Form 51-102F4
Business Acquisition Report

Item 1 Identity of Company

1.1 Name and Address of Company

Valorem Resources Inc. (the "**Company**" or "**Valorem**")
2380 – 1055 West Hastings Street
Vancouver, British Columbia, V6E 2E9

1.2 Executive Officer

The name, position and business telephone number of an executive officer who is knowledgeable about this significant acquisition and this Form 51-102F4 – *Business Acquisition Report* (this "**Report**") is as follows:

Tony Louie
Interim Chief Executive Officer and Director
Telephone: +1 (604) 908-1679

Item 2 Details of Acquisition

2.1 Nature of Business Acquired

Pursuant to the terms of share exchange agreement (the "**Agreement**") dated December 20, 2022 with Regency Mining Limited ("**Regency**"), a private arm's length company incorporated under the laws of Seychelles, and each of the shareholders of Regency (collectively, the "**Regency Shareholders**"), the Company acquired all of the issued and outstanding common shares (collectively, the "**Regency Shares**") in the capital of Regency (the "**Transaction**").

Regency owns a 99.43% interest in Casa Mining Ltd. ("**Casa**"), a private arm's length company incorporated in April 2009 under the laws of Mauritius, and, indirectly through its ownership of Casa, owns a 73.84% interest in Leda Mining Congo S.A ("**Leda**"), a private arm's length company incorporated in July 1998 under the laws of the Democratic Republic of the Congo (the "**DRC**"). Leda owns an interest in and to the Misisi Gold project (the "**Misisi Gold Project**" or the "**Project**"), located in the Fizi territory of South Kivu province, in the DRC, approximately 250 km south of Bukavu and 140 km north of Kalemie. The Misisi Gold Project covers 133 square kilometre on three contiguous mining licences, valid until 2045 (with extension options) and includes the Akyanga gold deposit which hosts an Inferred Resource of 3.1 million ounces of gold averaging 2.16 grams per tonne gold. For more information on the Misisi Gold Project, see the Company's news release dated December 22, 2022 filed on SEDAR.

2.2 Acquisition Date

The Transaction was completed (the "**Closing**") on December 22, 2022.

2.3 Consideration

Share Exchange Agreement

Pursuant to the terms of the Agreement, Valorem acquired all of the issued and outstanding Recency Shares from the Regency Shareholders in consideration for, on a *pro rata* basis, a cash payment of US$100,000 from working capital and the issuance of an aggregate of 16,000,000 common shares (each, a "**Share**") in the capital of the Company at a deemed price of $0.29 per Share.

In connection with the acquisition of Regency, the Company paid finder's fees to an eligible arm's length finder of 2,000,000 Shares (each, a "**Finder's Share**") at a deemed price of $0.29 per Finder's Share. Following the Closing, Regency became a majority-owned subsidiary of the Company. The Finder's Shares are subject to a statutory hold period of four months and a day.

At the time of closing of the Transaction, Valorem had 19,989,854 Shares issued and outstanding.

2.4 Effect on Financial Position

Upon completion of the Transaction, Regency became a wholly-owned subsidiary of the Company. The business and operations of Regency have been combined with those of the Company and are managed concurrently.

The Company has no current plans or proposals for material changes in its business affairs or the affairs of Regency which may have a significant effect on the financial performance and financial position of the Company.

2.5 Prior Valuations

Not applicable.

2.6 Parties to Transaction

The Transaction was not with an informed person, associate or affiliate of the Company.

2.7 Date of Report

February 23, 2023

Item 3 Financial Statements

The audited financial statements of Regency for the period from incorporation on April 21, 2021 to December 31, 2021 and the unaudited interim consolidated financial statements of Regency for the nine-month period ended September 30, 2022 are attached hereto as Schedule "A".

The audited consolidated financial statements of Casa for the fiscal year ended December 31, 2021 and December 31, 2020 and the unaudited interim consolidated financial statements of Casa for the nine-month period ended September 30, 2022 are attached hereto as Schedule "B".

The Company has obtained the consent of the auditors to include the audit report on the audited financial statements of Regency for the period from incorporation on April 21, 2021 to December 31, 2021 contained in this Report.

The Company has obtained the consent of the auditors to include the audit report on the audited financial statements of Casa for the fiscal year ended December 31, 2021 and December 31, 2020 contained in this Report.

Schedule "A"

Regency Financial Statements

[*See Attached*]

REGENCY MINING LIMITED

FINANCIAL STATEMENTS

FOR THE PERIOD FROM 21 APRIL 2021 (DATE OF INCORPORATION)

TO 31 DECEMBER 2021

FINANCIAL STATEMENTS
FOR THE PERIOD FROM 21 APRIL 2021 (DATE OF INCORPORATION)
TO 31 DECEMBER 2021

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CORPORATE DATA

Country of incorporation and domicile	: Seychelles Company No 227812		
Nature of business	: Holding Company		
		Date of appointment	**Date of resignation**
Directors	: Mohamed Abu Al Khalil	22 Apr 2021	11 Nov 2022
	John Njotea Ekwuyasi	22 Apr 2021	11 Nov 2022
	Kesehven Lutchmanen	16 Apr 2022	-
Registered office	: S203A, Orion Complex, Victoria Mahe Seychelles		
Auditors	: **Mazars** Chartered Accountants 4th Floor, Unicorn Centre Frère Félix de Valois Street Port Louis Mauritius		
Registered Agent	: **RV&BEP ServicesLtd** S203A, Orion Complex, Victoria Mahe Seychelles		

REVIEW REPORT TO THE MEMBERS OF REGENCY MINING LIMITED

Report on the Financial Summary

We have reviewed the accompanying statement of financial position of **Regency Mining Limited** (the "Company") as at 31 December 2021, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows (altogether, the "Financial Summary") for the year then ended.

Directors' responsibility for the Financial Summary

Directors are responsible for the preparation and fair presentation of this Financial Summary in accordance with the International Financial Reporting Standards ("IFRS"), and for such internal control as directors determine is necessary for the preparation of Financial Summary that are free from material misstatements whether due to fraud or error.

Practitioner's Responsibility

Our responsibility is to express a conclusion on the accompanying Financial Summary. We conducted our review in accordance with the International Standard on Review Engagements 2400 (Revised), *Engagements to Review of Financial Summary*. ISRE 2400 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the Financial Summary, taken as a whole, are not prepared in all material respects in accordance with the applicable financial reporting framework. This standard also requires us to comply with relevant ethical requirements.

