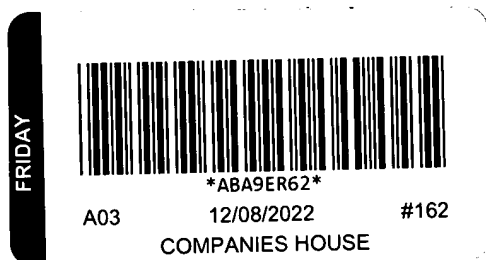


**Ortac Resources (UK) Limited**  
**Annual Report and Consolidated Financial**  
**Statements**  
**For the Year Ended**  
**31 March 2022**

**BEEVER AND STRUTHERS**

Chartered accountants & statutory auditor  
St. George's House  
215 - 219 Chester Road  
Manchester  
M15 4JE



# **Ortac Resources (UK) Limited**

## **Financial Statements**

**Year Ended 31 March 2022**

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<b>Contents</b>	<b>Page</b>
Officers and Professional Advisers	1
Strategic Report	2
Directors' Report	3
Directors' Responsibilities Statement	5
Independent Auditor's Report to the Members	6
Consolidated Statement of Comprehensive Income	11
Consolidated Statement of Financial Position	12
Company Statement of Financial Position	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Statement of Cash Flows	16
Notes to the Financial Statements	17

# **Ortac Resources (UK) Limited**

## **Officers and Professional Advisers**

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### **The Board of Directors**

G D'Anna  
P Fromson  
J H Millward  
I Lynch

### **Registered Office**

Hill Dickinson LLP 8th Floor  
The Broadgate Tower  
20 Primrose Street  
London  
EC2A 2EW

### **Auditor**

Beever and Struthers  
Chartered accountants & statutory auditor  
St. George's House  
215 - 219 Chester Road  
Manchester  
M15 4JE

### **Solicitors**

Waddington & Son  
28 Manchester Road  
Burnley  
Lancashire  
BB11 1NH

# Ortac Resources (UK) Limited

## Strategic Report

Year Ended 31 March 2022

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The directors present their strategic report for the year ended 31 March 2022

### Principal activity

The principal activity of Ortac Resources (UK) Limited ("the Group") is the management and supervision of the activities of its subsidiaries in Slovakia in developing the Sturec gold project in Kremnica and elsewhere exploring for gold and precious metals in Slovakia.

### Business Review

Loss on ordinary activities after taxation amounted to £7,981 (2021: £8,275). The directors do not recommend the payment of a dividend in the current financial year and prior year.

### Future Developments

The Company expects to continue with exploration of gold and precious metals at the Sturec gold project in Kremnica, Slovakia.

### Post balance sheet events

There were no post balance sheet events to be recorded.

### Principal risks and uncertainties

The principal risks and uncertainties are integrated with the principal risks and uncertainties of the group undertaking and are not managed separately. Accordingly, the principal risks and uncertainties of MetalsTech Limited, which include those of the Ortac Resources (UK) Limited group are discussed in the MetalsTech Limited Annual Report

This report was approved by the board of directors on 4 August 2022 and signed on behalf of the board by:



P Fromson  
Director

Registered office:  
Hill Dickinson LLP 8th Floor  
The Broadgate Tower  
20 Primrose Street  
London  
EC2A 2EW

# **Ortac Resources (UK) Limited**

## **Directors' Report**

### **Year Ended 31 March 2022**

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The directors present their report and the financial statements of the group for the year ended 31 March 2022.

#### **Directors**

The directors who served the company during the year were as follows:

G D'Anna	(Resigned on 27 June 2022)
P Fromson	
J H Millward	(Appointed on 27 June 2022)
I Lynch	(Appointed on 27 June 2022)

#### **Going concern**

The Group made a loss in the year and is reliant on its parent, MetalsTech Limited, for support. Further funding will be required within 12 months of signing of the financial statements. The Group's parent has demonstrated its ability to raise funds in equity markets.

The parent company MetalsTech Limited has had three recent significant fund raising events:

- It raised AUD\$3.3m via a placement of shares on 25 September 2020;
- It sold a royalty stream on 2 July 2021 on its lithium assets for USD\$5m; and
- On 21 September 2021 it raised a further AUD\$2m via the placement of shares.

MetalsTech Limited is therefore well funded and able to provide further funding. The Directors believe that preparation of the Group's accounts on a going concern basis is appropriate and consistent with the basis of preparation of its ultimate parent undertaking MetalsTech Limited.

