

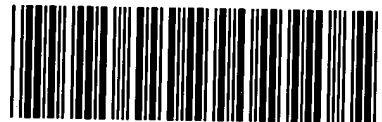
Consolidated Annual Report and Financial Statements

FIRST CLASS METALS Plc

For the Year Ended 31 December 2024

(Company Number: 13158545)

MONDAY



AE4V8283

A07

16/06/2025

#293

COMPANIES HOUSE

First Class Metals Plc

Company Information

Directors

James Knowles – Executive Chairman
Marc Bamber – NED
Andrew Williamson - NED
David Webster – NED
(appointed 3 March 2025)
(resigned 31 March 2025)
Marc Sale – Executive Director
(Resigned 3 March 2025)

Company Secretary

Siddharth Muricken

Registered Office

Manor Court Offices,
Suite 24 Manor Court
Salesbury Hall Road
Ribchester
Preston
Lancashire
PR3 3XR

Financial Advisors

Novum Securities
2nd Floor
7-10 Chandos Street
London
W1G 9DQ

Auditor

Royce Peeling Green Limited
The Copper Room
Deva City Office Park
Trinity Way
Manchester
M3 7BG

Corporate Lawyers to the Company

OBH Partners
17 Pembroke Street Upper
Dublin2
Ireland
D02 AT22

**Lawyers to the Company as to
Canadian Law**

Peterson McVicar
18 King Street East
Suite 902
Toronto
Ontario
M5C 1C4
Canada

Registrars

Share Registrars Limited
Molex House
Millennium Centre
Farnham
Surrey
GU9 7XX

Company Website

www.firstclassmetalsplc.com

Table of Contents

HIGHLIGHTS	5
CHAIRMAN'S STATEMENT	6
OPERATIONS REPORT	10
CEO's Review on the Company Portfolio, Strategy and Operations	10
Overview of Operations.....	12
1. Hemlo area	13
2. Sunbeam	17
3. Esa	22
4. Kerrs	24
5. Zigzag	28
6. McKellar	33
7. Enable	33
8. Coco East	33
9. Magical	34
10. Quinlan	35
11. Sugar Cube	36
Summary, strategy, and conclusions	38
STRATEGIC REPORT	39
Key Performance Indicators.....	39
The principal risks and uncertainties	39
Going Concern	40
Section 172 (1) Statement.....	40
TCFD Compliance Statement.....	43
CLIMATE RELATED FINANCIAL DISCLOSURES	43
CORPORATE GOVERNANCE REPORT	44
Introduction	44
Chairman's Statement	44
Audit Committee Report.....	50
Remuneration Report	53
DIRECTORS' REPORT	57
Board of Directors	59
Board Activities	60
Statement of Directors' Responsibilities in respect of the Annual Report and the financial statements.....	61
<i>Consolidated Income Statement for the Year Ended 31 December 2024</i>	64
<i>Consolidated Statement of Financial Position as of 31 December 2024</i>	65
<i>Company Statement of Financial Position as of 31 December 2024</i>	66
<i>Consolidated Statement of Changes in Equity for the Year Ended 31 December 2024</i>	67
<i>Company Statement of Changes in Equity for the Year Ended 31 December 2024</i>	68
<i>Consolidated Statement of Cash Flows for the Year Ended 31 December 2024</i>	69
<i>Company Statement of Cash Flows for the Year Ended 31 December 2024</i>	70
<i>Notes to the Financial Statements for the Year Ended 31 December 2024</i>	71
<i>Independent auditor's report to the members of First Class Metals Plc</i>	91

HIGHLIGHTS

Corporate Developments

- The Company maintained operational discipline while progressing exploration on the core gold and critical metals projects.

Exploration and Operations

- Review of the historical core from the Sunbeam property was undertaken which potentially increases the geological and geochemical profile of the target zones.
- Exploration of the Dead Otter trend confirms the prospectivity, as well as potentially increasing the width of the structure anomalous in gold (Au).
- Acquisition of the Kerrs Gold Project with a historic NI43-101 resource.

Post-Period Events

- On 25 February 2025, The Seventy Ninth Group Limited completed an equity injection of approximately £548,000 and full repayment of all outstanding Company debt. under the strategic investment agreement announced on the 18 December 2024.
- The Company is actively reviewing its position in light of emerging regulatory matters involving The Seventy Ninth Group, applying a prudent and governance-led approach.
- Further winter work programmes initiated at priority projects, maintaining focus on value-driven exploration and critical mineral development

CHAIRMAN'S STATEMENT

For the Year Ended 31 December 2024

I am pleased to present the Chairman's Statement for the year 2024, a year of progress and prudent strategic management for First Class Metals PLC. Throughout 2024, we advanced our portfolio of exploration projects in Ontario with encouraging results and took deliberate steps to strengthen the Company's long-term outlook. This year was marked by the development of existing key projects, new partnerships, and active portfolio refinement, all underpinned by a cautiously optimistic approach in a favourable market for our commodities.

Operational Highlights and Project Development: FCM's exploration activities in 2024 yielded substantial developments across our key properties. At our flagship **North Hemlo (Dead Otter)** project, we built on the gold discovery announced in the previous year and increased our understanding of the **Dead Otter gold trend**. Follow-up work, including stripping and channel sampling along this trend provided a greater geological understanding. These results have reinforced our confidence that Dead Otter represents a *high-profile gold target* with considerable upside. Similarly, at the **Sunbeam Gold Project**, our work programmes delivered positive outcomes. In early 2024 we reported values up to 18.8 g/t Au from the Roy occurrence. Notably, we discovered gold not only in the quartz veins around the old workings but also in the surrounding altered porphyry host rock, indicating a larger mineralised system than previously thought. This finding could significantly enhance the project's potential, as it suggests the gold is more widespread and not confined to the historical vein structures. These gold project results position us well to advance toward more invasive exploration (including drilling) in the next stages, subject to final data analysis and target definition.

In the critical minerals segment, FCM also made strong strides. Our **Zigzag Lithium/Critical Metals Project** progressed substantially in 2024. In late 2023 we initiated an inaugural drill programme at Zigzag, and the assay results, announced in early 2024, exceeded **expectations**. Every hole drilled targeting mineralisation intersected visible spodumene (a lithium-bearing mineral), confirming lithium mineralisation along the core zone. Many intercepts returned high lithium grades over significant widths—several exceeding 1% Li₂O, with a standout result of ~2.3% Li₂O over 5.5 metres in one section. Our geological teams identified a potential second lithium-bearing (and other significant critical minerals), trend parallel to the main zone, south of the area drilled, which opens up additional exploration targets on the property. Building on Zigzag's success, we expanded our lithium portfolio by acquiring the **Quinlan Lithium Property** (via earn-in agreement) in the first quarter of 2024. Quinlan, a hard-rock lithium prospect in the same region, adds another promising exploration target for critical metals. Together, Zigzag and Quinlan give FCM a strong foothold in the burgeoning lithium exploration space at a time when demand for battery metals continues to rise.

Portfolio Expansion and Strategic Partnerships: During the year, we actively managed our property portfolio to ensure focus on the most value-accretive opportunities. In early 2024, FCM secured an option into the **Kerrs Gold Project** in northeastern Ontario. Kerrs holds a historic resource estimate of approximately **386,000 ounces of gold** (NI 43-101 compliant), immediately placing a significant gold asset into our pipeline. Formalising the Kerrs earn-in agreement in April was a major step that brings a more advanced-stage gold project into FCM's portfolio, complementing our exploration-stage assets with a project that has substantial historical data. We believe Kerrs, alongside Sunbeam and North Hemlo, strengthens FCM's position in the gold exploration sector with both near-term exploration targets and longer-term district scale development potential.

Concurrently, in line with our "discover → add value → monetise" strategy, we made the strategic decision to divest certain non-core assets and collaborate with external partners. In June 2024, FCM completed the **sale of the McKellar and Enable properties for £270,000 in cash** to the UK-based Seventy Ninth Group Limited ("79TH Group"). These two properties, while prospective, were considered non-core relative to our main focus areas, and this sale allowed us to unlock their value in cash. Alongside the sale, we entered into a cooperative funding arrangement with 79TH Group to provide FCM with a £230,000 loan facility (over 12 months) to support our ongoing exploration on the remaining projects. This two-part transaction was a clear validation of FCM's "incubator" business model—we proved that advancing our assets up the value curve can generate tangible returns *without diluting shareholders*, as the proceeds from the sale and the injection of loan capital bolstered

our balance sheet directly. Throughout the second half of 2024, our partnership with 79TH Group deepened: by December, after further due diligence and discussions, the initial loan facility was increased to £500,000 in October and to £700,000 by year-end. These funds, have been instrumental in fully funding our winter 2024/25 exploration programme, including geophysical surveys and expanded geochemical sampling at North Hemlo and Sunbeam.

Strategic Investment:

In December 2024, we announced a proposed strategic equity investment by 79TH Group, under which it would acquire approximately a 51.2% equity stake in FCM through a staged investment totalling around £2.18 million, , subject to regulatory and shareholder approvals.

Stage One of the transaction was completed in February 2025, after the period end, resulting in an equity injection of approximately £548,000 and the full repayment of all outstanding debt previously owed by the Company. However, Stage Two, the final completion, is currently on hold, following the emergence of certain external matters involving 79TH Group. Whilst 79TH group denies any wrongdoing, the Board has taken a prudent and measured approach in light of these developments.

We continue to monitor the situation carefully and will assess any further steps in line with our governance standards and the long-term interests of shareholders. At the time of writing, there are no outstanding loans and the Company remains focused on advancing its exploration plans independently, with a clear commitment to maintaining stability and discipline in its operations.

Financial Review and Funding: FCM entered 2024 with a solid cash position thanks to the fundraisings in the prior year, and we maintained a disciplined approach to financing during the year. We successfully raised additional equity capital through two targeted placings: in February, we completed a small £166,500 private placement at 10% above the prevailing market price, and in August we raised a further £256,500 at 2.7p per share. Importantly, we also benefited from non-dilutive funding sources during 2024. FCM was awarded a C\$200,000 grant under the Ontario Junior Exploration Programme (OJEP) for the Zigzag project, recognition by the provincial authorities of the project's significance in the critical minerals space. We also received a C\$212,780 tax credit refund from the Canadian government (for exploration expenditures), which provided a welcome reimbursement of funds spent on our projects. These grant and tax credit proceeds, equivalent to roughly £250,000, were immediately redeployed into our exploration budget. Combined with the asset sale proceeds and the infusion of loan capital mentioned earlier, FCM ended the year in a stronger financial position. The careful mix of funding sources, strategic asset monetisation's, partnership financing, equity placements at opportune times, and government incentives—exemplifies our prudent financial strategy. We have managed to advance our projects without over-reliance on dilutive equity issuance, which is a testament to the creative and shareholder-conscious approach our management and Board have taken. This financial stewardship gives us confidence that we can sustain our exploration and development plans going forward, even as we remain vigilant about market conditions.

With our portfolio evolving, FCM now boasts a robust suite of projects at various stages of maturity. By the end of 2024, we have multiple assets that we believe can drive substantial long-term value and attract further partnership or monetisation opportunities as they advance. Notably, our core projects include:

- **North Hemlo (Dead Otter Gold Trend):** A large, district scale property with a 3.7 km mineralised trend confirmed by surface high-grade gold occurrences. With exploration permits secured and new anomalies identified, this project is poised for the next level of exploration to unlock its full potential.
- **Sunbeam Property** A past-producing high-grade gold project featuring several historical workings (Sunbeam, Roy, Pettigrew) and newly identified gold zones in host rock. 2024 results have expanded the scope of mineralisation, and we plan to refine drill targets around both the known vein structures and the broader shear/porphyry system.
- **Kerrs Gold Property:** A more advanced-stage gold project with a historical resource, providing FCM with a significant gold inventory subject to confirmation and expansion. Kerrs is strategically located in a prolific mining district and offers a potential development pathway as we validate past work and conduct further exploration activities.