A review of Financial Summary in accordance with ISRE 2400 (Revised) is a limited assurance review. We perform procedures, primarily consisting of making inquiries of directors and others within the entity, as appropriate, and apply analytical procedures, and evaluate the evidence obtained.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an opinion on these Financial Summary.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that these Financial Summary do not present fairly, in all material respect, the financial position of the Company as at 31 December 2021, its financial performance, statement of changes in equity for the year then ended, in accordance with IFRS.

Mazars

Udaysingh Taukoordass, FCA
Licensed by FRC

Date: **18 JAN 2023**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	2021
	USD'000
Assets	
Non-current assets	-
Current assets	
Total current assets	-
Total assets	-
Equity	
Share capital	1
Accumulated losses	(49)
Total equity	(48)
Liabilities	
Current liabilities	
Loan from related party	42
Trade and other payable	6
	48
Total liabilities	48
Total liabilities and equity	-

Approved by the Board of Directors on 18 January 2023
and signed on its behalf by:

Kesehven Lutchmanen } **Directors**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE PERIOD FROM 21 APRIL 2021 (DATE OF INCORPORATION)
TO 31 DECEMBER 2021**

	Period from 21 April 2021 (Date of incorporation) to 31 December 2021
	USD'000
General and administrative expense	**(49)**
Operating loss	**(49)**
Loss before taxation	**(49)**
Taxation	**-**
Loss for the period	**(49)**
Other comprehensive income	**-**
Total comprehensive loss for the period	**(49)**

STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD FROM 21 APRIL 2021 (DATE OF INCORPORATION)
TO 31 DECEMBER 2021

	Share capital USD'000	Accumulated losses USD'000	Total USD'000
Balance as at 21 April 2021 (Date of incorporation)	**-**	**-**	**-**
Issue of shares	**1**	-	**1**
Total comprehensive loss for the period	**-**	**(49)**	**(49)**
Balance – 31 December 2021	**1**	**(49)**	**(48)**

STATEMENTS OF CASH FLOWS
FOR THE PERIOD FROM 21 APRIL 2021 (DATE OF INCORPORATION)
TO 31 DECEMBER 2021

	Period from 21 April 2021 (Date of incorporation) to 31 December 2021 USD'000
Cash flows from operating activities	
Loss before income tax	**(49)**
Operating loss before working capital changes	**(49)**
Increase in trade and other payables	**6**
Cash used in operations	**(43)**
Cash flows from financing activities	
Issue of shares	**1**
Advances from Red Cedar Energy DMCC	**42**
Net cash generated from financing activities	**43**
Movement in cash and cash equivalents	**-**
Cash and cash equivalents – beginning of period	**-**
Cash and cash equivalents – end of period	**-**

REGENCY MINING LIMITED

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM 1 JANUARY 2022 TO 30 SEPTEMBER 2022

CORPORATE DATA

Country of incorporation and domicile : Seychelles
Company No 227812

Nature of business : Holding Company

		Date of appointment	Date of resignation
Directors :	Mohamed Abu Al Khalil	22 Apr 2021	11 Nov 2022
	John Njotea Ekwuyasi	22 Apr 2021	11 Nov 2022
	Kesehven Lutchmanen	16 Apr 2022	-

Registered office : S203A, Orion Complex, Victoria
Mahe
Seychelles

Auditors : **Mazars**
Chartered Accountants
4th Floor, Unicorn Centre
Frère Félix de Valois Street
Port Louis
Mauritius

Registered Agent : **RV&BEP ServicesLtd**
S203A, Orion Complex, Victoria
Mahe
Seychelles

REGENCY MINING LIMITED
CONSOLIDATED BALANCE SHEET

	30.09.2022 (USD 000s)
Non-current assets	
Deferred exploration expenditure	26,006
Total non-current assets	**26,006**
Current assets	
Prepayments and other receivables	189
Cash and cash equivalents	0
Total current assets	**189**
Total assets	**26,195**
Equity	
Share capital	1
Share premium	0
Other reserve	0
Opening Deficit	-49
Profit for the nine months	1283
Accumulated (losses) gains	1,234
	1,235
Non-controlling interest	22
Total equity	**1257**
Liabilities	
Current liabilities	
Advances from related parties	1308
Deferred consideration	2000
Trade and other payable	1630
Total current liabilities	**4938**
Deferred consideration Casa acquisition	20000
Total liabilities	**24938**
Total liabilities and equity	**26195**

Signed by the Director on: 03 FEB 23

Kesehven Lutchmanen }

REGENCY MINING LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	30.09.2022
	(USD 000s)
Company Secretary and Mauritian Fees	32
Salaries	54
Other	6
Gain Arc Settlement	-1375
	-1283

REGENCY MINING LIMITED
CONSOLIDATED STATEMENT OF EQUITY

	Share Capital	Share Premium	Other Reserves	Deficit	NCI	30.09.2022
Balance 1 January 2022	1	0	0	-49	0	
Profit (Loss) for the period				1283		
NCI in Casa Acquired during period					22	
Balance 30 September 2022	1	0	0	1234	22	

REGENCY MINING LIMITED
CONSOLIDATED STATEMENT OF CASHFLOW

	30.09.2022 (USD 000s)
Cash flows from operating activities	
Profit (Loss) before income tax	1283
Adjustments for:	
Write off amount due to Arc Minerals	-1375
Deferred exploration expenditure	-484
Operating loss before working capital changes	**-576**
(Increase) decrease in current assets	6
Increase (decrease) in trade payables	235
Cash used in operations	**-335**
Cash flows from financing activities	
Advances from related parties	335
Net cash generated from financing activities	**335**
(Decrease)/ Increase in cash and cash equivalents	0
Cash and cash equivalents – beginning of year	0
Cash and cash equivalents – end of year	0

REGENCY MINING LIMITED
CONSOLIDATED STATEMENT OF EQUITY

					30.09.2022
	Share Capital	**Share Premium**	**Other Reserves**	**Deficit**	**NCI**
Balance 1 January 2022	1	0	0	-49	0
Profit (Loss) for the period				1283	
NCI in Casa Acquired during period					22
Balance 30 September 2022	1	0	0	1234	22

