquisition related costs of approximately \$29,000 have been recognised within administrative expenses in the consolidated income statement.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

20 Current investments

Financial assets at fair value through profit and loss:	Year to 31 December 2024 US \$	Year to 31 December 2023 US \$
Equity securities	86,738	283,422
Total	86,738	283,422

During 2023, the Company received £400,000 worth of shares in Interoil exploration and Production ASA (a company listed on the Oslo stock exchange in Norway) as part of the agreements entered into by the Group to dispose of its SCS operations. The fair values of quoted equity securities are determined through Level 1 inputs from Quoted market Prices.

21 Trade and other receivables

	Group		Company	
	31 December 2024 US \$	31 December 2023 US \$	31 December 2024 US \$	31 December 2023 US \$
Current				
Trade receivables	-	-	-	-
Prepayments	47,519	72,589	46,957	72,589
Other receivables	131,477	21,870	14,377	21,870
	178,996	94,459	61,334	94,459
Non-current				
Amounts owing by subsidiaries	-	-	12,116,723	11,358,845
Impairment in year	-	-	(11,358,845)	(11,358,845)
	-	-	757,878	-

The Group's exposure to credit and market risks, including maturity analysis, relating to trade and other receivables is disclosed in note 23 " Financial Instruments and treasury risk management ". The Directors consider that the carrying amount of trade and other receivables approximated to their fair value.

22 Cash and cash equivalents

	Group		Company	
	31 December 2024 US \$	31 December 2023 US \$	31 December 2024 US \$	31 December 2023 US \$
Cash at bank	46,073	83,127	6,540	82,357
	46,073	83,127	6,540	82,357

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

23 Financial Instruments and treasury risk management

Fair value of financial assets and liabilities

The carrying values of financial assets and liabilities are considered to be materially equivalent to their fair values, with the exception of the Eurobond loan which is calculated at present value as disclosed in note 26. The fair value is approximately \$6.7m higher due to the impact of using a market rate interest.

Treasury risk management

The Group manages a variety of market risks, including the effects of changes in foreign exchange rates, liquidity and counterparty risk.

Credit risk

The Group's principle financial assets are bank balances and cash and other receivables. The credit risk on liquid funds is limited because the counterparties are UK, Argentine, Bolivian and Peruvian banks with high credit ratings. The Group operates with positive cash and cash equivalents as a result of using share capital in anticipation of future funding requirements. The Group's policy is therefore one of achieving higher returns with minimal risks. In order to provide a degree of certainty, the Group looks, when appropriate, to invest in short-term fixed-interest treasury deposits giving a low risk profile to these assets.

Currency risk

The Group's operations are now primarily located in the United Kingdom and Peru, with the main exchange risk being between the US Dollar against Pound Sterling and Peruvian Sol for general operations and US Dollar and Euro for borrowings. Previously the Group was exposed to currency risk from its operations in Argentina, but these have now been discontinued.

At year end the Group held the following cash and cash equivalent balances:

	Year to 31 December 2024 US \$	Year to 31 December 2023 US \$
US Dollars	623	565
GBP Sterling	21,155	82,570
Euro	-	(8)
Peruvian Sol	23,525	-
Bolivian Boliviano	770	-
Total	46,073	83,127

The consolidated statement of comprehensive income would be affected by US \$2,178 (2023: US \$8,257) if the exchange rate between the US \$ and GBP changed by 10%. There would be a loss of US \$2,353 (2023: US \$Nil) if the exchange rate between the Peruvian Sol and the US Dollar weakened by 10%.

The Group has exposure to the Euro, Nativo hold €7.3million (2023: €6.6million restated) bond notes, the Group held Euro-denominated funds at the beginning of the period to cover servicing of debt during the accounting year. The primary source of funds for the Group in the period was equity raised in GBP, these funds are predominately translated into USD to fund exploration, acquisition and production activity in Peru. No hedging products were used during this accounting period, but management actively reviewed currency requirements to access the suitability of hedging products. The Group's consolidated statement of income would be affected by approximately US \$426,002 (2023: US \$605,385) by a reasonably possible 10 percentage points fluctuation in the exchange rate between US Dollars and Euros.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