#### **Statement of disclosure of information to the auditor**

Each director who held office at the date of approval of this report confirms that:

- so far as the director are aware, there is no relevant audit information needed by the company's auditor in connection with preparing its report of which the company's auditor is unaware; and
- the director has taken all steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

#### **Indemnity of officers**

During the financial year the Group insured the directors and officers of the Group against any liability incurred as a director or officer to the extent permitted. The Group has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Group against a liability incurred as such as an officer or auditor.

# Ortac Resources (UK) Limited

## Directors' Report (continued)

Year Ended 31 March 2022

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### Indemnification of auditors

No indemnities have been given or insurance premiums paid, during or since the end of the period, for any person who is or has been an auditor of the Group.

The auditor is deemed to have been appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 4 August 2022 and signed on behalf of the board by:



P Fromson  
Director

Registered office:  
Hill Dickinson LLP 8th Floor  
The Broadgate Tower  
20 Primrose Street  
London  
EC2A 2EW

# **Ortac Resources (UK) Limited**

## **Directors' Responsibilities Statement**

**Year Ended 31 March 2022**

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The directors are responsible for preparing the strategic report, 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. 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 group and the company and the profit or loss of 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 judgments and accounting estimates that are reasonable and prudent; 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 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.

# **Ortac Resources (UK) Limited**

## **Independent Auditor's Report to the Members of Ortac Resources (UK) Limited**

**Year Ended 31 March 2022**

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### **Opinion**

We have audited the financial statements of Ortac Resources (UK) Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of comprehensive income, consolidated statement of financial position, company statement of financial position, consolidated statement of changes in equity, company statement of changes in equity, consolidated statement of cash flows and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation 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 March 2022 and of the group's loss for the year then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union;
- 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 group 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, 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.

### **Conclusions Relating to Going Concern**

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.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

# **Ortac Resources (UK) Limited**

## **Independent Auditor's Report to the Members of Ortac Resources (UK) Limited** *(continued)*

**Year Ended 31 March 2022**

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### **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.

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 we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 the 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 parent company 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.

# **Ortac Resources (UK) Limited**

## **Independent Auditor's Report to the Members of Ortac Resources (UK) Limited** *(continued)*

**Year Ended 31 March 2022**

---

### **Responsibilities of Directors**

As explained more fully in the directors' responsibilities statement, 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 the 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.

# Ortac Resources (UK) Limited

## Independent Auditor's Report to the Members of Ortac Resources (UK) Limited *(continued)*

Year Ended 31 March 2022

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### 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.

#### *The extent to which our procedures are 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 engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the group through discussions with the directors, and from our commercial knowledge and understanding of the business in which the group operates;
- We focused on specific laws and regulations which we considered may have a director material effect on the financial statements or the operations of the group, including the Companies Act 2006, taxation legislation, anti-bribery, employment and health and safety legislation;
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of directors 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 company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of directors as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- 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 judgement and assumptions made in determining accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk if 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; and
- Enquiring of directors as to actual and potential litigation and claims.

## Ortac Resources (UK) Limited

### Independent Auditor's Report to the Members of Ortac Resources (UK) Limited *(continued)*

#### Year Ended 31 March 2022

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There are inherent limitations in our audit procedures described above. The more removed that 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 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

#### Use of this report

This report is made solely to the company's members, as a body, in accordance with Chapter 13 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.

*Beever and Struthers*

Jonathan Mather BA ACA (Senior Statutory Auditor)

For and on behalf of  
Beever and Struthers  
Chartered accountants & statutory auditor  
St. George's House  
215 - 219 Chester Road  
Manchester  
M15 4JE

Date : 4 August 2022

# Ortac Resources (UK) Limited

## Consolidated Statement of Profit and Loss and Comprehensive Income

Year Ended 31 March 2022

	Note	2022 £	2021 £
Revenue		-	-
Administrative expenses		<u>7,981</u>	<u>8,275</u>
Operating loss		<u>(7,981)</u>	<u>(8,275)</u>
Loss before income tax		<u>(7,981)</u>	<u>(8,275)</u>
Income tax expense		<u>-</u>	<u>-</u>
Loss for the financial year		<u>(7,981)</u>	<u>(8,275)</u>
Other comprehensive income		<u>38,689</u>	<u>225,728</u>
Total comprehensive income for the year		<u>30,708</u>	<u>217,453</u>

All the activities of the group are from continuing operations.