- **Zigzag:** A hard-rock lithium and critical metals exploration project located in the Thunder Bay–Northwestern Ontario region, an emerging lithium province. Zigzag has delivered strong lithium and associated critical metal drill results, confirming the presence of spodumene-bearing pegmatites and revealing significant multi-trend potential across the property. The project continues to advance as a cornerstone of FCM’s critical minerals strategy and positions the Company to capitalise on the growing demand for lithium in North America.

This well-balanced and diversified portfolio across precious metals and battery metals gives FCM multiple avenues for potential success. It also affords us flexibility in our strategic decisions, for instance, we can pursue partnerships on certain projects while concentrating our in-house resources on advancing the highest-priority targets. We are confident that this approach of actively managing our portfolio will continue to crystallise value efficiently.

Bullish Outlook for Gold and Market Context: It would be remiss not to comment on the broader market environment, particularly the strong performance of gold in 2024. Over the course of the year, gold prices climbed significantly, reaching new all-time highs in the latter part of 2024. After beginning the year around the \$1,850–\$1,900/oz range, gold steadily appreciated and ultimately broke through the \$2,000/oz level, with the average price in Q4 2024 setting record levels. At the time of writing the gold price has crossed \$3,200. This rally has been fuelled by persistent global inflation, economic uncertainty, and geopolitical tensions, which led investors and even central banks to increase gold purchases at a historic pace. The result was a powerful reaffirmation of gold’s role as a store of value and an effective hedge against inflation and volatility. For a company like First Class Metals—focused on gold exploration in a top-tier jurisdiction—this macro trend is extremely encouraging. We maintain a very optimistic long-term outlook on gold. High gold prices improve the economics of any discoveries we make, attract greater investor interest to gold exploration companies, and can drive industry consolidation or partnerships as larger producers look to secure future resources. While prices will naturally fluctuate, we believe the fundamental support for gold remains strong going forward, given factors such as ongoing inflationary pressures, currency market dynamics, and robust demand from emerging markets and central banks. In short, gold is shining bright, and FCM is well-positioned to benefit from this bullish climate through our expanding gold project pipeline.

It is also notable that interest in critical minerals (like lithium, nickel, and copper) stayed high throughout 2024, supported by the global push for electrification and renewable energy. The Canadian government and Ontario province have continued to champion critical metals projects (evidenced by grants like the one we received), creating a supportive backdrop for our Zigzag and Quinlan initiatives. FCM’s dual focus albeit with a main focus on gold but with an element of critical metals exposure remains a core strength of our strategy, providing exposure to two complementary sectors and insulating us against single-commodity risk. We are very encouraged by the market’s recognition of the value in both these areas and foresee sustained interest as the world navigates energy transition on one hand and economic uncertainty on the other.

Looking Ahead—Cautious Optimism and Long-Term Value Creation: The Board and management of First Class Metals remain cautiously optimistic and resolutely focused on our mission. The achievements of 2024 have laid a strong foundation. We have built considerable momentum in our exploration programmes, forged beneficial partnerships, and upheld financial prudence. Our task now is to carry this momentum forward into the coming year and beyond, converting our exploration success into tangible value for our shareholders. While also remaining open to strategic transactions that can accelerate value realisation (such as joint ventures, complete sale or partial divestments on the right terms). We will continue to evaluate all options dispassionately, with the core aim of maximising the return on every asset in our portfolio. The flexibility we’ve cultivated allows us to adapt our plans as needed, which is especially important in the ever-evolving landscape of the junior mining sector.

As part of this, our focus will remain firmly on advancing our core assets, North Hemlo, Sunbeam, Kerrs and Zigzag, which we believe offer the strongest potential for near and longer-term value creation. Each of these properties continues to show encouraging progress, and we are committed to prioritising their development in line with our strategic objectives. In parallel, we will undertake a measured review of the wider portfolio, with a view to identifying opportunities to realise value from

selected holdings that may no longer align with our near-term focus. This considered approach will allow us to maintain a streamlined, high-quality portfolio, while creating optionality for future transactions that support shareholder value.

In summary, First Class Metals has a sharpened strategic focus, a rich set of opportunities in our project pipeline, and a supportive market backdrop for our commodities. While we remain mindful of the challenges that can affect early-stage exploration companies, such as market volatility, regulatory hurdles, and operational risks, we are confident that FCM is equipped to navigate these challenges. Our prudent yet proactive strategy has positioned us to capitalise on the hard work done to date. The Board truly believes that the long-term value being created through our projects will ultimately be reflected in our Company's valuation.

I would like to conclude by expressing my sincere gratitude to our shareholders for their continued support and patience. It is your confidence in our vision that enables us to pursue ambitious goals. I also thank our dedicated team of geologists, field staff, and advisers—notably our exploration teams in Canada (led by Emerald Geological Services), who have shown unwavering commitment and expertise throughout the year. Their efforts have been the driving force behind the successes outlined in this statement. Lastly, I acknowledge our various partners, including local First Nation communities and industry collaborators, for their cooperation and trust as we advance our projects responsibly and respectfully.

Looking ahead, I am enthusiastic about FCM's prospects. We will carry forward the cautious optimism that served us well this year, always balancing ambition with due diligence. By doing so, I am confident that First Class Metals will continue to grow and thrive, delivering on our strategic goals and, most importantly, creating enduring value for our shareholders.

Thank you for your continued support. We look forward to an exciting and productive year ahead.



James Knowles
Chairman

OPERATIONS REPORT

CEO's Review on the Company Portfolio, Strategy and Operations

BACKGROUND

First Class Metals is a Canadian focused gold and critical metals explorer. The Company is focused on exploring the northern region of Ontario. As at 31 December 2024, FCM, through its wholly owned subsidiary First Class Metals Canada Inc ("FCMC"), holds five properties which it owns 100%, with a further four under option agreements and a joint venture on an additional property. Geologically, these blocks lie within highly mineralised and prospective greenstone belts.

During the reporting period, two of the claim blocks 100% owned at listing in 2022 were sold to 79TH Group, these were the Enable and McKellar properties. This is in line with the Company's business model to develop assets and then to monetise the assets (properties).

Additionally, during the reporting period, FCMC has entered into an agreement, for the Quinlan property, situated in northwest Ontario, with potential for hard rock lithium discovery and the Kerrs Gold Project near Timmins, which contains a compliant, if historic, gold resource.

Option agreements are also active with Nuinsco Resources Limited ('Nuinsco') in relation to the Sunbeam property, central area, as well as the Zigzag property and a third agreement with a private company, OnGold Invest Corp ('OnGold') over the OnGold property contiguous to the north of the North Hemlo block. All properties are located in north-west Ontario, see Figure 01. The details of all these transactions have been provided in press releases.

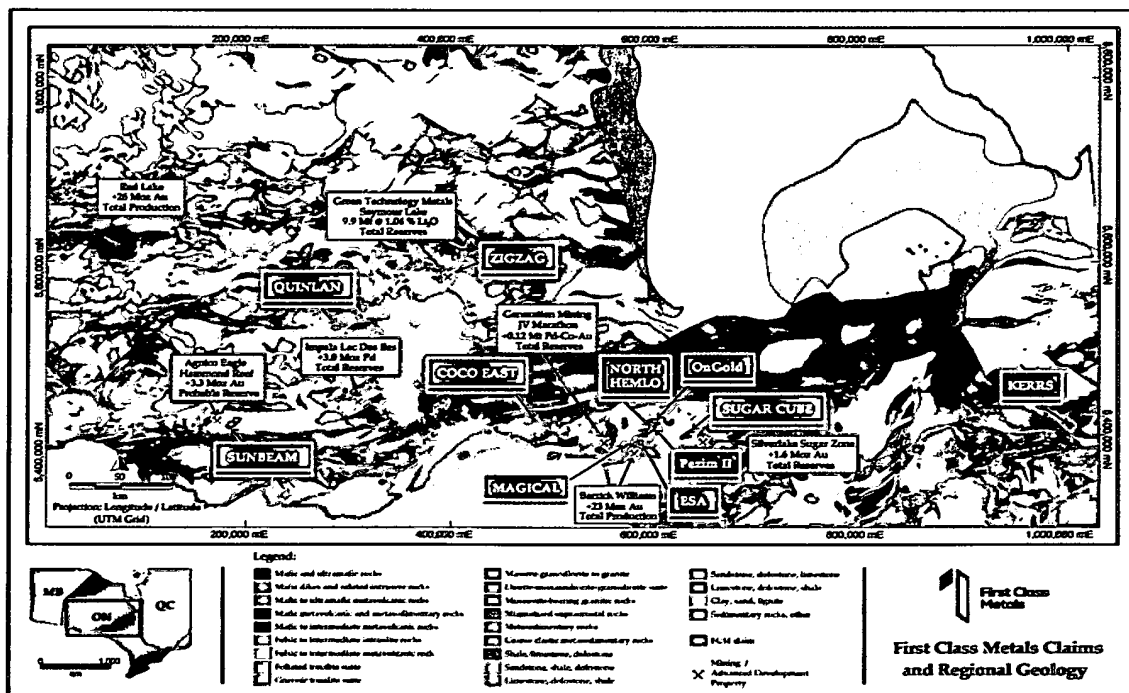


Figure 01 showing the ten property blocks (11 properties) currently under the control of FCMC. Note: North Hemlo and OnGold are contiguous and is considered one project, note the Enable and McKellar properties are not shown.

FCM, whilst constantly on the 'look-out' for quality properties, considers the two 'flagship' properties of North Hemlo and Sunbeam contain significant potential and the business model adopted is to add value to the properties and then monetise the asset by structured sale or joint venture (JV), as was the case with Enable and McKellar.

The following table and narrative details the portfolio of the ten properties.

Area	Owner	Number of Claims	Area (km ²)	Claim Types	Minimum Expenditure required (CAD\$)
Sunbeam	FCM	104	21.7	104 Single Cell Mining Claims	41,600
Sunbeam extn	FCM	9	24.8	8 Multi-cell Mining Claim, 1 Single Cell Mining Claims	46,800
Sunbeam new	FCM	119	25.2	119 Single Cell Mining Claims	47,600
Zigzag	others	6	1.2	2 Boundary Cell Mining Claims, 4 Single Cell Mining Claims	1,200
Coco East	FCM	30	6.3	30 Single Cell Mining Claims	12,000
Magical	FCM	14	3.0	14 Single Cell Mining Claims	5,600
Esa	FCM	86	20.6	1 Multi-cell Mining Claim, 85 Single Cell Mining Claims	38,800
North Hemlo	FCM	399	84.0	399 Single Cell Mining Claims	159,600
OnGold	OnGold*	163	34.4	163 Single Cell Mining Claims	65,200
Sugar Cube	FCM	81	17.2	81 Single Cell Mining Claims	32,400
Quinlan	BRR	106	20.0	106 Single Cell Mining Claims	42,400
Kerrs Gold	others	11	10.4	8 Multi-cell Mining Claim, 3 Single Cell Mining Claims	24,000
TOTALS		1128	268.8		517,200

Overview of Operations

The 2024 field season was a very successful one for First Class Metals, the focus being on the flagship properties with significant field work being conducted on the North Hemlo property.

Major geological advances were achieved on the Sunbeam and North Hemlo properties. FCM, through its 100% owned subsidiary FCMC, continued to explore these two properties. A low-level helicopter borne geophysical survey was conducted over the Kerrs property to fulfil work undertakings as part of the option agreement in connection with the property, as well as for assessment credits. Minor work was also conducted at Coco East for assessment credits as well as prospecting work at Esa. Otherwise, as all the properties were in good standing, no other field work was conducted.