23 Financial Instruments and treasury risk management (continued)

Currency risk (continued)

The Group used Blue-Chip Swaps during the previous year to repatriate funds from Argentina to the UK. A Blue-Chip Swap is when a domestic investor purchases a foreign asset and then transfers the purchased asset to an offshore entity. The Group's Argentine subsidiary purchased shares in highly stable and liquid companies that are traded on both domestic and offshore stock exchanges. These shares were held for a fixed period in accordance with Argentinian regulation. Following the end of the fixed period the shares were sold offshore and the resulting funds were then repatriated to the parent company. This type of transactions is therefore exposed to stock price volatility during the hold period and incurs transaction fees.

Interest rate risk

The Group holds debt instruments there were issued at a fixed rate. As party of the Group's policy to maximise returns on cash held, cash held is placed in interest-bearing accounts where possible. During the course of 2024, Nativo invested cash into operations and did not hold significant cash balances for prolonged periods of time. The consolidated statement of comprehensive income would be affected by US \$Nil (2023: US \$Nil) by a one percentage point change floating interest rate on a full-year basis.

Liquidity risk

The Group actively manages its working capital to ensure the Group has sufficient funds for operations and planned activated. Operation cash flow represents receipts from revenue, together with on-going direct operational support costs, exploration, appraisal, administration and business development costs. The Group manages its liquidity requirements by the use of both short-term and long-term cash flow forecasts. The Group's policy is to ensure facilities are available as required, to issue equity share capital and from strategic alliances in accordance with long-term cash flow forecasts. The Group has no undrawn committed facilities as at 31 December 2024. The Group's financial liabilities are primarily obligations under joint operations, trade payables and operational costs. All amounts are due for payment in accordance with agreed settlement terms with suppliers or statutory deadlines and all within one year.

The Group holds Euro-denominated long-term debt, see note 26. Other than long-term debts, all financial liabilities are due for settlement within 12 months. The Group held cash balances of US \$46,073 (2023: US \$83,127).

The Group does not currently use derivatives financial instruments to hedge currency and commodity price risk as it not considered necessary. Should the Group identify a requirement for the future use of such financial instruments, a comprehensive set of policies and systems as approved by the Directors will be implemented.

Commodity Price Risk

The Group is no longer exposed to significant risks of fluctuations on prevailing commodity market prices due to the disposal of its Argentina operations and is still in the early stages of its Peru operations.

Capital management

The Group's legacy strategy has led to its capital structure being a mixture of debt and equity. The Directors will reassess the future capital structure when new projects are sufficiently advances and restructure accordingly. The Group's financial strategy is to utilise its resources to further appraise and test the Group's projects, forming strategic alliances for specific projects where appropriate together with assessing target acquisitions. The Group keeps investors and the market informed of progress with its projects through regular announcements and raises additional equity finance at appropriate times.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

23 Financial Instruments and treasury risk management (continued)

Categories of financial instruments

All of the Group's financial assets are carried at amortised cost apart from the listed equities held at fair value, as disclosed in note 20. The Group's financial liabilities are classified as financial liabilities at amortised cost.

24 Trade and other payables

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	US \$	US \$	US \$	US \$
Current				
Trade payables	206,183	488,777	185,834	488,777
Social security and other taxes	26,003	26,737	14,874	26,737
Accruals	403,611	283,239	403,611	283,239
Other payables	18,122	-	210	-
	<u>653,919</u>	<u>798,753</u>	<u>604,529</u>	<u>798,753</u>
Loans and borrowings	1,133,337	-	1,133,337	-
Lease liabilities	-	44,078	-	44,078
Non-current				
Amounts owing to subsidiaries	-	-	551,331	264,378

The borrowings of US \$1,133,337 due to Spartan Fund Limited (SAC) were restructured in January 2025, please refer to Note 30.

25 Share capital

Issued, Called Up and Fully Paid

61,714,545,020 0.31¢ (2024 6,285,526,975 0.31¢) ordinary shares.