Schedule “B”

Casa Financial Statements

[*See Attached*]

CASA MINING LTD AND ITS SUBSIDIARY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

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CORPORATE DATA

Country of incorporation and domicile	:	Mauritius		
			Date of appointment	**Date of resignation**
Directors	:	Ootum Ajay Sewraz	22 Jan 2016	-
		Lilowtee Gujadhur	22 Jan 2016	3 Nov 2022
		Kesehven Lutchmanen	3 Nov 2022	-
Registered office	:	3rd Floor, Ebène Esplanade 24 Cybercity, Ebène Mauritius		
Bankers	:	**AfrAsia Bank Limited** Bowen Square 10, Dr Ferriere Street Port Louis Mauritius		
Auditors	:	**Mazars** Chartered Accountants 4th Floor, Unicorn Centre Frère Félix de Valois Street Port Louis Mauritius		
Secretary	:	**Crowe SG Ltd** 3rd Floor, Ebène Esplanade 24 Cybercity, Ebène Mauritius		
Company registration	:	C126157		

The directors present their commentary and the audited financial statements of Casa Mining Ltd (“Casa” or the ‘’Company’’) and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2021.

1. Review of financial results and activities

Main business and operations

Casa Mining Ltd is a gold exploration company with operations in the Democratic Republic of the Congo(DRC) through its DRC subsidiary Leda Mining Congo S.A. . The operating results and state of affairs of the Group and Company are fully set out in the attached financial statements and do not, in our opinion, require any further comments. The Group and the Company recorded a net profit after tax for the year ended 31 December 2021 of **USD'000 3,337** (2020: Loss of USD'000 (24)) and **USD'000 3,337** (2020: Loss of USD'000 (26)) respectively.

2. Directors’ responsibilities in respect of the financial statements

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements in accordance with International Financial Reporting Standards for each financial year. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss of the company for that period and the external auditors are responsible for reporting on whether the financial statements are fairly presented. In preparing statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and accounting estimates that are reasonable and prudent;
- State that International Financial Reporting Standards have been adhered to, subject to any material departures being disclosed and explained in the financial statement; 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 disclose, with reasonable accuracy at any time, the financial position of the Company. They are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors have made an assessment of the Company’s ability to continue as a going concern and have no reason to believe that it will not be a going concern in the year ahead.

The Directors confirm that they have complied with the above requirements.

3. Directors Remuneration

During the year ended 31 December 2021, the directors received an aggregate amount of **USD Nil** (2020: USD Nil) as directorship fees from the Company.

4. Directors’ interest in the Company

The directors in office at the date of this report held no direct interest in the Company.

5. Auditors’ remuneration

The auditors, Mazars, have expressed their willingness to continue as statutory auditor of the Company. A resolution for their appointment in accordance with section 200(1) of the Mauritius Companies Act 2001, as auditors, will be proposed at the next annual general meeting.

	THE GROUP		**THE COMPANY**	
	2021	2020	**2021**	2020
	USD	USD	**USD**	USD
Audit fees	**25,500**	27,145	**4,500**	4,885

SECRETARY'S CERTIFICATE
UNDER SECTION 166(d) OF THE MAURITIUS COMPANIES ACT 2001

AUDITORS

We certify to the best of our knowledge and belief that we have filed with the Registrar of Companies all such returns as are required of Casa Mining Ltd under the Companies Act 2001 for the financial year ended 31 December 2021 except for the filing of the financial statements within the prescribed period.

For Crowe SG Ltd
Corporate secretary
3rd Floor, Ebène Esplanade
Bank Street
24 Cybercity
Ebène
Mauritius

Date: 29 DEC 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CASA MINING LTD AND ITS SUBSIDIARY

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of the Casa Mining Limited ("the Company")and its subsidiary (collectively referred to as "the Group") on pages 9 to 26, which comprise the consolidated and separate statement of financial position as at 31 December 2021, and the consolidated and separate statement of profit or loss and other comprehensive income, consolidated and separate statement of changes in equity and consolidated and separate statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements on pages 9 to 26 give a true and fair view of the financial position of the Group and Company as at 31 December 2021, and its financial performance and is cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") and comply with the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Material Uncertainty related to Going Concern

We draw attention Note 2.2 – Going Concern, of the financial statements which states that the Group accumulated losses amounted to **USD'000 25,707** (2020: USD'000 29,044) as at 31 December 2021 and as of that date the Group's current liabilities exceeded its current assets by **USD'000 3,653** (2020: USD'000 6,145). The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the support of the ultimate holding company. The directors are of the opinion that this support will be forthcoming over the next 12 months. They, therefore believe that it is appropriate for the financial statements to be prepared on this accounting basis.

MAZARS LIMITED
Regulated by Financial Reporting Council

4th Floor, Unicorn Centre
18N, Frère Félix de Valois St,
Port Louis
Mauritius

Tel: +230 208 7777
www.mazars.mu

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CASA MINING LTD AND ITS SUBSIDIARY

Report on the Audit of the Financial Statements (Continued)

Emphasis of matter related to the recoverability of loans made to subsidiaries

We draw attention to Note 5 of the financial statements which outlines the loan receivable from Leda Mining SA as at 31 December 2021. The loan receivable as at 31 December 2021 amounted to **USD'000 27,676** and based on the assessment performed by the Directors for the recoverability of the loan, the latter are confident that the loan is fully recoverable and therefore no provision is required as at 31 December 2021. Our opinion is not modified in respect of this matter.

Other information

The Directors are responsible for the other information. The other information comprises the Commentary of Directors and the Secretary's Certificate as required by the Mauritius Companies Act 2001 which we have obtained prior to date of the audit report. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. 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.

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines 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, directors are responsible for assessing the Group and the 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 directors either intends to liquidate the Group or the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and the Company's financial reporting process.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CASA MINING LTD AND ITS SUBSIDIARY

Report on the Audit of the Financial Statements (Continued)

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 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

mazars

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CASA MINING LTD AND ITS SUBSIDIARY

Report on the Audit of the Financial Statements (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

The Mauritius Companies Act 2001 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

a) we have no relationship with, or interests in, the Company other than in our capacity as auditors;

b) we have obtained all the information and explanations we have required; and

c) in our opinion, proper accounting records have been kept by the Company as far as appears from our examination of those records.