The notes on pages 17 to 27 form part of these financial statements.

# Ortac Resources (UK) Limited

## Consolidated Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Deferred exploration expenditure	7	8,762,628	8,719,227
<b>Current assets</b>			
Trade and other receivables	7	2,288	2,304
Cash at bank and in hand		<u>9,007</u>	<u>8,446</u>
		11,295	10,750
<b>TOTAL ASSETS</b>		<u><b>8,773,923</b></u>	<u><b>8,729,977</b></u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans due to ultimate parent	8	40,998	32,138
<b>Current liabilities</b>			
Trade and other payables	8	<u>63,698</u>	<u>59,320</u>
<b>TOTAL LIABILITIES</b>		<u><b>104,696</b></u>	<u><b>91,458</b></u>
<b>EQUITY</b>			
Called up share capital	9	19,693,993	19,693,993
Share premium reserve	10	1,311,861	1,311,861
Retained earnings - deficit -	10	(12,336,627)	(12,367,335)
<b>TOTAL EQUITY</b>		<u><b>8,669,227</b></u>	<u><b>8,638,519</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>8,773,923</b></u>	<u><b>8,729,977</b></u>

These financial statements were approved by the board of directors and authorised for issue on 4 August 2022, and are signed on behalf of the board by:



P Fromson  
Director

Company registration number: 06418951

The notes on pages 17 to 27 form part of these financial statements.

# Ortac Resources (UK) Limited

## Company Statement of Financial Position

31 March 2022

	Note	2022 £	2021 £
<b>ASSETS</b>			
<b>Non-current assets</b>			
Investments in subsidiaries	6	1,327,400	1,327,400
Loans due from subsidiaries	7	5,168,028	5,168,028
Deferred exploration expenditure	7	<u>1,585,769</u>	<u>1,585,769</u>
		8,081,177	8,081,197
<b>Current assets</b>			
Cash at bank and in hand		<u>4,153</u>	<u>3,270</u>
<b>TOTAL ASSETS</b>		<u><b>8,085,330</b></u>	<u><b>8,084,467</b></u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Loans due to ultimate parent	8	40,998	32,138
<b>Current liabilities</b>			
Trade and other payables	8	-	16
<b>TOTAL LIABILITIES</b>		<u><b>40,998</b></u>	<u><b>32,154</b></u>
<b>EQUITY</b>			
Called up share capital	9	19,693,993	19,693,993
Share premium reserve	10	1,311,861	1,311,861
Retained earnings - deficit	10	<u>(12,961,522)</u>	<u>(12,953,541)</u>
<b>TOTAL EQUITY</b>		<u><b>8,044,332</b></u>	<u><b>8,052,313</b></u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>8,085,330</b></u>	<u><b>8,084,467</b></u>

The loss for the financial year of the parent company was £7,981 (2021: £8,275).

These financial statements were approved by the board of directors and authorised for issue on 4 August 2022 and are signed on behalf of the board by:



P Fromson  
Director

Company registration number: 06418951

The notes on pages 17 to 27 form part of these financial statements.

# Ortac Resources (UK) Limited

## Consolidated Statement of Changes in Equity

Year Ended 31 March 2022

	Share capital £	Share premium £	Retained earnings £	Total £
<b>At 1 April 2020</b>	19,693,993	1,311,861	(12,584,788)	8,421,066
Loss for the year			(8,275)	(8,275)
Other comprehensive income for the year:				
Foreign currency retranslation	—	—	225,728	225,728
<b>Total comprehensive income for the year</b>	—	—	217,453	217,453
<b>At 31 March 2021</b>	19,693,993	1,311,861	(12,367,335)	<b>8,638,519</b>
Loss for the year			(7,981)	(7,981)
Other comprehensive income for the year:				
Foreign currency retranslation	—	—	38,689	<b>38,689</b>
<b>Total comprehensive income for the year</b>	—	—	30,708	<b>30,708</b>
<b>At 31 March 2022</b>	<u>19,693,993</u>	<u>1,311,861</u>	<u>(12,336,627)</u>	<u><b>8,669,227</b></u>

The notes on pages 17 to 27 form part of these financial statements.