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	US \$	US \$	US \$	US \$
1 January	19,796,814	19,795,863	19,796,814	19,795,863
Equity shares issued	71,497	951	71,497	951
	<u>19,868,311</u>	<u>19,796,814</u>	<u>19,868,311</u>	<u>19,796,814</u>

The holders of the 0.31¢ (0.25p) ordinary shares are entitled to receive dividends from time to time and are entitled to one vote per share at meetings of the Company.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

25 Share capital (continued)

Shares were issued during the year as follows:

	Date	Shares	Price pence	Price (US ¢)	Nominal Value (US \$)
1 January 2024		6,285,526,975			19,796,814
Shares issued	01/01/2024	1,111,111,111	0.0045	0.0057	1,413
Shares issued	29/01/2024	333,333,333	0.0045	0.0057	423
Shares issued	29/01/2024	5,555,555,556	0.0045	0.0057	7,055
Shares issued	02/07/2024	3,742,222,222	0.0045	0.0057	4,723
Shares issued	04/04/2024	1,658,974,359	0.0039	0.0049	2,097
Shares issued	07/11/2024	1,666,666,666	0.0027	0.0034	2,136
Shares issued	07/15/2024	1,296,296,296	0.0027	0.0035	1,681
Shares issued	08/01/2024	1,388,888,888	0.0028	0.0036	1,786
Shares issued	08/01/2024	12,530,620,200	0.0025	0.0032	16,112
Shares issued	08/28/2024	4,199,179,800	0.0025	0.0033	5,540
Shares issued	08/29/2024	1,579,370,607	0.0033	0.0041	1,999
Shares issued	10/10/2024	2,960,000,000	0.0025	0.0032	3,865
Shares issued	10/10/2024	16,480,000,000	0.0025	0.0032	21,518
Shares issued	10/11/2024	580,645,161	0.0031	0.0040	759
Shares issued	10/21/2024	346,153,846	0.0026	0.0033	508
31 December 2024		61,714,545,020			19,868,311

(A) Share options

The Group has a share option scheme established to reward and incentivise the executive management team and staff for delivering share price growth. The share option scheme is administered by the remuneration committee. The expected life of the options is based on the expected time through to exercise and is not necessarily indicative of the exercise patterns.

Share options are valued using the stochastic Black-Scholes model. The inputs to the model are the market price at the date of grant, the exercise price set out in the option agreement, expected life, the risk-free rate of return and the expected volatility. A 10-year gift rate is used as an equivalent to risk-free rate and the expected volatility was determined with reference to the Company's share price.

The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The cost of options is amortised to the statement of comprehensive income over the service period of the option.

On 21 December 2023 the Company issued 238,468,698 options to Stephen Birrell over new Ordinary shares in the Company. The options have an exercise price of 0.0105 pence per new Ordinary share, being the price equal to the closing price per Ordinary share on 21 December 2023, and will vest on the third anniversary of the date of grant and will be exercisable anytime thereafter until expiry on the fifth anniversary of the date on which the Options were granted.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

25 Share capital (continued)

Details of the tranches of share options outstanding at the year-end are as follows:

Share options	Number 31/12/2024	WAEP* (¢) 31/12/2024	Number 31/12/2023	WAEP* (¢) 31/12/2023
Outstanding at 1 January	285,468,698	0.3	71,266,483	3
Granted during the year	-	-	238,468,698	0.013
Forfeited during the period	(47,000,000)	.01	(23,070,755)	3
Cancelled during the year	-	-	(1,195,728)	3
Options outstanding as at 31 December	238,468,698	0.01	285,468,698	0.3
Exercisable at 31 December	-	-	39,000,000	2.3

*Weighted Average Exercise Price (WAEP)

The fair values on the grant date and each reporting date were determined using the Black-Scholes option pricing model. The following key assumptions were used in determining the derivative's fair value at the reporting date:

Options	22/12/2023
Market stock price	0.0105p
Option strike price	0.0105p
Volatility	70%
Expiration of the option	2 years
Risk free rate	3.3%
Future value	\$31,338
Expense	\$3,022

The weighted average outstanding life of vested share options is 2 year. The price for outstanding options ranges between 0.01¢ and 3¢ (0.013¢ and 3¢). The outstanding options are not subject to any share performance-related vesting conditions, but vesting is conditional upon continuity of service.