The business / exploration strategy of FCM is similar in rationale and execution as that of many listed junior exploration companies: to value add to an exit event, by JV or structured sale. This approach can equally apply to the Company itself or individual projects in the Company's portfolio.

The field season's results reported to date for 2024 have advanced this business strategy significantly. The notable acquisition of the Quinlan and Kerrs Gold Project also broadened the Company's appeal to investors.

FCM intends to continue this business model in 2025: to add value to the existing portfolio as well as to review other opportunities in Ontario that will add potential to the company. However, the focus of any exploration company is the timely undertaking of drilling. In 2025 it will be the aim of FCM to advance the two major properties to a point whereby drilling could be planned.

Whilst the Company is monitoring its land position as well as expansion opportunities, the possibility of developing parts of our portfolio by JV is always a consideration. The West Pickle Lake project area under JV with GT Resources Inc. (previously to 'Palladium One Inc.') in the north-east of the North Hemlo property is a clear example of the success of this aspect of the Company's strategy.

The following is an overview of the Company's field activities resulting from the 2024 field season and details the ten properties in a rough ranking order, from 'core' to 'non-core' but does not include the two sold properties (Note: no work was undertaken on McKellar and Enable during the year prior to their sale.) Whilst most activities fall within the reporting period, events noteworthy after 31 December 2024 are also included in order to present an accurate up to date account of activities.

Property wide review

The claim blocks are detailed below from core to non-core. The ten claim blocks, (OnGold being contiguous to North Hemlo), cover ~270km² and is distanced by about 900km from Sunbeam in the west to Kerrs in the east.

1. Hemlo area

The Hemlo Schreiber greenstone belt has two broad divisions, the south and the north limbs.

The Barrick Hemlo producing gold mine is located on the south limb and is associated in a macro sense with shearing and increased molybdenum values. The Hemlo north limb in which the Esa and the North Hemlo (OnGold) properties are located has three distinct structures identified by previous explorers. The structures, interpreted to potentially be shears, in part transect both properties, see Figure 02.

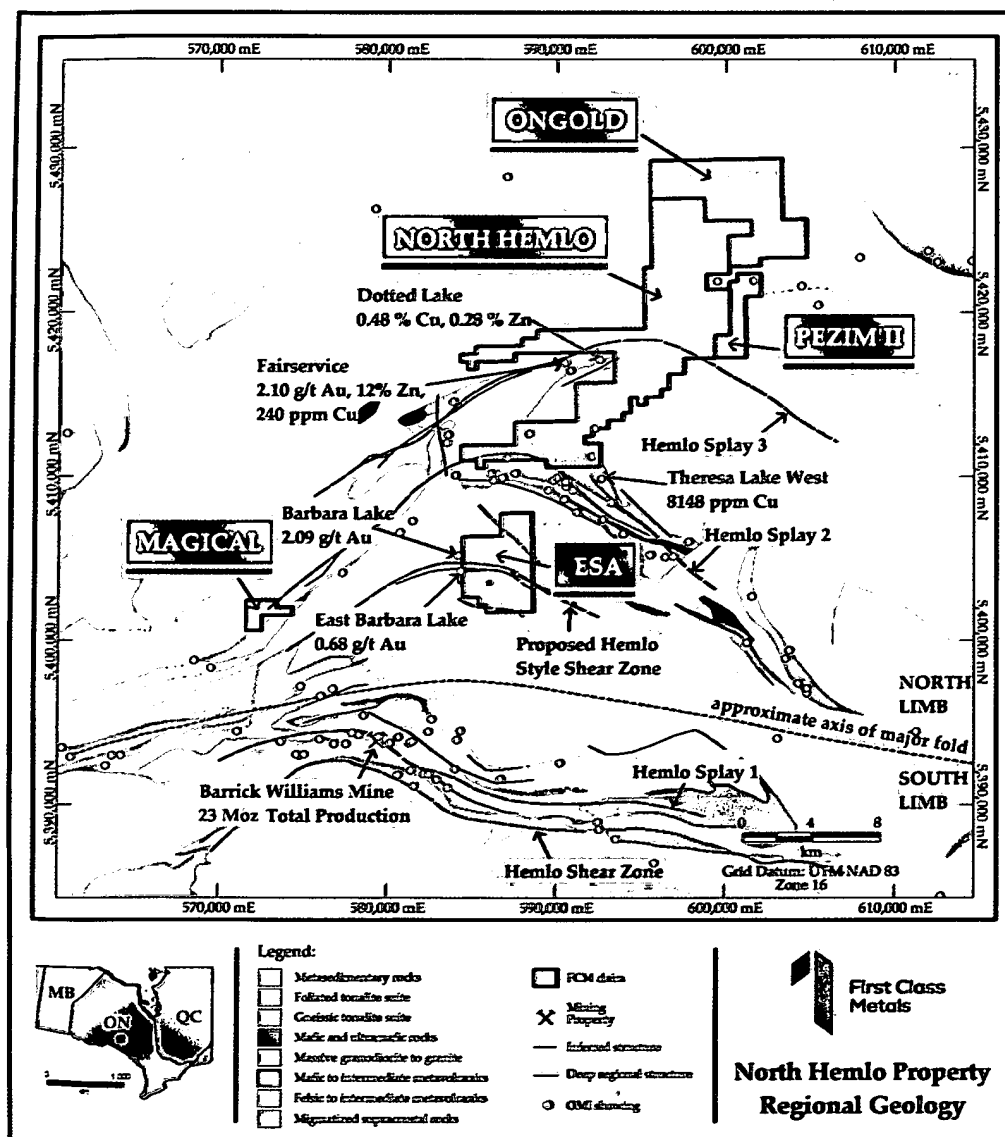


Figure 02 showing the regional geological and structural setting of the North Hemlo OnGold and Esa block (Hemlo 'north limb'), relative to the Hemlo gold mine. Note also the Magical claim block.

North Hemlo

The North Hemlo property historically comprised of three claim areas: Pezim I & II, and Wabikoba, that weren't contiguous. However, the addition of the Hemlo North block, acquired from Power Metals Plc., pre-IPO brought North Hemlo together as one cohesive block.

The entire property as of the date of this report, extends across 399 claims covering ~84km², with the signing Agreement with OnGold the property area was extended by 34.4km² (163 claims) which are contiguous to the north, see Figure 02. Note: 33 claims are under effectively a Joint Venture agreement with GT Resources and FCMC's ownership is reduced as per the terms in the Joint Venture agreement signed in 2021. Note also that a number of low strategic and non-geological interest claims were 'abandoned' under the MLAS system. These claims were considered 'conflict claims' and in line with the terms of the Exploration Permit and Exploration Agreement FCMC had agreed with the relevant First Nations not to undertake work on them. Hence as a cost saving and good will gesture FCMC abandoned the claims in March 2025

There were limited historical showings on the properties, the most important being the gold / molybdenum showing at Dead Otter Lake which reported 3.1ppm Au, 0.59%Mo. Also, the geology / geophysical signature of the Dotted Lake / Fairservice prospect continues onto the North Hemlo block. Furthermore, the JV – Earn-in with GT Resources Inc. has significantly enhanced the base, battery, and critical metal potential of the block. The anomalous gold showings of Barbara lake close to Esa also enhance the property's potential.

Exploration potential is enhanced by the arcuate inferred shears which mimic the shear hosting the Hemlo gold mine, see Figure 02.

An Exploration permit, required for 'invasive' exploration such as trenching, stripping, and drilling, granted for both the North Hemlo and Esa blocks is valid until October 2026. This grant by the Provincial authorities was closely followed by the execution of an Exploration Agreement with Netmizaaggamig Nishnaabeg First Nation (NNFN) in November 2023 (the agreement also covers the Esa and Sugar Cube claim blocks).

Exploration to date by FCM has focussed in the southern sector around the Dead Otter Lake showing 3.7g/t gold 'Au' and 0.59% molybdenum 'Mo' and the discoveries by FCM along strike to the southeast to outcrop 3.7km away that reported 19.6g/t Au. This is referred to as the Dead Otter trend. ('DOT')

Exploration property wide was enhanced with the low-level high-resolution helicopter borne magnetic survey, flown in late 2022, though this did not cover the OnGold block.

The magnetic survey indicated that there are additional linear anomalies which require further exploration throughout the property, especially where intersected by north south and northwest structures. The survey also highlighted the structure hosting the DOT.

The intersections of the N-S and NW-SE structures in the central north sector remain veritable exploration targets as are the structures paralleling the DOT in the south. The magnetic interpretation undertaken by Paterson, Grant & Watson ('PGW') confirms the belief that two arcuate structures, refer to Figure 02, pass through the claim block, the southern structure coinciding with the DOT and the northern structure with the extension of the Fairservice showings at Dotted Lake.

The Dead Otter Lake area is situated about 20km north of the iconic Barrick Hemlo 23Moz Au producing mine. During the 2024 season extensive work: prospecting, 'stripping' channel sampling and an orientation soil sampling grid, have been undertaken along the Dead Otter Trend, the focus has been around the historical showing and the area reporting 19.6ppm Au over three kilometres to the southeast.

Furthermore, the trend is reporting very high values of pathfinder elements including molybdenum as well as telluride which is strongly associated with gold deposits, especially in the Hemlo area. Additionally, over 750m SE along strike from the historic showing an isolated outcrop returned 2.29ppm Au. This confirms the trend is auriferous. Furthermore, in the area of the 19.6ppm sample other samples have reported 13.6ppm and 4.6ppm Au, see Figure 03.

Prospecting and the soil sampling results have significantly increased the potential width of the DOT, in the area of the 2.29ppm a grab sample reported highly anomalous Au result, 30m from the structure in the stripped area. The soil lines in the area of the 19.6g/t sample returned anomalous gold in a sample at the end of the soil line (100m from the 19.6g/t sample).

Future work will include further detailed prospecting along the trend to prove the continuity of the structure along strike from the known gold occurrences, leading probable to stripping with the ultimate aim being drilling.

In summary, the identification of a +3km long gold anomalous trend extending from the historic Dead Otter Lake occurrence along with a grab sample recording 19.6g/t Au along the same geological trend with a potential width of ~30m is considered a significant 'new discovery'. Whilst the trend is discontinuous, in a geochemical sense, owing to the lack of exposure, very encouraging gold and

pathfinder elements have been reported.