Other matter

This report, including the opinion has been prepared for and only for the Company's members, as a body, in accordance with Section 205 of the Mauritius Companies Act 2001 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

mazars

Mazars

Udaysingh Taukoordass, FCA
Licensed by FRC

Date: 29 DEC 2022

CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Notes	THE GROUP 2021 USD'000	THE GROUP 2020 USD'000	THE COMPANY 2021 USD'000	THE COMPANY 2020 USD'000
Assets					
Non-current assets					
Investment in subsidiaries	4	**-**	-	**84**	84
Deferred exploration expenditure	6	**28,905**	28,060	**93**	-
Total non-current assets		**28,905**	28,060	**177**	84
Current assets					
Loan receivables from related parties	5	**-**	-	**27,676**	27,306
Prepayments and other receivables	7	**195**	189	**-**	-
Cash and cash equivalents	8	**-**	14	**-**	-
Total current assets		**195**	203	**27,676**	**27,306**
Total assets		**29,100**	28,263	**27,853**	27,390
Equity					
Share capital	9	**1**	1	**1**	1
Share premium	9	**49,844**	49,844	**49,844**	49,844
Other reserve		**1,092**	1,092	**-**	-
Accumulated losses		**(25,707)**	(29,044)	**(24,497)**	(27,834)
		25,230	21,893	**25,348**	22,011
Non-controlling interest		**22**	22	**-**	-
Total equity		**25,252**	21,915	**25,348**	22,011
Liabilities					
Current liabilities					
Loan from related party	12	**453**	3,094	**453**	3,094
Deferred consideration	10	**2,000**	2,000	**2,000**	2,000
Trade and other payable	11	**1,395**	1,254	**52**	285
		3,848	6,348	**2,505**	5,379
Total liabilities		**3,848**	6,348	**2,505**	5,379
Total liabilities and equity		**29,100**	28,263	**27,853**	27,390

Approved by the Board of Directors on …29 DEC 2022….
and signed on its behalf by:

}
} Directors
}

The notes on pages 14 to 26 form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2021

		THE GROUP		THE COMPANY	
		2021	2020	**2021**	2020
	Notes	**USD'000**	USD'000	**USD'000**	USD'000
General and administrative expense	13	**(7)**	(16)	**(7)**	(18)
Advances written off	17(b) 17(c)	**3,344**	-	**3,344**	-
Exploration and Evaluation expenditure	14	**-**	-	**-**	-
Operating profit / (loss)		**3,337**	(16)	**3,337**	(18)
Impairment loss		**-**	(8)	**-**	(8)
Profit / (Loss) before taxation		**3,337**	(24)	**3,337**	(26)
Taxation	15	**-**	-	**-**	-
Profit / (Loss) for the year		**3,337**	(24)	**3,337**	(26)
Other comprehensive income		**-**	-	**-**	-
Total comprehensive profit / (loss) for the year		**3,337**	(24)	**3,337**	(26)
Loss attributable to:					
Owners of the parent company		**3,337**	(24)	**3,337**	(26)
Non controlling interests		**-**	-	**-**	-
		3,337	(24)	**3,337**	(26)
Total comprehensive loss attributable to:					
Owners of the parent company		**3,337**	(24)	**3,337**	(26)
Non controlling interests		**-**	-	**-**	-
		3,337	(24)	**3,337**	(26)

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

THE GROUP

	Share capital USD'000	Share premium USD'000	Other reserves USD'000	Accumulated losses USD'000	Total USD'000	Non-controlling interest USD'000	Total equity USD'000
Balance – 01 January 2020	1	49,844	1,092	(29,020)	21,917	22	21,939
Total comprehensive loss for the year	-	-	-	(24)	(24)	-	(24)
Balance – 31 December 2020	1	49,844	1,092	(29,044)	21,893	22	21,915
Balance – 01 January 2021	**1**	**49,844**	**1,092**	**(29,044)**	**21,893**	**22**	**21,915**
Total comprehensive income for the year	**-**	**-**	**-**	**3,337**	**3,337**	**-**	**3,337**
Balance – 31 December 2021	**1**	**49,844**	**1,092**	**(25,707)**	**25,230**	**22**	**25,252**

The notes on pages 14 to 26 form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

THE COMPANY

	Share capital USD'000	Share premium USD'000	Accumulated losses USD'000	Total USD'000
Balance – 01 January 2020	1	49,844	(27,808)	22,037
Total comprehensive loss	-	-	(26)	(26)
Balance – 31 December 2020	1	49,844	(27,834)	22,011
Balance – 01 January 2021	**1**	**49,844**	**(27,834)**	**22,011**
Total comprehensive income for the year	**-**	**-**	**3,337**	**3,337**
Balance – 31 December 2021	**1**	**49,844**	**(24,497)**	**25,348**

The notes on pages 14 to 26 form an integral part of these financial statements.

CONSOLIDATED AND SEPARATE STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2021

	THE GROUP		THE COMPANY	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Cash flows from operating activities				
Loss before income tax	**3,337**	(24)	**3,337**	(26)
Adjustments for:				
Write off advances (Note 17(b)/ 17(c)	**(3,344)**	-	**(3,344)**	-
Write-off of investment	**-**	-	**-**	8
Deferred exploration expenditure	**(845)**	(521)	**(93)**	-
Operating loss before working capital changes	**(852)**	(545)	**(100)**	(18)
(Increase)/ Decrease in prepayment and other receivables	**(6)**	1	**-**	-
Increase/(decrease) in trade and other payables	**391**	474	**16**	14
Cash used in operations	**(467)**	(70)	**(84)**	(4)
Cash flows from financing activities				
Advance to subsidiaries	**-**	-	**(369)**	(80)
Advances from Amara equity Investments	**66**		**66**	
Advances from related party	**387**	84	**387**	84
Net cash generated from financing activities	**453**	84	**84**	4
(Decrease)/ Increase in cash and cash equivalents	**(14)**	14	**-**	-
Cash and cash equivalents – beginning of year	**14**	-	**-**	-
Cash and cash equivalents – end of year (Note 8)	**-**	14	**-**	-

The notes on pages 14 to 26 form an integral part of these financial statements.

1. General information

Casa Mining Limited ("Casa" or the "Company") is the holding company for a group of companies (the Group) engaged in mineral exploration in the Democratic Republic of the Congo (DRC). The Company was incorporated on 2 April 2009. The Group's operations in DRC are conducted through the Company's 73.84% shareholding in Leda Mining Congo SA.