The Group recognised total expenses of US \$3,022 (2023: US \$31,735) related to equity-settled, share based payment transactions during the year.

A deferred taxation asset has not been recognised in relation to the charge for share-based payments due to availability of tax losses to be carried forward.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

25 Share capital (continued)

(B) Warrants over ordinary shares

The Company issued warrants over ordinary shares to subscribers of new ordinary shares and as fundraising commission in respect of debt restructuring completed during the year to 31 December 2024.

Details of the tranches of warrants outstanding at the year-end are as follows:

Warrants	Number 31/12/2024	WAEP*	Number 31/12/2023	WAEP*
		(¢) 31/12/2024		(¢) 31/12/2023
Outstanding at 1 January	369,227,384	0.5	565,016,300	1
Granted during the year	17,317,888,889	-	-	-
Exercised during the period	-	-	(33,190,876)	1
Lapsed in year	(369,227,384)	1	(162,598,040)	1
Outstanding as at 31 December	17,317,888,889	0.5	369,227,384	0.5

*Weighted Average Exercise Price (WAEP)

Warrants values are calculated using the Black-Scholes option pricing model using the following inputs:

The exercise price for outstanding warrants as at 31 December 2024 ranges between 0.06¢ and 0.1¢ (0.32¢ and 0.83¢). The residual weighted average contractual life for warrants is less than 1 year.

(C) Share premium account

Share options	31 December 2024		31 December 2023	
	Group US \$	Company US \$	Group US \$	Company US \$
1 January	84,123,447	84,123,447	83,790,504	83,790,504
Premium arising on issue of equity shares	2,053,756	2,054,424	332,943	332,943
Warrants lapsed	-	-	-	-
Warrants issued	-	-	-	-
Transaction costs	-	-	-	-
31 December	86,177,203	86,177,871	84,123,447	84,123,447

Warrants and options which lapsed, expired or were exercised in the period have been transferred between the warrant or option reserve and retained earnings.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

26 Loans due in over one year

	31 December 2024 US \$		31 December 2023 (Restated) US \$	
Five-year secured bonds	7,609,056		7,329,620	
Other loans	-		1,227,292	
Total	7,609,056		8,556,912	

	31 December 2023 (Restated) US \$	Funds raised US \$	Amortised finance charges US \$	Exchange adjustments US \$	Converted to equity US \$	31 December 2024 US \$
€20 million five-year secured bonds	7,329,620	-	181,564	97,872	-	7,609,056
Other loans	1,227,292	530,013	24,437	(35,639)	(612,766)	1,133,337
Total	8,556,912	530,013	206,001	62,233	(612,766)	8,742,393

Euro-bond renegotiation

On 2 December 2022, a partial (50%) settlement of the principal and accrued interest was agreed on the existing Euro-secured denominated bonds, \$11.3m of the debt being settled by the issue of 2,436,938 ordinary shares. On the basis the settlement of the loan was on favourable terms to the Group, management considered the counterparty was acting in their capacity as shareholders of the Group and therefore the criteria in IFRIC 19 – Extinguishment of financial liabilities with Equity Instruments did not apply. Therefore the value of the shares issued has been deemed to be the same as the carrying value of the loan.

In addition and at the same time, the repayment date for the remaining bonds was moved back from 2024 until 2032 and the interest rate reduced from 8% to 2%. This is a substantial modification to the loan terms, management calculated the present value of the new loan and compared to the carrying value. The difference has been recorded as a capital contribution to the group of \$7.2m.

Other loans issue of equity

On 8 February 2024, the convertible loan facility with Almace was cancelled. The debt of \$82,613 was settled by the issue of 1,444,444,444 ordinary shares.

Maturity analysis

Contractual undiscounted cashflows:

	31 December 2024 US \$	31 December 2023 (Restated) US \$
Amounts due within one year	1,133,337	-
Amounts due between one and five years	-	82,750
Amounts due over five years	7,609,056	84,74,162
Total	8,742,393	8,556,912

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

27 Related party transactions

Inter-Group balances

In order for individual subsidiary companies to carry out the objectives of the Group, amounts are loaned to them on an unsecured basis. At the year-end the following amounts were outstanding:

Amounts owed to Nativo Resources PLC from:	31 December 2024 US \$	31 December 2023 US \$
Echo Natural Resources Limited	757,877	-
	757,877	-

At the year end the Group owed \$nil (2023: \$68,222) to Ossian Energy Ltd, a company controlled by Director Stephen Birrell, for professional fees invoiced prior to his appointment as a director.