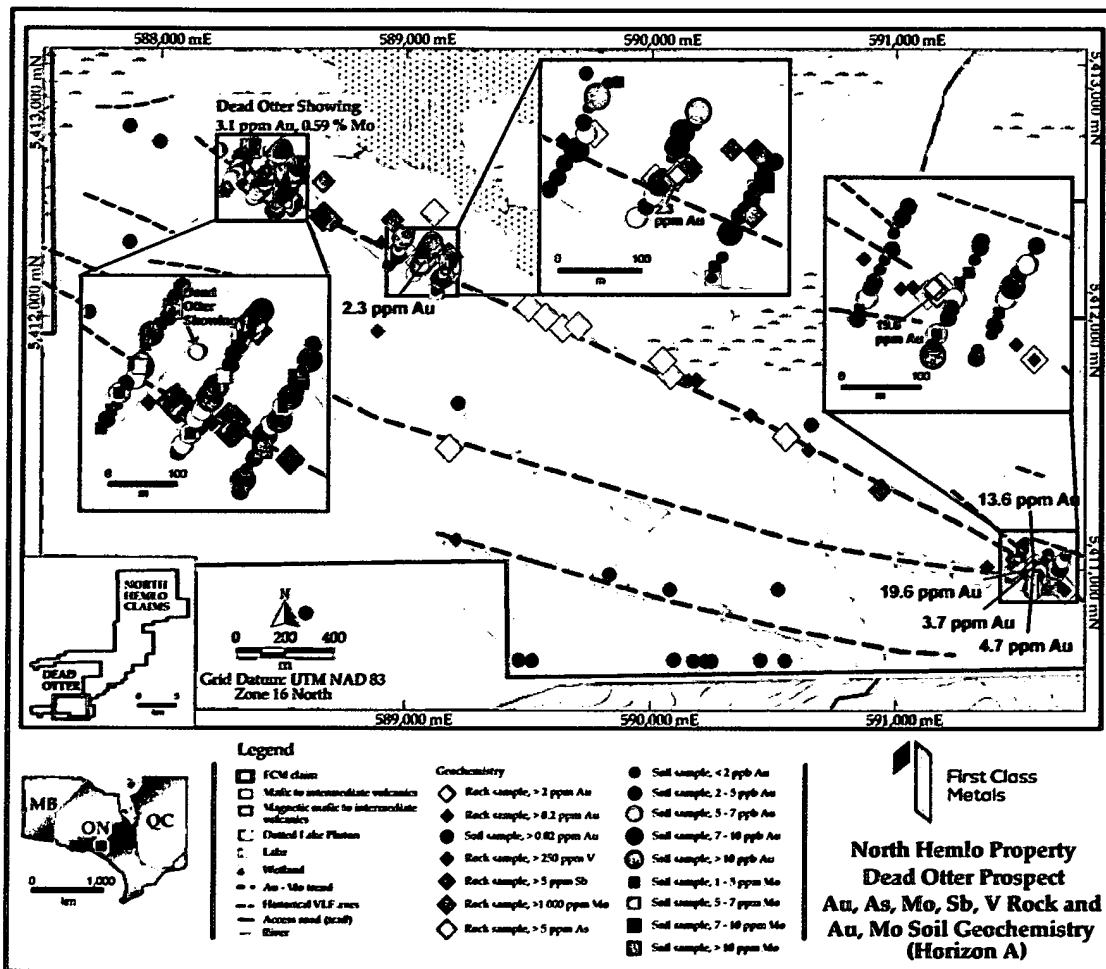


Figure 03 showing the Dead Otter Trend with the historic showing in the north-west extending for >3km to the 19.6g/t Au sample in the south-east. Also shown are the soil orientation lines and recent grab samples. The area of the soil sampling was also the focus of the stripping.

Exploration of the Dead Otter trend was the focus of activities in 2024 on the North Hemlo block of claims. Work included the stripping at three locations (one area subsequently extended) soil sampling in the vicinity of the three stripped areas as well a further prospecting around the 2.3ppm Au sample (a stripped locality).

Gold assay results from the channel samples, as well as the base metal values, including additional channels cut at the Dead Otter and 19 grammer showing, have all been received. It is encouraging that most samples are anomalous to highly anomalous in gold, though no values exceeded one ppm (1 g/t). Given the high grades in previous grab samples (see figure 1) and the fact that the Photon assay results validated those grabs it further emphasises the 'spotty' nature of the gold reporting and therefore the requirement to fully understand the geochemical distribution of the gold. From the stripping and other field work it is also now believed that a strong structural component exists controlling the gold emplacement, as such a firm structural understanding will greatly enhance the potential success of any drill programme targeting the Dead Otter trend.

Subsequent to the initial stripping and trenching a further short extension and sampling programme was completed at two locations. These results further validate the robust gold anomalous characteristics of the trend. In conjunction with this follow-up programme and prior to the soils sampling orientation survey, prospecting was undertaken in the vicinity of the 2.3ppm sample / trenches. This resulted in further anomalous but sub 1ppm Au results. However, the pathfinder element molybdenum (characteristically associated with the gold at the Hemlo mine) reported high (2290ppb) in the grab samples to the north of the Dead Otter trench, where some of the higher gold in soils were also reported. Additionally, there were anomalous gold in soil samples from the end of the line to the south of the 19 grammer.

West Pickle Lake ('WPL')

The WPL JV with GT Resources Inc. ('GT Resources') covers 33 claims contiguous to the main North Hemlo claim block. The JV agreement was signed in 2021 and after undertaking a 6,766m drill programme in 32 drillholes, utilising NQ core size as well as other exploration GT Resources achieved 80% ownership and continued management of the project.

Drilling at West Pickle Lake by GT Resources has demonstrated that the high-grade nickel-copper sulphide occurrence hold potential to be extended both east towards their RJ showing as well as west onto or close to the 100% owned FCM North Hemlo property, see Figure 04. This area will also be a focus for reconnaissance in a future field season as well as follow up of the anomalous lake sediment samples and grab samples.

Furthermore, interpretation of the VTEM data by GT Resources infers there is potential for further discoveries, specifically to the west of WPL, in the area of TK22-076 which was drilled just off the 100% owned FCM North Hemlo Property boundary which intercepted 46.3m of 'anomalous nickel mineralisation' in an east west trending structure

Work is currently on hold on the project whilst GT Resources negotiates with the provincial authorities and the First Nations in respect to Exploration Permits.

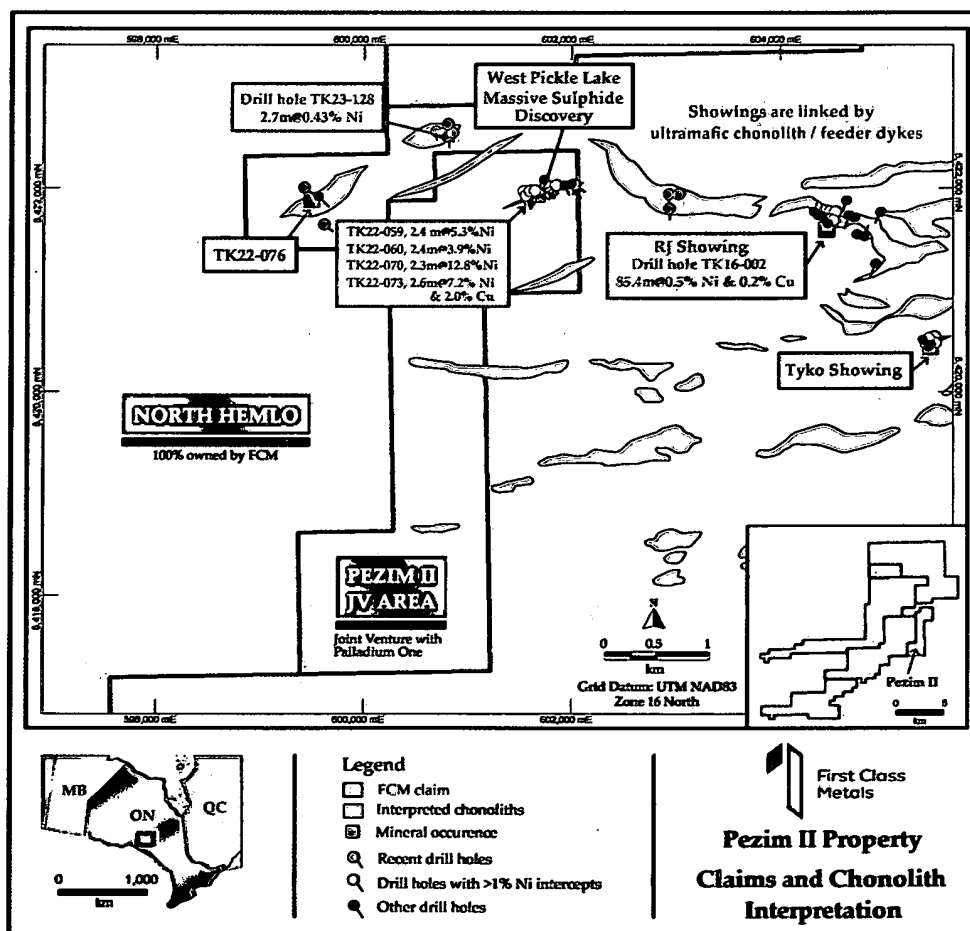


Figure 04. Area map showing the location of the West Pickle Lake Discovery as significant drill results

OnGold

The property is located contiguous to the North Hemlo claims as well as those of GT Resources and consists of 163 single cell mining claims, comprising 34.5km², refer to Figures 2.

The property is located roughly 21 kms southeast from the town of Manitouwadge, Ontario and all mining claims are in good standing through the 2024 field season.

Previous prospecting has identified eleven high priority targets on the property, predominantly base metals anomalies.

This Option agreement which had a zero cash component, significantly increases FCM's footprint in a district that holds numerous high grade nickel copper sulphide and gold discoveries.

Limited previous exploration has been focussed to investigate several discrete magnetic anomalies thought to be associated with Ni-Cu-PGE mineralised mafic-ultramafic intrusions. Similar rock types comprise the Tyko, RJ, Smoke Lake and the more recently discovered WPL massive sulphide discovery.

FCM conducted a lake sediment sampling campaign in the winter of 2022/23 as access is far easier in the winter months. The results from this campaign reported gold grades of up to 103ppb.

The program was led under the supervision of Bruce MacLachlan, the principal of Emerald Geological Services (EGS). Bruce has been quoted as saying "To the best of our knowledge the 103ppb Au Lake sediment value is the highest lake sediment value collected in the Hemlo Belt outside of the deposit area".

Whilst at a very early stage, these initial results are extremely encouraging and add to the potential for the prospectivity of the property as the 103ppb Au Lake sediment sample result also now shows the gold potential of the area.

Post year end, OnGold has been issued the £100,000 worth of shares (totalling 5,882,353 shares) which fulfils all terms of the revised agreement. The claims are in the process of being transferred to FCMC.

There remains a 2% NSR on southern block with 50% buy back for \$500k, which is transferred to FCM. OnGold holds a 2% NSR on northern block with 50% buy back of \$500k

Post the reporting period a 'winter programme' of VLF at North Hemlo included work on the OnGold claim block specifically several lines of VLF were 'walked' on and across the small lake (frozen) which returned the 103ppm Au sample. The traverses extended onto the land around the lake shore. Final results from this work programme are as yet pending.

2. Sunbeam

The Sunbeam Gold Property includes the historic Sunbeam Mine a high-grade underground gold mine which operated from 1898 to 1905. The property now comprises three blocks of claim, all in the name of FCMC. The core of the Property consists of 104 unpatented mining claims covering 20.2km² with the 'English option claims encircling and the 'newly staked' claims contiguous to the northeast, totalling ~72km². The Option to purchase was signed with Nuinsco in October 2022. Nuinsco held the claims through an underlying agreement with several prospectors who originally held the claims. In February 2023, FCM made a second payment to Nuinsco, and the 'core' claim ownership was transferred to FCMC. The Sunbeam extended (English Option extending over 24.8km²) was part of the same Option agreement with Nuinsco and the claim owner, which FCMC has now paid out in full

In November 2023, FCMC staked a further 119 claims, covering 25km² and contiguous to the northeast of the English option area. see Figure 05

The newly staked claims remain in good standing until October 2025 without assessment credit (field work) requirement. Additionally, as they are contiguous to the 'English option' assessment credits can be spread across the new claims.