The principle activity of the company is to act as investment holding company.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied in dealing with items which are considered material in relation to the separate and consolidated financial statements.

2.1 Basis of preparation

The separate and consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards ("IFRSs") and International Financial Reporting Interpretations Committee ("IFRIC") Interpretations issued by International Standards Boards ("IASB") and its related bodies, except for presentation of separate and consolidated financial statements. The separate and consolidated financial statements have been prepared under the historical cost convention unless stated otherwise.

The preparation of separate and consolidated financial statements in conformity with IFRS requires the use of accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Group and the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

2.2 Going concern

The Group accumulated losses amounted to **USD'000 25,707** (2020: USD'000 29,044) as at 31 December 2021 and as of that date the Group's current liabilities exceeded its current assets by **USD'000 3,653** (2020: USD'000 6,145) The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future. The validity of this assumption depends on the support of the ultimate holding company.

2.3 Changes in accounting policies and disclosures

New standards, interpretants and amendments effective from 01 January 2021

The Group and the Company have applied the following amendments for the first time for their annual reporting period commencing 01 January 2021:

- Covid-19-Related Rent Concessions – amendments to IFRS 16 (Effective 01 June 2020);
- Interest Rate Benchmark Reform – Phase 2 – amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Effective 01 January 2021);
- Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16, Effective 01 April 2021)
- Annual Improvements to IFRS Standards 2018–2020; and
  Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to IAS 12.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards, amendments and interpretations issued but not yet effective

Certain new accounting standards, amendments to accounting standards and interpretations have been published that are not mandatory for 31 December 2021 reporting periods and have not been early adopted by the Bank. These standards, amendments or interpretations are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2. Summary of significant accounting policies (continued)

2.3 Changes in accounting policies and disclosures (continued)

New standards, amendments and interpretations issued but not yet effective

- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1, Effective 01 January 2023);
- Reference to the Conceptual Framework (Amendments to IFRS 3, Effective 01 January 2022);
- Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16, Effective 01 January 2022);
- Onerous Contracts — Cost of Fulfilling a Contract (Amendments to IAS 37, Effective 01 January 2022);
- Annual Improvements to IFRS Standards 2018–2020 (Effective 01 January 2022);
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2, Effective 01 January 2023);
- Definition of Accounting Estimates (Amendments to IAS 8, Effective 01 January 2023); and
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12, Effective 01 January 2023).

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the “functional currency”). The financial statements are presented in United States dollar (“USD”), which is also the Group’s functional currency. The USD is the currency that most faithfully reflects the underlying transactions, events and conditions that are relevant to the Group.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of their fair value gain or loss. Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the initial transactions.

2.5 Investment in subsidiaries

Separate financial statements of the investor

Investments in subsidiary companies are initially stated at cost. The carrying amount is reduced to recognise any impairment in the value of individual investments.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any 'asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets.

Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2. Summary of significant accounting policies (continued)

2.5 Investment in subsidiaries (continued)

Separate financial statements of the investor (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree if any over the fair value of the Group's

2.6 Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

(i) Amortised cost;
(ii) Fair Value Through Other Comprehensive Income (FVOCI);
(iii) Fair Value Through Profit or Loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

In the periods presented, the Group does not have any financial assets categorised as FVTPL or as FVOCI.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

2. Summary of significant accounting policies (continued)

2.6 Financial Instruments (continued)

Classification and subsequent measurement (continued)

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Classification, subsequent measurement and gains and losses

Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

2.7 Offsetting of financial instruments

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group has a legally enforceable right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 Stated capital

Stated capital is determined using the nominal values of shares that have been issued and classified as equity.

2. Summary of significant accounting policies (continued)

2.9 Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit or loss and other comprehensive income net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.10 Expenses recognition

Expenses are accounted for in profit or loss on the accruals basis.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and bank overdrafts. Cash equivalents are short term, highly liquid investments that are readily convertible to known amount of cash and are subject to an insignificant risk of change in value. Bank overdrafts are included as a component of cash and cash equivalents for the purpose of the consolidated statements of cash flows.

2.12 Related party transactions

For the purpose of these consolidated financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individual or other entities.

2.13 Equity instruments

Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

2.14 Exploration and evaluation assets

Exploration and development costs are carried forward in respect of areas of interest where the consolidated entity’s rights to tenure are current and where these costs are expected to be recouped through successful development and exploration, or by sale. Alternatively, these costs are carried forward while active and significant operations are continuing in relation to the areas of interest and it is too early to make reasonable assessment of the existence or otherwise of economically recoverable reserves. When the area of interest is abandoned, exploration and evaluation costs previously capitalised are impaired.

In accordance with the full cost method, costs incurred and associated with mining development and investment are capitalised on a project-by-project basis pending determination of the feasibility of the project. Costs incurred include appropriate technical and administrative expenses but not general overheads. If a mining development project is successful, the related expenditures will be written-off over the estimated life (useful economic life) of the commercial ore reserves on unit of production basis. Impairment reviews are carried out regularly by the Directors of the Group. Where a project is abandoned, or is considered to be of no further commercial value, the related costs will be written off to the Statement of Profit or Loss and Other Comprehensive Income.

The recoverability of deferred mining costs and mining interests is dependent upon the discovery of economically recoverable reserves, the ability of the Group to obtain necessary financing to complete the development of reserve.

2. Summary of significant accounting policies (continued)

2.15 Current and deferred income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

(i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated and separate statement of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s and the Company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting date.

(ii) Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences can be recognised.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year in which the liability is settled or the asset recognised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group and the Company expect, at the end of the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group, and the Company intend to settle its current tax assets and liabilities on a net basis.

(iii) Current and deferred tax for the year

Current and deferred tax are recognised as an expense or income in the consolidated statement of profit or loss and other comprehensive income.

3. Critical accounting estimates and judgements

The preparation of the Group and the Company's separate and consolidated financial statements requires management to make judgements and estimates that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of assets and liabilities in future periods. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the process of applying the Group and the Company's accounting policies, which are described in Note 2 to the financial statements, the directors have made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Functional currency

The determination of the functional currency of the Group and the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described on Note 2.4, the directors have considered those factors therein and have determined that the functional currency of the Company is USD.