The Directors' emoluments, shareholding and options are disclosed in the Directors' Remuneration Report and the Directors' Report. As at the year end the Company owed the Directors \$294,497 in respect of accrued and deferred salaries.

28 Controlling party

The Directors do not consider there to be a controlling party.

29 Commitments

Nativo had no committed expenditure at the end of 31 December 2024.

30 Post balance sheet events

Shares were issued post 31 December 2024 as follows:

	Date	Shares	Prices (US \$)
Shares issued	21/01/2025	12,747,666,666	377,844
Shares issued	29/01/2025	473,684,210	11,254
Shares issued	26/02/2025	104	1
Shares issued	07/04/2025	12,000,000	94,184
Shares issued	10/04/2025	15,363,712	148,956
Shares issued	10/04/2025	1,337,792	12,970
Shares issued	25/04/2025	9,909,862	92,332
Shares issued	23/05/2025	3,833,333	7,716

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

30 Post balance sheet events (continued)

Debt restructuring

In January 2025 the Group entered into an agreement with Spartan Fund Limited (SAC) (the "Lenders") to cancel the Company's £1.0 million loan facility (the Spartan Loan) with the Lenders.

The outstanding capital on the Spartan Loan will be rolled into a new convertible loan note ("CLN"). The details of the CLN are as follows:

- Principal amount: £605,250
- Maturity: January 2028
- Coupon: Until converted fully, the Spartan Loan has a coupon of 5% with interest payable in cash, quarterly in arrears
- Conversion terms: Lender may elect to convert all or part of the principal at any time into Ordinary Shares in the Company at the conversion price which will be set at a premium of 20% over the average share price of the last 5 trading days prior to the date of the election to convert

Interest accrued on the Spartan Loan up until 31 December 2024, being £305,944, will be converted into Ordinary Shares in the Company ("Shares") at a conversion price of 0.0024p, which represents a premium of 20% to the volume weighted average mid-price of the five trading days to 16 January 2025. Accordingly, 12,747,666,666 Shares will be issued to the Lenders, representing 13.20% of the enlarged issued share capital of the Company.

Share Consolidation

In February 2025 the Company reduced the number of Existing Ordinary Shares in issue with a resulting adjustment in the market price of such shares, by consolidating the Existing Ordinary Shares on the basis of 1 New Ordinary Share of 0.15p for every 1,500 Existing Ordinary Shares of 0.0001p each.

To effect the Consolidation, 104 additional ordinary shares of 0.0001p each ("Additional Shares") have been allotted to an adviser of the Company so that the aggregate nominal value of the ordinary share capital of the Company before the Consolidation is exactly divisible by 1,500.

As a result, the Company's existing issued share capital of 74,935,895,896 ordinary shares of 0.0001p together with the Additional Shares was consolidated into 49,957,264 ordinary shares of 0.15p, each with one voting right.

Option agreement

In March 2025 the Group signed off an option agreement (the "Agreement"), via the Company's 50%-owned Peruvian joint venture Boku, pursuant to which Boku will evaluate the opportunity to recover and sell gold and silver from the Toma La Mano tailings dump and redeposit the tailings in line with legislation.

Toma La Mano is in the Ancash region of central Peru, 42 km north of the city of Huaraz, and is 100% owned by a private Peruvian company, Corporación Minera Toma la Mano S.A. (the "Owners"). The Owners operate a polymetallic tolling plant on the site, extracting lead, zinc, copper, and silver from third party ore.