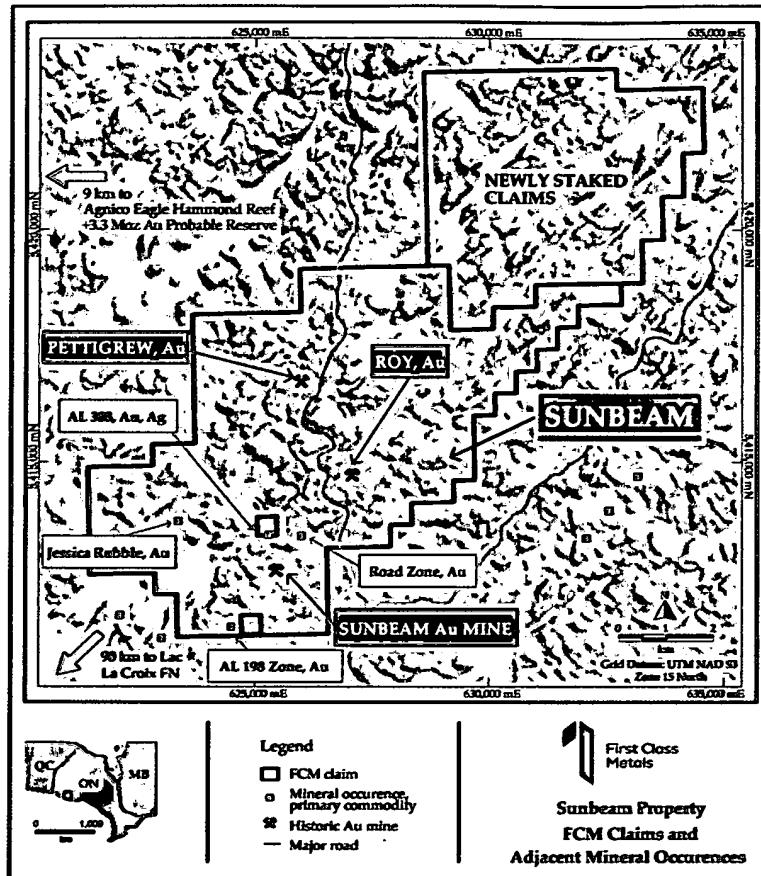


Figure 05 showing the Sunbeam Property including the Sunbeam extended 'English option' and the new claims.

Both these areas are covered by an Exploration Permit, granted to FCMC in June 2023 valid for three years. Furthermore, the area is also under two distinct (though similar) MoU's with the two prominent First Nations in the area who have traditional land claims which include the Sunbeam property. The Sunbeam property is dominated by three mineralised structures each identified over 10km traversing the property; these are inferred to continue to the northeast into the new area where prospective structural features are inferred. All three structures host significant gold anomalism as well as historic development, including the, Roy, Pettigrew and Sunbeam shafts which reportedly produced multi ounce material, see figure 06

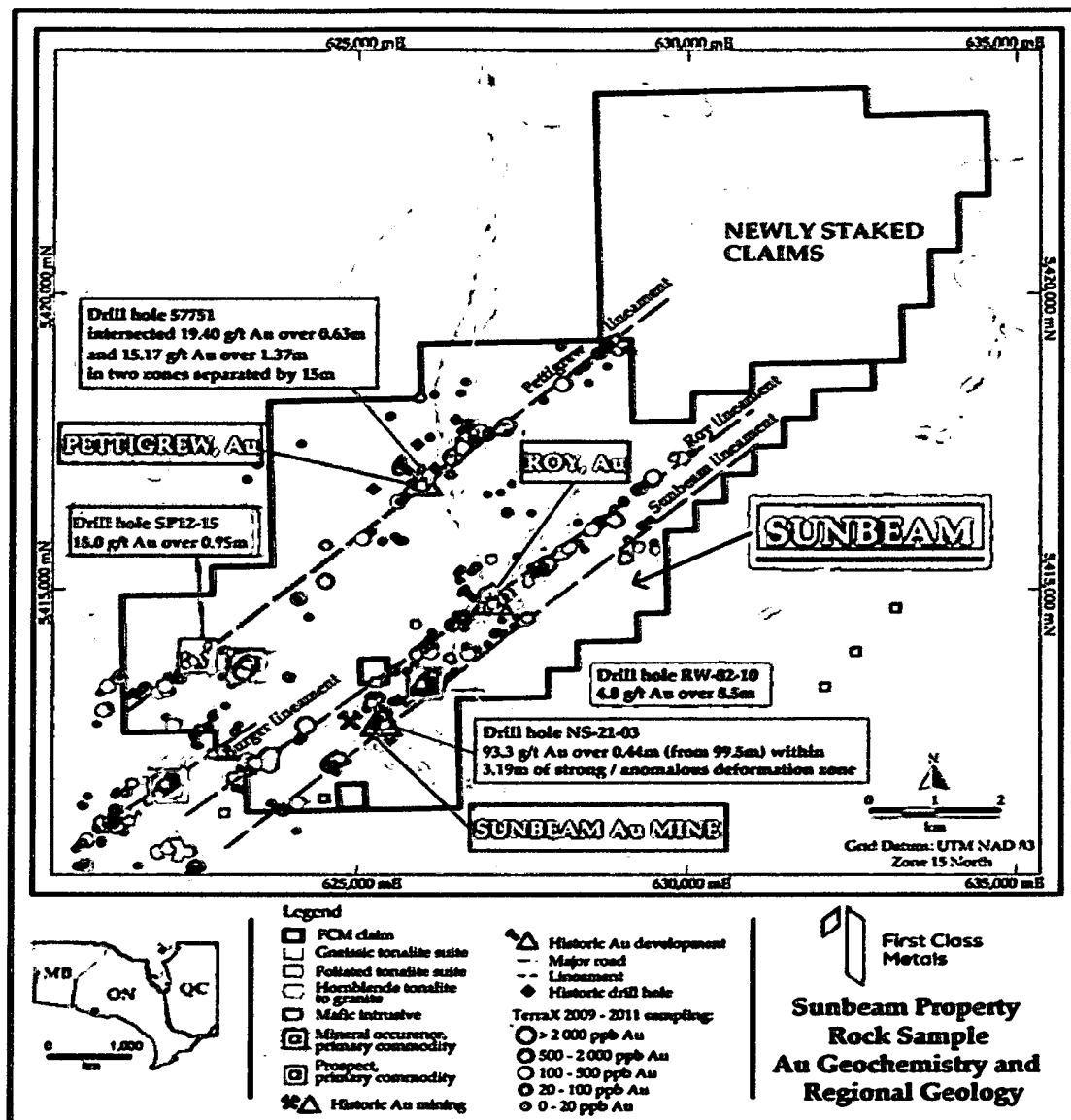


Figure 06 showing the three district, sub parallel structure transecting the enlarged Sunbeam Property. Note the significant number of anomalous gold 'showings' as well as historic development on each structure.

An orientation soil sampling programme was undertaken late in 2024. This focussed on several of the historic gold developments. The rationale was, based on the gold identified in the host porphyry, to see whether assaying soil samples in lines orthogonal to the trends would highlight wider areas of increased anomalism which could then be explored by ground prospecting and stripping where permitted, see Figure 06 for the location of the soil survey areas and results. Considering this was an orientation survey the results indicated areas of Au anomalism not previously identified as well as indicating that some of the classic pathfinder elements, such as arsenic (As) copper and lead (Pb) require further modelling.

Additional soil sampling will be considered which might result in further stripping along strike from known gold occurrences, the objective is a better geological as well as geochemical understanding of the mineralisation on the Sunbeam property ahead of drilling.

The updated Exploration Permit granted in June 2023 is valid through to the end of year 2025.

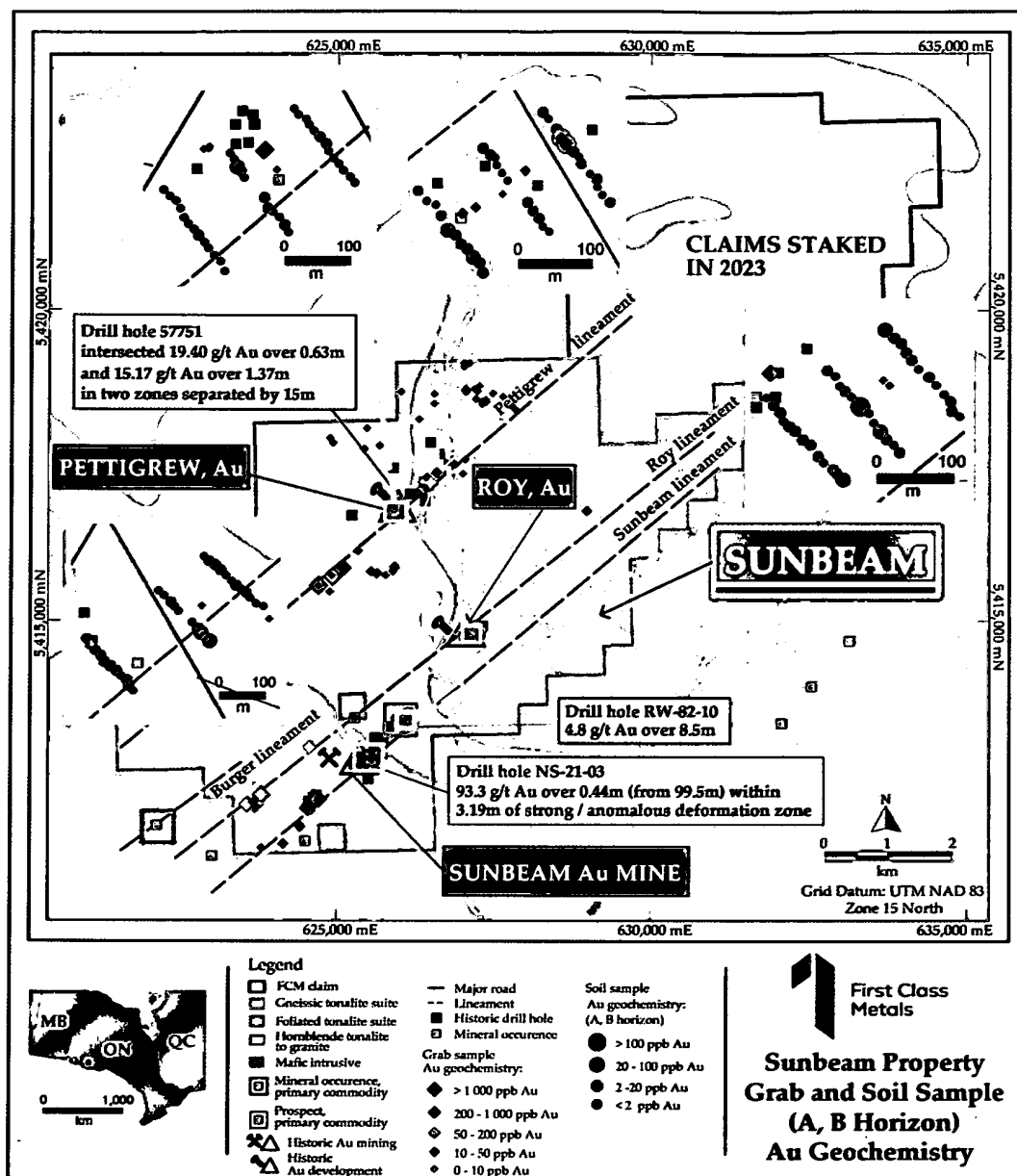


Figure 07 showing a selection of the orientation soil lines on the Sunbeam property.

Earlier in 2024, off site a detailed review of the Nuinsco and available TerraX core. As background it should be noted that in 2023 stripping and associated grab sampling in the areas of the Roy and Pettigrew developments on the Sunbeam property identified anomalous (4.98 g/t Au over 0.5m) in the 'host' / wall rock porphyry. This discovery was an important development in the exploration on the Sunbeam property. Whilst it is known that the quartz veining variously hosted by sheared mafic volcanics contains significant gold (one Nuinsco drillhole sample reported 93.3g/t over 0.44m), the gold bearing potential of the porphyry was not documented.

The review and associated assay result supports the theory of a broad alteration halo in the host porphyry around the high-grade veins. For example, historic hole TX-57751 intersected 19.4 g/t Au over 0.63 m and 15.17 g/t over 1.37 m, but the new review noted a >10 m wide alteration zone around those intersections. This suggests potential for wider lower-grade mineralisation enveloping the high-grade shoots, a positive sign for bulk-mining potential.