3. Critical accounting estimates and judgements (continued)

Going concern

The directors of the Group and the Company have assessed the Group and the Company's ability to continue as a going concern and are satisfied that the Group and the Company have the resources to continue in business for the foreseeable future. Furthermore, the directors are not aware of any material uncertainties that may cast doubt upon the Group and the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on a going concern basis.

4. Investment in subsidiaries

Name of entity	**Country of incorporation**	**Ownership**		**The Company**	
		2021	2020	**2021**	2020
		%	%	**USD'000**	USD'000
Leda Mining Congo SA	Democratic Republic of the Congo	**73.84**	73.84	**84**	84
				84	84

The investments in subsidiaries are measured at costs less impairment losses. As at reporting date, the directors have assessed the carrying value of the investment in subsidiaries and believe that this reflects the fair value of the investments.

5. Loan receivable from subsidiaries

	The Company	
	2021	2020
Name of entity	**USD'000**	USD'000
Leda Mining Congo SA (Note 17(a))	**27,676**	27,306
	27,676	27,306

At 31 December 2021, the Company had assessed the recoverability of the Leda loans and are of the opinion that they are fully recoverable and that no impairment is required.

6. Deferred exploration expenditure

	The Group		**The Company**	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Balance as at 01 January,	**28,060**	27,539	**-**	-
Expenditure capitalised during the year	**845**	521	**93**	-
	28,905	28,060	**93**	-

The Company’s subsidiary, Leda Mining Congo S.A., holds the rights to three contiguous mining licenses (133km2) located in the South Kivu province in the eastern Congo gold belt where a 50km long mineralised corridor has been identified and which is expected to contain multiple prospects with some drill and trench testing returning significant intercepts. All expenses incurred in Leda relate to the exploration of these prospects. On November 1 , 2022 an Independent Report for the Misisi Gold Project was completed by John Arthur, a Fellow of the Geological Society of London and a Chartered Geologist, and by Ephraim Masibhera, a Professional Geoscientist and member of The South African Council of Natural Science Professionals, both qualified persons as defined in National Instrument 43-101(NI 43-101). Their Report concluded that the Akyanga Project at Misisi contains an Inferred Mineral Resource of 44.3M tonnes with contained gold of 3.1 Moz Au @ 2.16 g/t Au using a 0.5 g/t Au cut-off .

7. Prepayment and other receivables

	The Group		The Company	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Prepayment	**195**	189	**-**	-
Other receivables	**-**	-	**-**	-
	195	189	**-**	-

8. Cash and cash equivalents

	The Group		The Company	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Cash at bank	**-**	14	**-**	-

9. Share capital

On 11 October 2012, the Company had 500,000,000 ‘B’ shares, with a par value of USD 0.0001 per share.

In 2016, the constitution of the Company was amended and all ‘B’ shares were converted to Ordinary shares.

	Number	Share capital USD'000	Share premium USD'000
At 01 January and December 2020	12,002,763	1	49,844
At 01 January and December 2021	**12,002,763**	**1**	**49,844**

10. Deferred consideration

	The Group		The Company	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Deferred consideration	**2,000**	2,000	**2,000**	2,000

Pursuant to the Share Repurchase Agreement with Tremont Master Holdings (‘TMH Agreement’), the company repurchased and cancelled all of the 2,281,265 class ‘A’ shares by Tremont Master Holdings.

A purchase price of USD 1.00 was payable at completion and a deferred consideration of USD 2,000,000 was payable in January 2020. The deferred consideration has not been discounted because three-year USD interest rates are 1-2% and the amount discounted would not be material.

11. Trade payables and loans payables

	The Group		The Company	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Trade and other payables	**1,395**	1,004	**52**	35
Loan from ultimate parent (Note 17(c))	**-**	250	**-**	250
	1,395	1,254	**52**	285

12. Loan from related party

	The Group		The Company	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Amount due to Amara Equity Investments (Note 17 (e))	**66**	-	**66**	-
Amount due to Golden Sqaure Equity Partners Limited (Note 17(b))	**-**	3,094	**-**	3,094
Amount due to Golden Mining Limited (Note 17(d))	**387**	-	**387**	-
	453	3,094	**453**	3,094

13. General and administrative expenses

	The Group		The Company	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Consultancy and professional fees	**20**	6	**20**	6
Discount received	**(13)**	-	**(13)**	-
Other administrative costs		10		12
	7	16	**7**	18

14. Exploration and evaluation expense

Exploration and evaluation expenditures comprise exploration expenses incurred during the year ended 31 December 2021. All costs incurred during 2021 related to the Misisi project. During the year ended 31 December 2021, the Group spent **USD 845K** (2020: USD 521K) on exploration and evaluation of the Misisi prospect.

Misisi Project

In September 2009, Casa entered into an Earn-In Agreement (“the Earn-In Agreement”) with Anvil Mining Limited (“Anvil”), an Australian company with copper interests in DRC. Anvil was acquired by Minmetals Resources in 2012, subsequently renamed MMG Holdings (“MMG”), a Chinese mining group.

Under the terms of the Earn-In Agreement Casa was granted the right to earn an interest in Leda Mining Congo SA ("Leda"), at that time a subsidiary of Anvil and the owner of six exploration licences covering 5,400 km2 in the Misisi area of South Kivu Province. By carrying out exploration at its own cost and, if successful, completing a feasibility study on a mineral deposit in the exploration licence area and obtaining a mining licence over such a mineral deposit, Casa had the right to “earn” a 75% interest in Leda.

Casa Mining Ltd ("Casa") completed a feasibility study in 2014 and three mining licences were granted to Leda by the mining authorities in Kinshasa in March 2015. The terms of the Earn-In Agreement having been met, in June 2015, Casa obtained a 75% interest of Leda with MMG the balance of 25%. Under the terms of the DRC Mining Code, the DRC State acquired 5% of Leda as a free carried interest, resulting in Casa and MMG initially holding net interests in Leda of 71.25% and 23.75%, respectively.

The current shareholdings are :

Casa Mining Limited	73.84%
MMG Africa Investments Limited	21.16%
DRC State	5.00%

In June 2015, Casa and MMG signed a Shareholders’ Agreement which, amongst other matters, deals with equity dilution of Leda, management, cash calls and the early repayment of past exploration costs incurred by Casa in the amount of US$28.7M. The Board and management of Leda is controlled by Casa.