The Agreement allows Boku, for a period of up to three years, to analyse the deposit and undertake a resource estimate and feasibility study, which will include detailed metallurgical analysis to report on recovery rates and process optimisation. During the three-year period, Boku shall have the option to make a Final Investment Decision ("FID") and establish a processing plant to clean the tailings and recover and sell the precious metals in return for a rental fee of US\$3 per tonne of tailings processed and an initial royalty fee of 6.5% on revenues, which will increase to 7% once Boku recovers 30% of its expenditure. Boku will not have any ownership interest in the asset.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

30 Post balance sheet events (continued)

Morrocota Gold Mine Acquisition

In April 2025 the Group entered into the agreement to acquire 100% of the Morrocota Gold Mine and production through the acquisition of the entire share capital of Dydimá E.I.R.L. ("Dydimá") (the "Acquisition"), the Peruvian licence-holding entity of Morrocota, from its owners Mr Emilio Jimenez Velarde and Mr Ignacio Jimenez Velarde (the "Vendors").

The consideration for the Acquisition of approximately US\$147,000 will be satisfied through the issue to the Vendors of 15,363,712 new ordinary shares in the Company (the "Consideration Shares") at a price of 0.7475p (the "Issue Price"), being a 15% premium to the closing share price on 9 April 2025, the latest business day before the Acquisition.

The Vendors will also be issued with one warrant to subscribe for one new Ordinary Share for every two Consideration Shares to be issued (the "Warrants"). The Warrants will be exercisable for up to two years from the date of issue with an exercise price of 0.93p, a premium of approximately 25% to the Issue Price.

Additionally, the Vendors have unconditionally agreed to invest further in the Company by way of an immediate cash subscription for approximately £10,000, representing 1,337,792 new ordinary Shares at the Issue Price (the "Subscription Shares").

Convertible Loan Note Issue

In May 2025 the Company entered into an agreement with an investor (the "Noteholder") concerning the creation of 315,000 £1.00 interest-free convertible loan notes (the "Notes") to raise net proceeds of £300,000. The net proceeds from the Notes will be applied towards the advancement of the Company's precious metals mining projects in Peru and general working capital.

The Noteholder may from time to time, by written notice to the Company (a "Conversion Notice"), require the conversion of all or any of the Notes then outstanding into Ordinary Shares. The resulting number of Ordinary Shares to be issued to the Noteholder shall be calculated at a price per Ordinary Shares (the "VWAP Conversion Price") equal to 71% of the lowest closing volume-weighted average price of an Ordinary Share over the five trading days ending on the day prior to the date of service of the Conversion Notice.

The Noteholder shall not submit a Conversion Notice to the extent that, from time to time, the issue of the resulting Ordinary Shares to the Noteholder would result in the Noteholder (and any persons treated, under the City Code, as acting in concert with the Noteholder) being interested in, in aggregate, more than 29.9% of the total voting rights attaching to shares in the capital of the Company.

The Company may at any time on five Business Days' prior written notice to the Noteholder ("Redemption Notice") redeem all (but not part) of the Notes then outstanding by paying to the Noteholder in cash an amount equal to 125% of the principal amount of the Notes then outstanding.

On the date falling twelve months from the issue of the Notes, the principal amount of the Notes then outstanding shall be automatically converted in full into Ordinary Shares without the need to serve a Conversion Notice, save that, to the extent any such conversion would otherwise result in the Noteholder (and any persons treated, under the City Code, as acting in concert with the Noteholder) being interested in, in aggregate, more than 29.9% of the total voting rights attaching to shares in the capital of the Company, the number of Notes so converting shall be reduced accordingly and any remaining balance of the Notes shall be redeemed in cash. The resulting number of Ordinary Shares to be issued to the Noteholder shall be calculated using the VWAP Conversion Price.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

31 Prior year restatement

The Euro-bond balance at 31 December 2023 has been restated from \$6,053,854 to \$7,329,620 within non current liabilities (refer to Note 26) and the difference relates to a prior year adjustment for finance costs.

Nativo Resources PLC

Notes to the Financial Statements for the Year Ended 31 December 2024

Shareholder Information

AIM Rule 26 information

Dealing information

Country of incorporation

England & Wales (Registered number 5483127)

Main country of operation

Peru

Trading information

Shares in Nativo Resources PLC are only traded on AIM, a market operated by the London Stock Exchange Plc, and the Company has not applied or agreed to have any of its securities admitted or traded to any other exchange platform.

There are no restrictions on the transfer of ordinary shares.

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