All the core was (re)logged, photographed and is now securely stored under FCM control. This asset will be invaluable as we advance the property's exploration.

During the review of the Nuinsco and TerraX cores, 80 core samples were collected (including standards and blanks) of intervals deemed to be significantly altered and mineralized, or adjacent to intervals which returned anomalous historical gold results, (>50 ppb Au generally considered to be anomalous). A combination of new and historic results highlights the presence of relatively wide zones of low-grade gold. Roy zone: from 38m 0.71g/t Au over 13.8m and from 41.0m 0.43g/t Au over 12.3m, other notable zones:

- WN2 zone: from 28.8m 0.33g/t Au over 11.8m
 - AL198 zone: from 63.3m 0.30g/t Au over 10.3m
 - Rubble Zone: from 20.3m 0.61g/t Au over 12.3m.
- Pettigrew: no new samples were taken from Pettigrew, (Nuinsco did not undertake any drilling there). However, historic results by TerraX confirm that there are high grade intersections:
- Hole 57751: 19.4 g/t Au over 0.63m at 5.33m and 15.17 g/t Au over 1.37m at 21.44m

The 'new' and historic zones when considered with the known high grade gold intersections both in drill hole and in the stripping, combined with the robust nature of the three mineralised structures makes the Sunbeam property a significant district scale target.

Note: many of the assay results for the stripping undertaken in 2023 were reported in 2024.

The field work and results of 2023 should be reviewed in order to emphasise the potential of the (district scale) Sunbeam property:

Stripping and channel sampling programmes at the historic production sites of Pettigrew and Roy were completed. The results from Roy indicate a semi continuous zone across strike of multi-gramme material. The two stripping campaigns were successful in not only identifying gold bearing structures but also enhancing the understanding of the geology of the mineralisation. At Roy, most of the samples were 1m or less, with a minimum of 0.1m and a maximum of 1.4 m. The results have defined a broad zone of shearing, alteration, and mineralization, peaking at 18.8 g/t (ppm) Au. There are a significant number of other results exceeding 1ppm Au that define the anomalous structure over a strike of 100m between the existing shafts and open along strike.

The high-grade gold mineralisation is hosted in quartz veining in sheared 'mafic' within a sheared, folded felsic to intermediate porphyry which often exhibits quartz veining, silicification and ankerite alteration, and which also frequently contains anomalous gold.

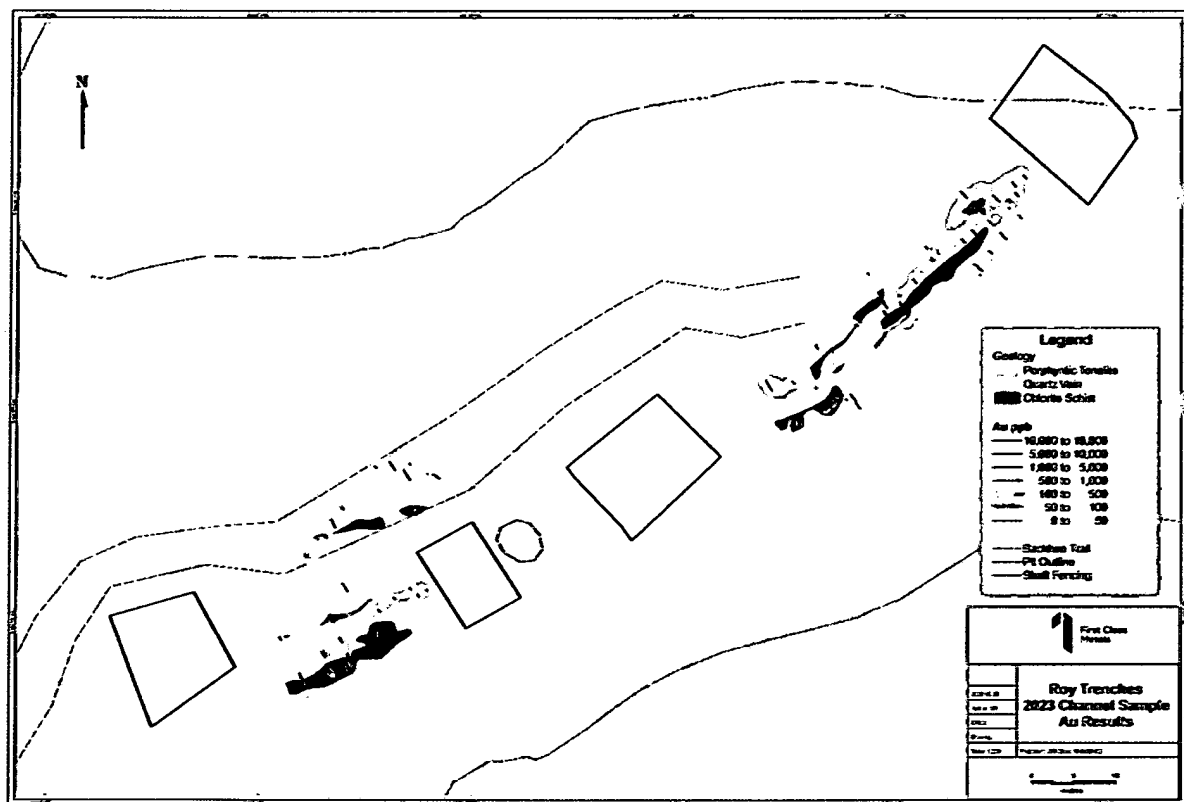


Figure 08 showing the stripped area at Roy with channel sample results.

A similar situation exists at Pettigrew, where historical drilling was encouraging, with two holes returning significant gold assays including: Hole 57751: 19.4 g/t Au over 0.63m at 5.33m. Results from the samples taken from the stripping have confirmed high grade gold assays up to 18.8 g/t gold (Au) / 0.3m channel sample at Roy.

Other highlights include:

- 6.27 g/t Au channel / 0.35m in mafic schist with quartz veins
- 4.98 g/t Au channel / 0.5m in sheared porphyry; and
- 5.58g/t Au channel / 0.5m within a quartz vein.

At Pettigrew channel and grab samples returned significant gold grades, including:

- 13.0 g/t Au grab sample from quartz rubble dug up beside the stripped outcrop.
- 3.5 g/t Au channel / 0.2m in a quartz vein with galena and chalcopyrite;
- 1.82 g/t Au channel / 0.75m in sheared porphyry; and
- 0.32 g/t Au channels / 3.95 m within sheared porphyry.

Significantly the host porphyry reported up to 5ppm. This factor is what precipitated the core review and sampling.



Figure 09, showing the stripping exposing the outcrop at Roy, note the sawn cuts in the outcrop. Post report period, in March 2025 a lake sediment sampling programme was undertaken, primarily on the 'new claims' but with additional samples from the core area and the English option blocks in order to give relevance. In total 79 lake sediment samples (including 2 for QA/QC) were collected. Results are not yet available.

3. Esa

The Esa property contains 86 claims, covers 20.6km², and is located approximately 11km northeast from the Barrick Hemlo gold mine, immediately south of FCM's North Hemlo property. Geologically, the property sits between the Cedar Lake Pluton and the Musher Lake Pluton, such intrusions are considered important components for driving mineral-rich fluids and economic mineralisation is often associated with the contacts or structures associated with the intrusive event. A prominent geophysical / geological feature transects the claim block. This structure adds significant merit to the block's potential, as its continuation outside the Esa boundary is associated with gold occurrences, see Figure 10.

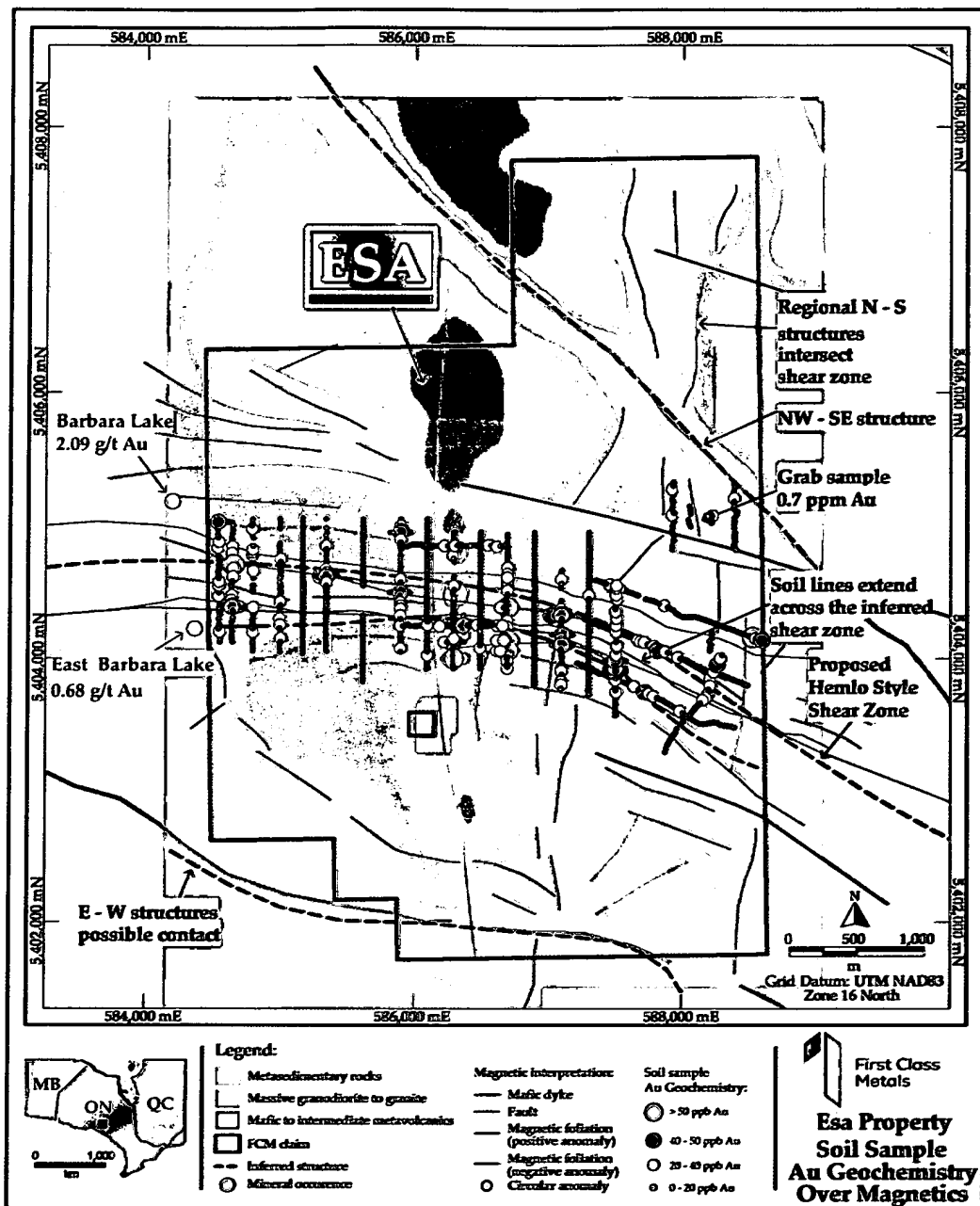


Figure 10 the Esa block with geophysics overlay as well as anomalous Au soil sample results, note as well the Au 'showings' to the west.

This structure is considered one of three subparallel, arcuate trends contained in the Hemlo 'north limb', which mirror the Hemlo trend to the south, (see Figure 02). There are also a number of N-S and NW-SE structures, these too are often associated with mineralisation and in other locations referred to as the 'Harvey faults'. Re-interpretation of geophysical data further verified the structure's presence enhancing the property's prospectivity.