15. Taxation

The Company, being resident in Mauritius, is liable to income tax in Mauritius on its chargeable income at the rate of 15%. The Company has received its Category 1 Global Business Licence (“GBL1”) on or before 30th October 2014 and is grandfathered under the provisions of the Finance (Miscellaneous Provisions) Act 2018 (“FA 2018”). As from 1st July 2021, the Company’s GBL1 licence will be automatically converted to a Global Business Licence (“GBL”). The Company will therefore operate under the current tax regime up to 30th June 2021.

Until 30th June 2021, the Company’s foreign sourced income is eligible for a foreign tax credit which is computed as the higher of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company is based on either the actual foreign tax charged by the foreign jurisdiction or a deemed foreign tax. The deemed amount of foreign tax is based on 80% of the Mauritian tax on the relevant foreign sourced income. In computing its total actual foreign tax credit, the Company is allowed to pool all of its foreign sourced income.

The Company’s GBL1 licence will convert to a GBL licence on 1st July 2021 and will operate under the new tax regime. Under the new regime, the Company will be able to claim an 80% partial exemption on specific types of income (including foreign dividends and interest), subject to meeting pre-defined substance conditions. Other types of income not falling within the categories of income benefitting from the partial exemption will be taxed at 15%. As an alternative to the partial exemption, the Company can claim a tax credit against its Mauritius tax liability based on the foreign tax charged on the income in the foreign jurisdiction.

The Company is liable to pay tax in Mauritius on its chargeable income at the rate of 15% (2020: 15%). As a holder of a Category 1 Global Business Licence, it is entitled to a credit in respect of foreign tax equivalent to the higher of actual foreign tax suffered or a deemed credit equivalent to 80% (2020: 80%) of the Mauritius income tax liability on foreign source income. The maximum effective rate is 3% (2020: 3%).

Gains or profits arising from the sale of units or securities are tax-exempt in the hands of the Company in Mauritius. Dividends and redemption proceeds paid by the Company to its shareholders do not attract withholding tax.

The subsidiaries

The subsidiaries operate in various jurisdictions and are liable to income tax at the rate of 0% to 30% on their respective taxable income. No provision for income tax has been made in the financial statements of the subsidiaries as there are accumulated tax losses as at 31 December 2021.

Reconciliation of the tax expense

	The Group		**The Company**	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Loss before taxation	**3,337**	(24)	**3,337**	(26)
Tax at the effective tax rate	**501**	(4)	**501**	(4)
Expenses not deductible for tax purposes	**-**	1	**-**	1
Income not subject to tax	**(502)**	-	**(502)**	-
Tax losses not utilised	**1**	3	**1**	3
	-	-	**-**	-

Deferred tax assets

The Company and its subsidiaries have not recognised deferred tax assets resulting from accumulated losses due to uncertainty about the recoverability of such assets.

At the reporting date, the Company's accumulated losses amounted to **USD 850,000** (2020: 1,312,000) which could be offset against future taxable profits up to 31 December 2026.

16. Financial risk management and objectives

The company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. Risk management is carried out by management under policies approved by the board of directors. Management identifies and evaluates the financial risks in co-operation with the company's operating units. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, and credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The company's overall risk management program seeks to minimize potential adverse effects on the company's financial performance.

The Parent's functional currency is the United States Dollar ("USD"). The Group is affected by currency transaction and translation risk, primarily to pounds sterling and South African Rand. The Group funds its African exploration and development activities using USD. The Group's liabilities are incurred in the main in USD in all jurisdictions in which it operates.

Interest rate risk

The exposure of the Group to the risk of changes in market interest rates relates primarily to cash, cash equivalents and short-term deposit holdings of the Group.

The effect of a 2% rise or fall in market interest rates would not have had a significant impact on the loss for the year.

Credit risk

Credit risk is managed on a consolidated basis, except for credit risk relating to receivables balances. Credit risk arises from deposits with banks, debt securities and derivative financial instruments (when in an asset position). For deposits, debt securities and derivatives, the Company only deals with or invests in independently rated securities that have a minimum rating of 'BBB'.

	The Group		**The Company**	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Other receivables	**195**	189	**-**	-
Cash and cash equivalents	**-**	14	**-**	-
	195	203	**-**	-

Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group and aggregated in head office which monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs at all times. Such forecasting takes into consideration the Group's debt financing plans and compliance with internal balance sheet ratio targets.

Surplus cash held by the operating entities over and above balances required for working capital management are invested in interest bearing short-term deposits and investment in debt securities with a maturity within 12 months, which are selected with appropriate maturities or sufficient liquidity to provide sufficient head-room as determined by the above-mentioned forecasts.

At the reporting date, the Group's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings comprised solely of accounts payable due to suppliers of **USD 1,395K** (2020: USD 1,254) These amounts represent the contractual undiscounted cash flows.

16. Financial risk management and objectives (continued)

Capital management (continued)

The Group's objective when managing capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Group has no debt other than the deferred consideration as disclosed in note 10.

The Group manages capital through its financial and operational forecasting processes. The Group reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on its exploration and evaluation activities. Selected information is frequently provided to the Board of Directors of the Group. The Group's capital management objectives, policies and processes have remained unchanged for the years presented.

17. Related party transactions

Related Parties	**2021 Relationship**	2020 Relationship
Golden Square Equity Partners Limited	**N/A**	Ultimate Holding Company
Leda Mining SA	**Subsidiary**	Subsidiary
Amara Equity Investments	**Common Directorship**	N/A
Golden Mining Limited	**Common Directorship**	N/A
Wade Cherwakyo	**UBO**	UBO
Crowe SG	**Company Secretary**	Company Secretary

(a) ***Loan to subsidiary (Leda Mining SA)***

	2021 USD'000	2020 USD'000
Balance at beginning of year	**27,306**	27,226
Amounts advanced during the year	**370**	80
Balance at end of year	**27,676**	27,306

The loans to the subsidiaries are unsecured, interest free and repayable after more than one year.