# Ortac Resources (UK) Limited

## Company Statement of Changes in Equity

Year Ended 31 March 2022

	Share capital £	Share premium £	Retained earnings £	Total £
At 1 April 2020	19,693,993	1,311,861	(12,945,266)	8,060,588
Loss for the year			(8,275)	(8,275)
Total comprehensive income for the year	—	—	(8,275)	(8,275)
At 31 March 2021	19,693,993	1,311,861	(12,953,541)	8,052,313
Loss for the year			(7,981)	(7,981)
Total comprehensive income for the year	—	—	(7,981)	(7,981)
At 31 March 2022	19,693,993	1,311,861	(12,961,522)	8,044,332

The notes on pages 17 to 27 form part of these financial statements.

# Ortac Resources (UK) Limited

## Consolidated Statement of Cash Flows

Year Ended 31 March 2022

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	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Loss for the financial year	(7,981)	(8,275)
<i>Movement in working capital:</i>		
Decrease/(increase) in trade and other receivables	16	(1,362)
Increase in trade and other payables	8,526	3,152
Cash generated from operations	8,542	1,790
Net cash from operating activities	8,542	1,790
Net increase in cash and cash equivalents	561	(6,485)
Cash and cash equivalents at beginning of year	8,446	14,931
Cash and cash equivalents at end of year	9,007	8,446

The notes on pages 17 to 27 form part of these financial statements.

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# **Ortac Resources (UK) Limited**

## **Notes to the Financial Statements**

### **Year Ended 31 March 2022**

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#### **1. Significant Accounting Policies**

##### **Statement of Compliance**

These group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs and IFRIC interpretations) as adopted in the European Union and those parts of the Companies Act 2006 that are applicable.

As a result of the UK leaving the EU, the International Accounting Standards and European Public Limited-Liability Company (Amendment etc.) (EU Exit) Regulations 2019 (SI 2019/685) require all companies with accounting periods beginning on or after 1 January 2021 to apply UK-adopted IAS. In the previous year the company applied International Financial Reporting Standards as adopted in the European Union (EU-adopted IFRS). Prior year comparatives have not been stated for this change.

On 1 January 2021 UK-adopted IAS and EU-adopted IFRS were identical. Since this date timing differences in endorsement have arisen, however no amendments would be required to the financial statements if they were to be prepared in accordance with EU-adopted IFRS as at 31 March 2022.

##### **Basis of accounting and general information**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial instrument, as described in the accounting policies set out below.

These accounting policies are consistent with those in the previous years.

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Hill Dickinson LLP 8th Floor, The Broadgate Tower, 20 Primrose Street, London, EC2A 2EW.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### **Going Concern**

At 31 March 2022, Ortac Resources (UK) Ltd had incurred a loss of £0.1m. The company however maintained a net asset position of £8.1m.

The Directors have reviewed the cash flow requirements in the next 12 months and recognise that the ability of the Group to continue as a going concern is dependent on financial support from the parent entity Metalstech Ltd, a company listed on the Australian Securities Exchange.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors believe there are sufficient funds to meet the Group's working capital requirements as at the date of this report.

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

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#### 1. Significant Accounting Policies *(continued)*

##### Going Concern *(continued)*

The financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Group has a history of successfully raising capital;
- The gold price has strengthened significantly over an extended period and the gold sector worldwide is attracting investors;
- The share price of the parent company Metalstech Ltd has improved as a result of the stronger gold sector and this has improved its ability to raise further funds to support the Company;
- The Directors believe that there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities;
- The fact that future exploration and evaluation expenditures are generally discretionary in nature and may be slowed or suspended as part of the management of the Group's working capital and other forecast commitments.

Should the Group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the company not continue as a going concern.

##### Basis of consolidation

The financial statements consolidate the financial statements of the Company and each of its 100% subsidiary undertakings; Ortac s.r.o and St. Stephan Gold s.r.o, both of which are incorporated in Slovakia.

The results of subsidiaries acquired or disposed of are included from or to the date that control passes. The financial statements of the subsidiaries are prepared for the same reporting period as the parent Company, using consistent accounting policies. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

The parent Company has applied the exemption contained in section 408 of the Companies Act 2006 and has not included its individual statement of comprehensive income.

The loss in the year for the parent Company was £7,281 (2021: £8,275).

##### Foreign currency translation

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Statement of Financial Position date are translated to sterling at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Profit or Loss and Other Comprehensive Income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

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#### 1. Significant Accounting Policies *(continued)*

##### Income Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits,
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met, and
- Where timing differences relate to interests in subsidiaries, associates and joint ventures and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

##### Research and Development

Research expenditure is written off in the period in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

##### Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

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#### 1. Significant Accounting Policies *(continued)*

##### Financial Instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

##### Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

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#### 1. Significant Accounting Policies *(continued)*

##### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

##### Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business.