In 2022 and 2023 soil sampling programmes along this feature collectively totalled over 1,000 soil samples along lines on average 200m apart, orthogonal to the inferred 4km shear. Prospecting also identified sheared metasedimentary / mafic volcanic boulders anomalous in trace elements in the area interpreted to contain the Hemlo style shear zone.

Ground reconnaissance identified 'Hemlo-look-alike rock' in the form of an angular boulder which returned anomalous gold value of 0.7ppm Au.

The results of the soil sampling defined a geochemically anomalous zone mimicking the inferred position of the shear and validate the presence of a geochemically anomalous structure displaying elevated gold and pathfinder element such as arsenic molybdenum and antimony, see Figure 11.

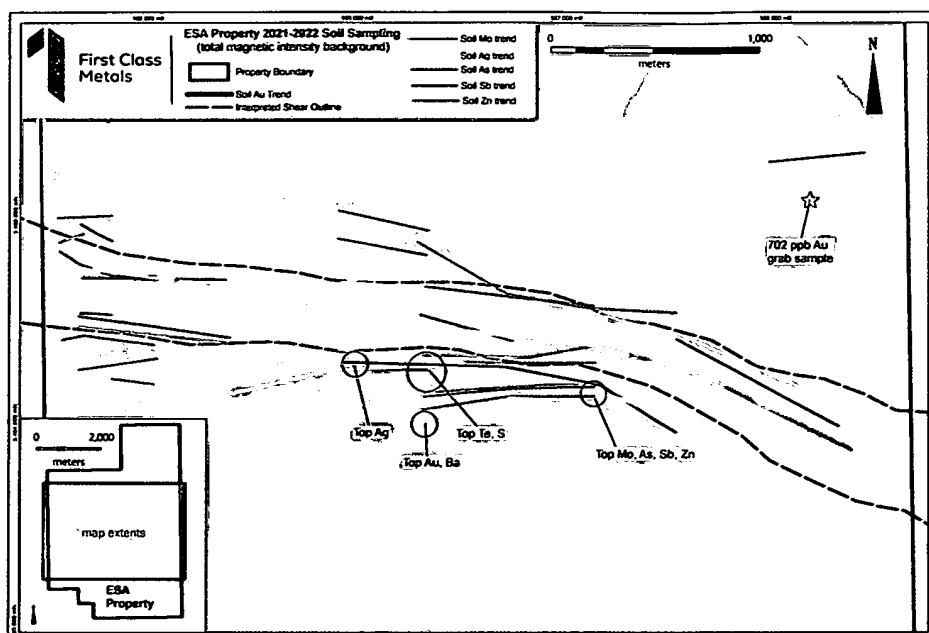


Figure 11 showing the structure transecting the property and the trends of the anomalous gold and pathfinder elements

Limited exploration work was conducted on the property in 2024. This included prospecting around the 0.7ppm boulder. The work very limited work (two man days) did not report any further anomalous results.

Owing to available assessment credits the property remained in 'good standing' for 2024 and into 2025.

Future work is intended follow up on the shear zone and other structures identified, as well as to include trenching / stripping. Till sampling is also proposed for the northern area.

Recent logging activities have also opened up sections of the southern property which will be prospected.

The property is covered by a three year Exploration Permit, (granted in October 2023) and is required for 'invasive' exploration such as trenching, stripping, and drilling.

4. Kerrs

The Kerrs Gold Project in northeastern Ontario holds a historic resource estimate of 386,467 Oz (ounces) of Au (gold) as per the NI-43-101 standard.

In April 2024, FCM executed an option to purchase agreement with the 100% owners of the Kerr gold property claims. The deal outline is summarised below.

Due Date	Share Payments	Cash Payment (CAD)
Upon signing the Agreement	-	\$6,000 (\$10,000 less \$4,000 exclusivity deposit)
Six months after effective date		\$10,000
Within four months of signing the Agreement on the publication of a prospectus	CAD20,000 in share value	
On the 1st anniversary of the Effective Date	CAD30,000 in share value	\$30,000

On the 2nd anniversary of the Effective Date	CAD40,000 in share value	\$40,000
On the 3rd anniversary of the Effective Date	CAD60,000 in share value	\$60,000
Total	CAD150,000 in share value	\$150,000

On completion of the terms of the Agreement FCM will control 100% of the Kerrs Gold Project located in northeastern Ontario in the Timmins Mining Camp which is one of the most prolific camps for gold production in Canada. Nearby producing gold mines are operated by Newmont (Hoyle Pond & Hollinger) and McEwan Mining (Black Fox Complex).

The road accessible Kerrs Gold Deposit consists of 36 units totalling approximately 665 hectares and lies 90 kilometres east-northeast of Timmins, in the Larder Lake Mining Division.

Geologically the Project is located in the Abitibi Greenstone Gold Belt, see Figure 12.

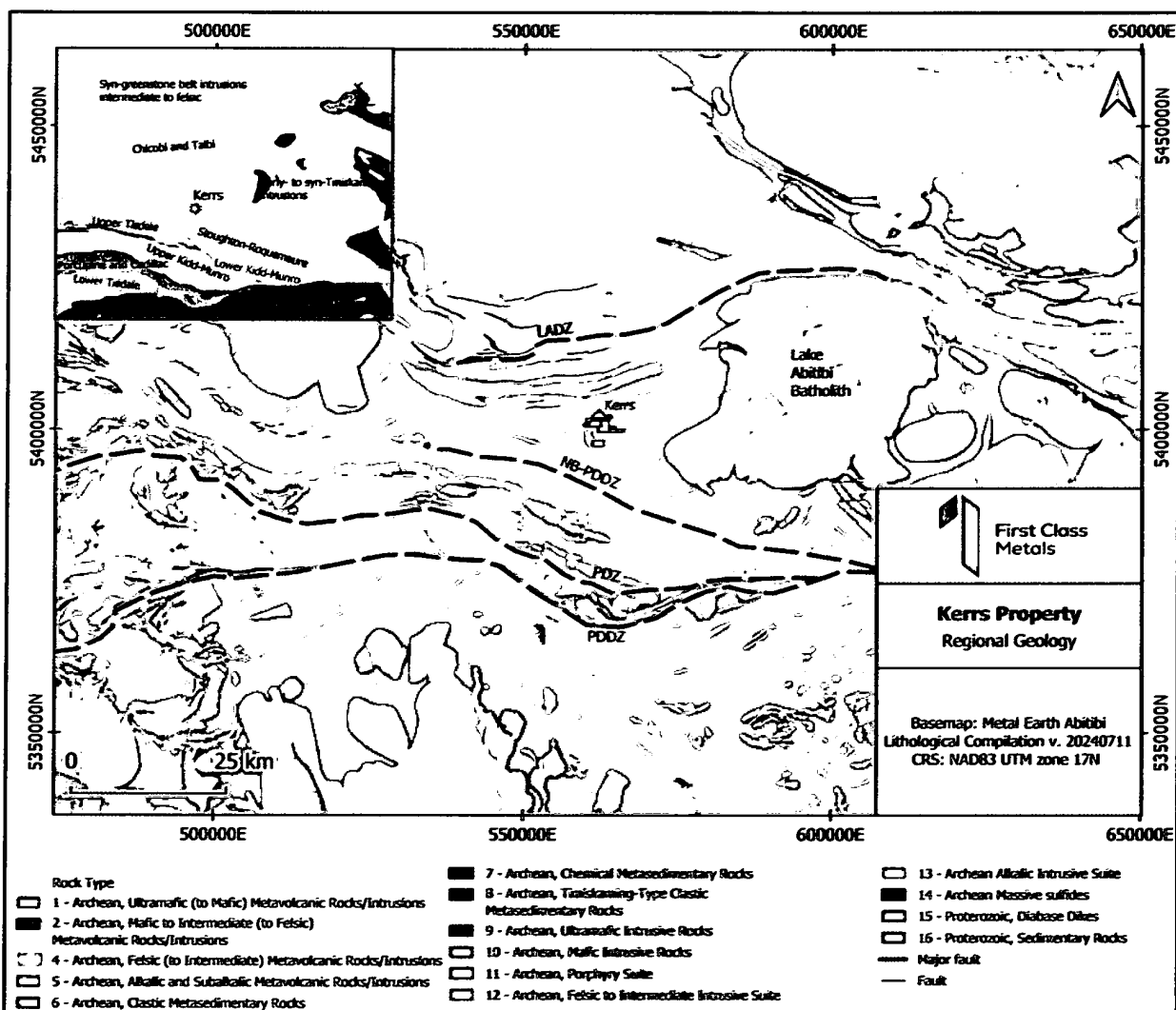


Figure 12 showing the district scale location of the Kerrs gold property as well as significant producing mines in the area.

The occurrence was discovered by Noranda in the late 1970's and early 1980's by following glacial dispersion trains 'up-ice' to the source. Drilling continued into the late 1980's, with further drilling in the early to late-2000 and early 2011. The drilling database was used to calculate the 2011 historic resource estimate, with further drilling completed subsequent to the release of the estimate, see Figure 13.

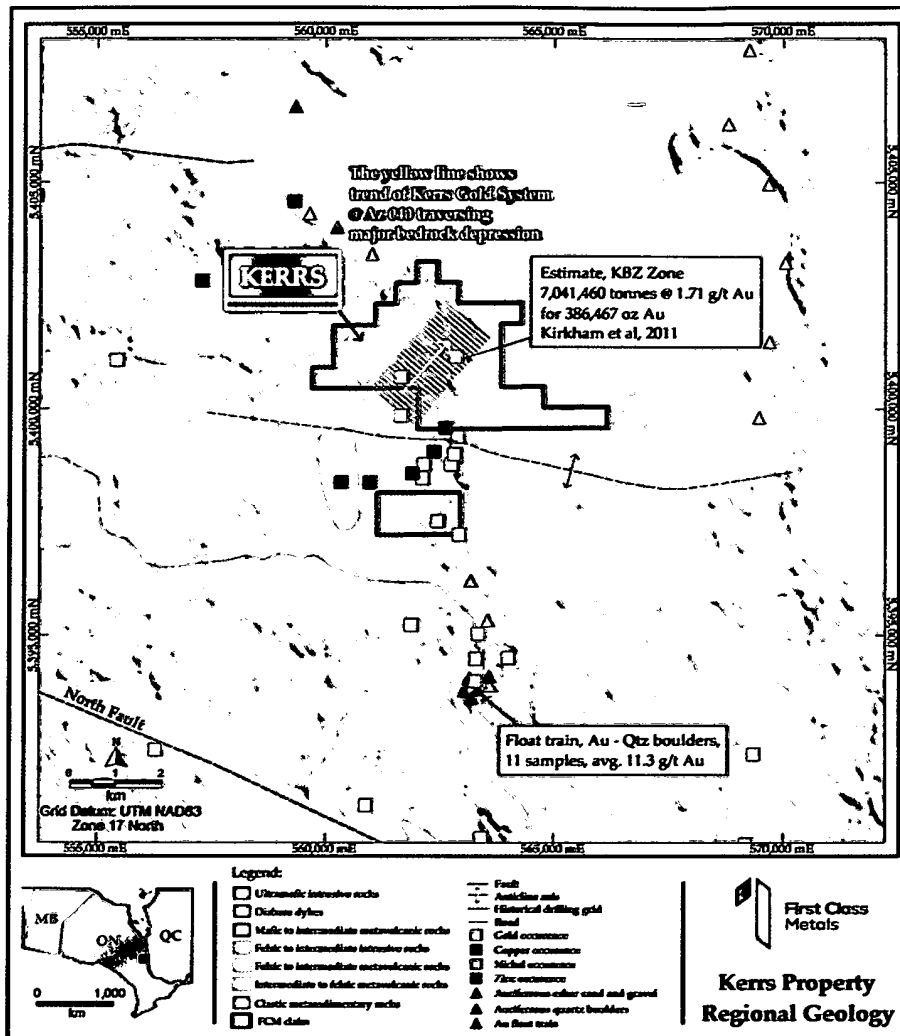


Figure 13 Showing the significant historical sampling as well as the drill grid

Kerrs Gold is considered a stratabound deposit, occurring at the contact of a thick, mafic pillow flow sequence overlying an ultramafic, magnetite-rich flow sequence. Quartz feldspar porphyry sills are spatially located above and below the breccia zones. This stratigraphy is synclinally folded with the deposit lying 350m to 425m below surface. Drilling has traced the main zone 800 metres and remains open in both directions and at depth.