(b) ***Amount due to related party (Golden Square Equity Partners Limited)***

	2021 USD'000	2020 USD'000
Balance at beginning of year	**3,094**	3,010
Additions during the year		84
Writeoff during the year	**(3,094)**	-
Balance at end of year	**-**	3,094

(c) ***Loan from ultimate parent (Golden Square Equity Partners Limited)***

	2021 USD'000	2020 USD'000
Balance at beginning of year	**250**	250
Additions during the year	**-**	-
Writeoff during the year	**(250)**	-
Balance at end of year	**-**	250

17. Related party transactions (continued)

(d) ***Amount due to related party (Golden Mining Limited)***

	2021	2020
	USD'000	USD'000
Balance at beginning of year	**-**	-
Additions during the year	**387**	-
Writeoff during the year	**-**	-
Balance at end of year	**387**	-

(e) ***Amount due to related party (Amara Equity Investmets)***

	2021	2020
	USD'000	USD'000
Balance at beginning of year	**-**	-
Additions during the year	**66**	-
Writeoff during the year	**-**	-
Balance at end of year	**66**	-

(f) **Key management compensation**

	The Group		**The Company**	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
Salaries and short term employee benefits	**-**	-	**-**	-
	-	-	**-**	-

(g) **Amount due to Company Secretary (Crowe SG Ltd)**

	The Company	
	2021	2020
	USD'000	USD'000
Balance at beginning of year	**17**	9
Additions during the year	**10**	12
Paid during the year	**-**	(4)
Discount Received	**(13)**	-
Balance at end of year	**14**	17

18. Segmented information

The Company operates in one business segment, the exploration for gold in Africa.

19. Holding Company

The Company's immediate parent undertaking is Golden Equity Square Partners Limited, a company incorporated and registered in England and Wales with company number 10712020 and having its registered address at 23 Golden Square, London UK W1F 9JP.

20. Subsequent events

On 14 April 2022, Regency Mining Ltd ("Regency"), a company incorporated under the laws of the Republic of Seychelles have entered a Share Purchase Agreement to acquire the interest of Golden Square Equity Partners held in Casa Mining Ltd being 11,934,669 Ordinary Shares and representing 99.43 % of the issued and outstanding shares capital.

CASA MINING LTD AND ITS SUBSIDIARY

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD FROM 01 JANUARY 2022

TO 30 SEPTEMBER 2022

CORPORATE DATA

Country of incorporation and domicile : Mauritius

		Date of appointment	Date of resignation
Directors	: Ootum Ajay Sewraz	22 Jan 2016	-
	Lilowtee Gujadhur	22 Jan 2016	3 Nov 2022
	Kesehven Lutchmanen	3 Nov 2022	-

Registered office : 3rd Floor, Ebène Esplanade
24 Cybercity, Ebène
Mauritius

Bankers : **AfrAsia Bank Limited**
Bowen Square
10, Dr Ferriere Street
Port Louis
Mauritius

Auditors : **Mazars**
Chartered Accountants
4th Floor, Unicorn Centre
Frère Félix de Valois Street
Port Louis
Mauritius

Secretary : **Crowe SG Ltd**
3rd Floor, Ebène Esplanade
24 Cybercity, Ebène
Mauritius

Company registration : C126157

CASA MINING LTD
CONSOLIDATED BALANCE SHEET

	30.09.2022 (USD 000s)	31.12.2021 (USD 000s)
Non-current assets		
Deferred exploration expenditure	29,389	28,905
Total non-current assets	**29,389**	**28,905**
Current assets		
Prepayments and other receivables	189	195
Cash and cash equivalents	0	0
Total current assets	**189**	**195**
Total assets	**29,578**	**29100**
Equity		
Share capital	1	1
Share premium	49844	49,844
Other reserve	1092	1,092
Accumulated losses	-25,739	(25,707)
	25198	25,230
Non-controlling interest	22	22
Total equity	**25220**	**25,252**
Liabilities		
Current liabilities		
Advances from related parties	728	453
Deferred consideration	2000	2,000
Trade and other payable	1630	1,395
Total current liabilities	**4358**	**3,848**
Total liabilities	**4358**	**3,848**
Total liabilities and equity	**29578**	**29,100**

SIGNED BY THE DIRECTOR ON: 01 FEB 2023

KESEHVEN LUTCHMANEN

CASA MINING LTD
CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	Nine Months 30.09.2022 (USD 000s)	Year ended 31.12.2021 (USD 000s)
Company Secretary and Mauritian Fees	32	10
Audit		5
Write off Loan Golden Square		-3344
Discounts achieved		-13
Other		5
	32	**-3337**

CASA MINING LTD
CONSOLIDATED STATEMENT OF CASHFLOW

	Nine Months 30.09.2022 (USD 000s)	Year ended 31.12.2021 (USD 000s)
Cash flows from operating activities		
Profit (Loss) before income tax	-32	3,337
Adjustments for:		
Write off Golden Square		(3,344)
Deferred exploration expenditure	-484	(845)
Operating loss before working capital changes	**-516**	**(852)**
(Increase) decrease in current assets	6	-6
Increase (decrease) in trade payables	235	391
Cash used in operations	**-275**	**(467)**
Cash flows from financing activities		
Advances from related parties	275	453
Net cash generated from financing activities	**275**	**453**
(Decrease)/ Increase in cash and cash equivalents	0	**(14)**
Cash and cash equivalents – beginning of year	0	**14**
Cash and cash equivalents – end of year	0	**-**

CASA MINING LTD

CONSOLIDATED STATEMENT OF EQUITY

	Share Capital	Share Premium	Other Reserves	Deficit	NCI	30.09.2022 TOTAL EQUITY
Balance 1 January 2022	1	49844	1092	-25707	22	25252
Loss for the period				-32		-32
Balance 30 September 2022	1	49844	1092	-25739	22	25220

CASA MINING LTD
NOTES 30 SEP 2022

Balances with Related Parties

	USD 000s 30.09 2022	USD 000s 31.12. 2021	
Advances - Golden Mining	387.400	387.400	
Advances - Wade Cherwayko	8.450	8.450	
Advances - Amara Equity Investments	66.000	66.000	
Advances - BonBonniere Entertainment LLC	18.565	18.565	
Advances from Regency via WC	212.500		These are payments made directly to Leda
Advances Regency via Valorem	34.776		
	727.691	480.415	
Loan payable Leda to Casa	27896.000	27675.000	

Valorem Summary

Date	Amount	Payee	
17.08.22	5276	Mazars	
17.08.22	7500	Leda	Technical Data Acquisition
16.09.22	22000	Dale International Trust	
	34776		