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 company will not be able to collect all amounts due according to the original terms of the receivables.

##### Deferred exploration expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Costs incurred on identifiable areas of interest where the Company has not been granted rights to tenure as at reporting date are capitalised when the Company are confident that it is probable the Company will be granted rights in the near future. If the Company is subsequently not granted rights to tenure, costs capitalised to affected areas of interest are written off in the Statement of Profit or Loss and Other Comprehensive.

Exploration and evaluation expenditure is assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability or facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Exploration and evaluation expenditure is tested for impairment when any of the following facts and circumstances exist:

- The term of exploration licence in the specific area of interest has expired during the reporting period or will expire in the near future, and is not expected to be renewed;
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area are not budgeted nor planned;

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

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#### 1. Significant Accounting Policies *(continued)*

##### Deferred exploration expenditure *(continued)*

- Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the decision was made to discontinue such activities in the specified area; or
- Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

##### Trade and other 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the payable for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, 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.

##### 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.

#### 2. Significant accounting judgements estimates

In applying the group's accounting policies, which are described in Note 1, management is required to make:

- judgements (other than those involving estimations) that have a significant impact on amounts recognised; and
- estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses.

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

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#### 3. Profit for the year

	2022 £	2021 £
Loss for the year has been arrived after charging:		
Professional fees	<u>7,350</u>	<u>7,900</u>

Auditor's remuneration (excl. VAT) for the year ended 31 March 2022 is borne by the ultimate parent undertakings, MetalsTech Ltd of £7,000 (2021: £6,800)

#### 4. Employee Information

The average number of persons employed by the group during the year, including the directors, amounted to:

	2022 No.	2021 No.
Management staff	<u>3</u>	<u>2</u>

Staff costs and directors' remuneration are borne by the ultimate parent undertakings, MetalsTech Ltd.

#### 5. Taxation

	2022 £	2021 £
<i>Analysis of charge in the period:</i>		
<i>Current tax</i>		
UK corporation tax on loss of the period	-	-
Total current tax	<u>-</u>	<u>-</u>
<i>Deferred tax</i>	-	-
Total income tax recognised	<u>-</u>	<u>-</u>

#### *Factors affecting tax charge for the period*

The tax assessed for the period is lower than the standard rate of corporation tax in the UK. The differences are explained below.

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

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#### 5. Taxation *(continued)*

The tax charge for the year can be reconciled to the loss per the statement of profit and loss as follows :

	2022 £	2021 £
<i>Loss on ordinary activities before tax</i>	(7,981)	(8,275)
Loss on ordinary activities multiplied by the standard rate of UK corporation tax 19% (2021: 19%)	(1,516)	(1,572)
Effects of :		
Loss carried forward	1,516	1,572
	<u>          </u>	<u>          </u>
Total tax charge for the period	<u>          </u>	<u>          </u>

There are tax losses of £3,772,830 (2021: £3,764,849) for Ortac Resources (UK) Ltd which are carried forward for relief in against taxable profits in future periods.

Following the acquisition of all the issued capital of Ortac Resources (UK) Ltd by Metalstech Ltd, the group is reviewing the tax records of the group and in particular the tax losses available to carry forward in its Slovakian subsidiaries. This review of Slovakian tax losses has not been concluded at the time of signing this report, however the company has received advice that the quantum of losses is low as carry forward tax losses expire after 4 years. There is no impact on tax expense as losses have been incurred and no future income tax benefit has been booked due to uncertainty of losses available.

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

#### 6. Investments

Ortac Resources (UK) Ltd holds an investment in St. Stephan Gold s.r.o and Ortac s.r.o (Formerly Kremnica Gold Mining s.r.o). The holding value of this investment as at 31 March 2022 is £1,327,400 (2021: £1,327,400).

#### 7. Deferred exploration expenditure, other receivables and loans due from subsidiaries

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<i>Amounts due within one year:</i>				
Other receivables	<u>2,288</u>	<u>2,304</u>	<u>–</u>	<u>–</u>
<i>Amount due after one year:</i>				
Deferred exploration expenditure	8,762,628	8,719,227	1,585,769	1,585,769
Loans due from subsidiaries	-	-	5,168,028	5,168,028
	<u>8,762,628</u>	<u>8,719,227</u>	<u>6,753,797</u>	<u>6,753,797</u>

Loans due from subsidiaries are unsecured, interest free and have no fixed repayment date.

#### 8. Loans due to ultimate parent, trade and other payables

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
<i>Amounts due within one year:</i>				
Trade and other payables	<u>63,698</u>	<u>59,320</u>	<u>–</u>	<u>16</u>
<i>Amount due after one year:</i>				
Loans due to ultimate parent	<u>40,998</u>	<u>32,138</u>	<u>40,998</u>	<u>32,138</u>

Trade and other payables comprise amount outstanding for ongoing costs. No interest is charges on overdue amounts. The carrying amount of trade and other payables approximate the fair value.

Loans due to ultimate parent are unsecured, interest free and have no fixed repayment date.

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

#### 9. Called Up Share Capital

Issued, called up and fully paid

	2022		2021	
	No.	£	No.	£
Ordinary shares of £0.05 each	<u>393,879,863</u>	<u>19,693,993</u>	<u>393,879,862</u>	<u>19,693,993</u>

The holders of ordinary shares are entitled to received dividend declared and entitled to one vote per share at meetings of the company. All ordinary shares rank equally with regard to the company's residual assets.

#### 10. Reserves

All reserves are as stated in the Consolidated Statement of Changes in Equity.

Share premium account - This reserve records the amount above the nominal value received for shares sold, less transaction costs.

#### 11. Financial instruments

*Classes and categories of financial instrument and their fair values*

The group statement of financial position is analysed below (£'000)

	Amortised cost	Fair value through profit and loss (held for trading)	Balance in the statement of financial positions
2022	£	£	£
Other receivables – excluding prepayments (Note 7)	2,288	-	2,288
Cash and bank balances	9,007	-	9,007
Trade and other payables (Note 8)	63,698	-	63,698
Loans due to ultimate parent (Note 8)	40,998	-	40,998

	Amortised cost	Fair value through profit and loss (held for trading)	Balance in the statement of financial positions
2021	£	£	£
Other receivables – excluding prepayments (Note 7)	2,304	-	2,304
Cash and bank balances	8,446	-	8,446
Trade and other payables (Note 8)	59,320	-	59,320
Loans due to ultimate parent (Note 8)	32,138	-	32,138

# Ortac Resources (UK) Limited

## Notes to the Financial Statements *(continued)*

### Year Ended 31 March 2022

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#### 12. Financial instrument *(continued)*

##### *Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosure required)*

IFRS 13 requires the provision of information about how the group establishes the fair values of financial instruments. Valuation techniques are divided into three levels based on the quality of inputs:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 inputs are inputs other than quoted prices included in level 1 that are observable, directly or indirectly;
- Level 3 inputs are unobservable.

There are no instruments classified as level 1 or level 2 (see above). There were no financial instruments that are measured at amortised cost, but for which fair value was disclosed, classified as level 3 either in the current year or in the prior year.

#### 13. Related party transactions

The immediate and ultimate parent undertaking is MetalsTech Limited, which is incorporated in Australia. The registered office of MetalsTech Limited is Unit 1, 44 Denis Street, Subiaco WA 60008.

During the year there were no transactions with directors requiring disclosure.

#### 14. Application of new and revised International Financial Reporting Standards (IFRSs)

##### *New and amended Standards and Interpretations applied*

There are no relevant Standards or amendments issued by the IASB that are effective for an annual period that begins on or after 1 April 2021.

##### *New and revised Standards and Interpretations in issues but not yet effective*

At the date of authorisation of these financial statements, the company has not yet early adopted the following amendments to Standards and Interpretations that have been issued but are not yet effective:

Standards of Interpretation	Effective for annual periods commencing on or after
Narrow scope amendments to IFRS 3, IAS 16 and IAS 37	1 January 2022
Annual improvements to IFRS Standards 2018-2020	1 January 2022
Amendments to IAS 1: Classification of Liabilities as Current or Non-Current	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies	1 January 2023
Amendments to IAS 8: Definition of Accounting Estimates	1 January 2023
Amendments to IAS 12: Deferred Tax Related to Assets and Liabilities arising from a Single Transaction.	1 January 2023

As yet none of these have been endorsed for use in the UK and will not be adopted until such time as endorsement is confirmed. The directors do not expect any material impact as a result of adopting the standards and amendments listed above in the financial year they become effective.