Gold mineralisation occurs as pyritized quartz vein replacement breccias enveloped by quartz fuchsite carbonate vein breccias averaging approximately 10 m and alteration envelopes varying up to 40 m in thickness. Gold tenure is proportional to the pyrite content ranging up to 10% which is commonly disseminated and crystal aggregates in the sheeted, quartz vein replacement breccias. These breccias, averaging 31% quartz, exhibit reasonable correlation conforming to volcano-stratigraphic contacts as well as moderate to good continuity in grade correlations at the lower and upper boundaries of the vein breccia and alteration envelope assemblages.

The Kerrs Gold historical resources estimate of 386,467 Oz Au was disclosed in “NI 43-101 Resource Estimation on the Kerr’s Gold Deposit, Matheson, Ontario” prepared for Sheltered Oak Resources Inc. by Garth Kirkham, P. Geo of Kirkham Geosystems Ltd. And dated June 10, 2011.

Whilst there was further drilling completed after the historic estimate was released FCM is not aware of any more recent resource estimates.

The resource estimation methods and parameters were as follows:

- Forty-one drill holes were utilized to interpolate the KBX Zone.
- Composite length of 2 m was chosen and composites were weighted by length.
- Sectional interpretations were wire-framed to create 3-D solids of the zones.
- Zones were coded to the composites, and the block model, to constrain the modelling process.
- Composites for the mineralised zone were used to interpolate into the blocks for each zone.

- Ordinary kriging was used as the interpolator.
 - Relative elevation modelling was used to guide the ellipse orientation that accounts for the variation in dip due to the synclinal structure.
 - A minimum of two composites were used for each block and a maximum of two composites were used per drill hole; a maximum of 12 composites were used per hole.
 - A cutting factor was applied for gold with outlier composites limited to 10 g/t Au based on cumulative frequency plots. A zero cut-off grade was used for the manual polygonal method.
- The Kerrs historic estimate is an inferred resource as defined in National Instrument 43-101. The table below shows the potential ounces with differing cut of grades. FCM would look at remodelling the resource in order to identify higher grade envelopes for targeting in any proposed future drilling.

Kerrs Resources Estimate Cut-Off Grade	TONNES	GOLD (g/t)	Metal (OZ.)
0.5	7,041,460	1.71	386,467
1	5,237,213	2.04	342,856
1.5	3,375,361	2.47	268,468
2	1,936,189	3.04	188,972
2.5	1,165,664	3.57	133,778
3	818,171	3.94	103,622

In August 2024 FCM undertook a low level, hi resolution geophysics survey of 736 l-km over the Kerrs Gold Project.

Post report period the magnetic data was interpreted by PGW of Toronto, who have previously worked on North Hemlo, Esa Sunbeam and Sugar Cube. Their interpretation, see Figure 14 has identified several targets worthy of follow-up drilling.

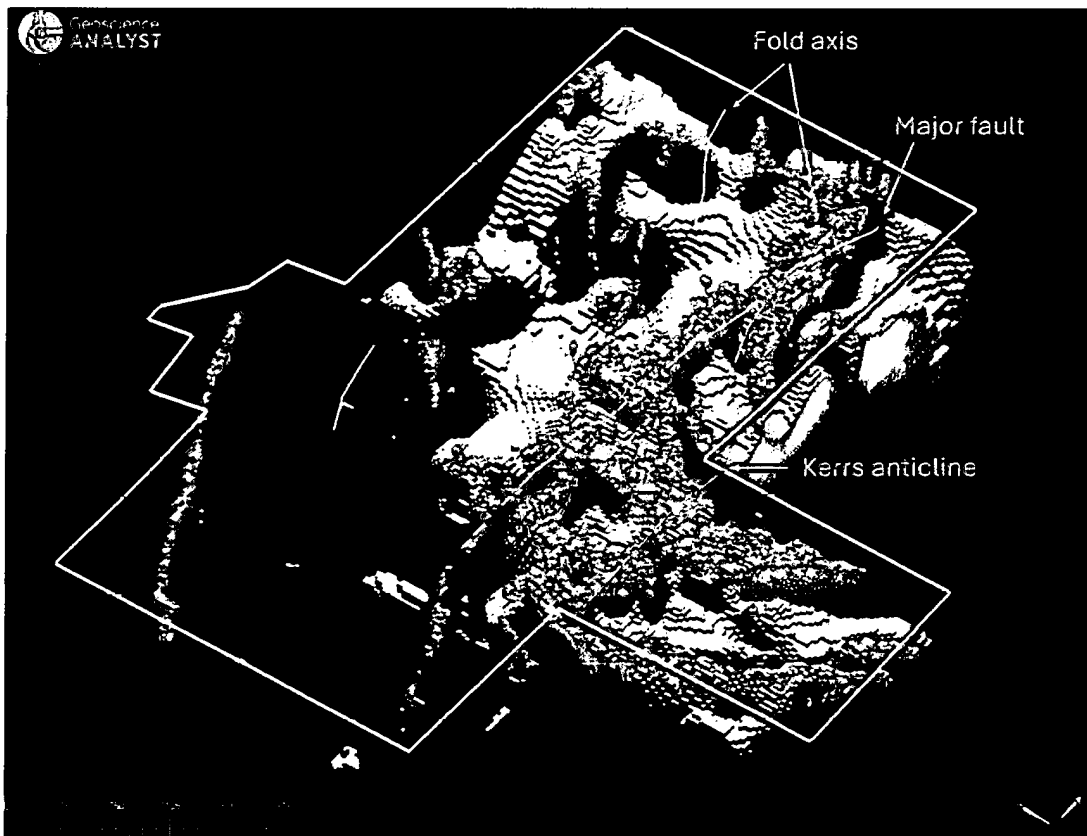


Figure 14 Showing magnetic susceptibility inversion model with key interpreted structural elements overlain. The constrained inversion is show with isovalues clipped to 0.15 SI. Viewed from the SW looking to the NE

The Kerrs property is not currently permitted and once the data review has been completed in conjunction with ground appraisal a permit will be drafted for consultation with the local First Nations.

Post reporting period, FCM has commissioned a review / update of the 2011 resource estimate to define target areas to potentially expand the historic resource as well as a view to 'high grading' the resource. If available, it will include drilling after the 2011 Resource estimate.

5. Zigzag

The project is less than 100km from Armstrong in northwest Ontario in the Seymour Lake area, a district already proven to be prospective for hard rock, pegmatite hosted lithium. Existing infrastructure currently in place in the local area is expected to be further bolstered in the future by the planned Jackfish Hydro project and a Spodumene Process Plant at the Green Technology Metals, Seymour site which is just over 10km away by gravel road.

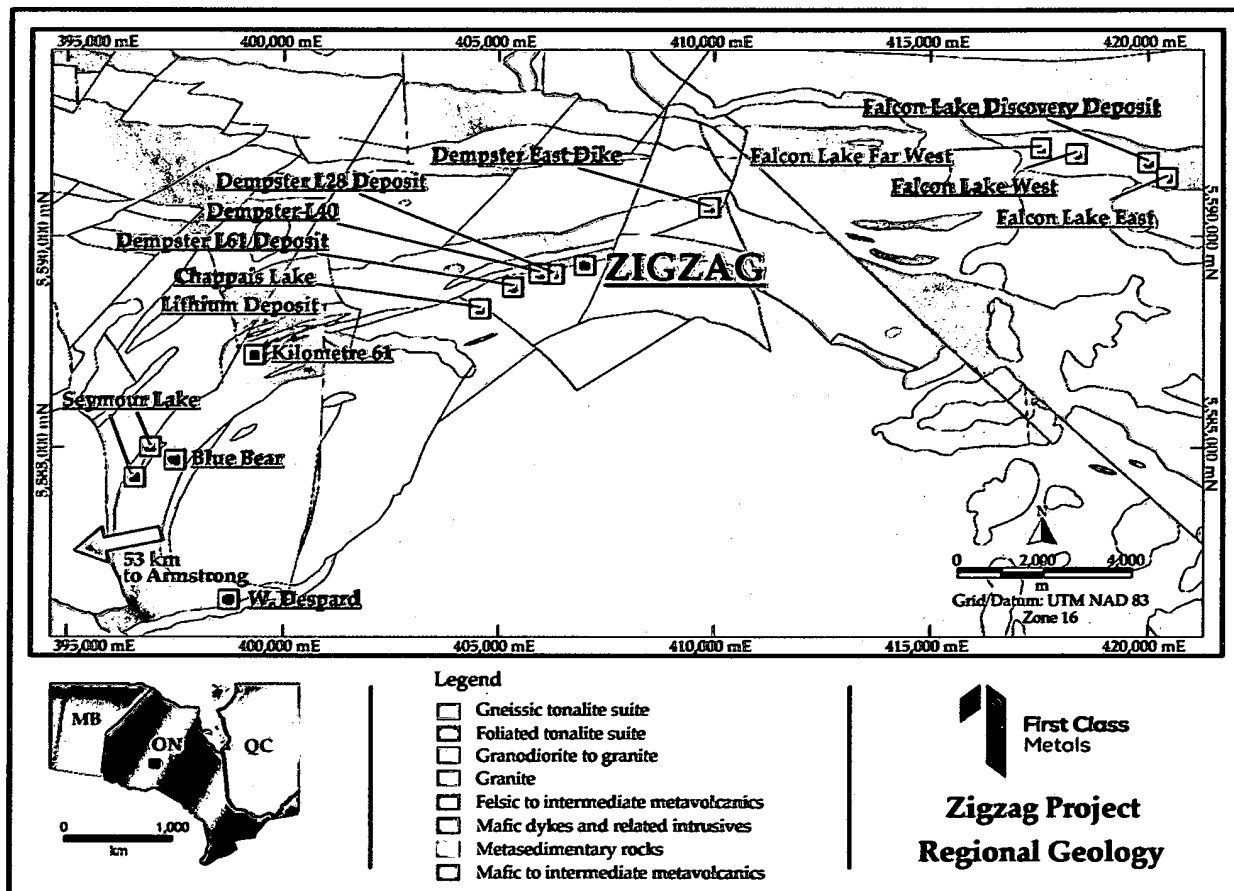


Figure 15 showing the regional setting of the Zigzag claim block.

The six-unit claim group spans approximately 1.2km² and includes a mapped structure of 800m which (Tebishogeshik occurrence) is wholly contained within the claim block, the lithium-tantalum mineralization is pegmatite-hosted with significant rubidium and caesium mineralisation also reported. All of which are 'critical minerals' as identified by the Canadian and United Kingdom Governments.

Previous workers of the Tebishogeshik occurrence have identified Li₂O and Ta₂O₅ mineralization along the entire length of the showing from sampling at surface, grading up to 1.68% Li₂O over 7.9m and 0.168% Ta₂O₅ over 2.54m in separate channels samples. Several shallow historic drill holes along the occurrence have returned significant intersections, including, (in separate drill holes) an intersection grading 1.08% Li₂O over 6.1m and a separate intersection of 399.8ppm Ta₂O₅ over 2.92m. Both intersections were less than 20m down hole. The structure is open along strike and to depth and remains to be fully evaluated.

The claims were optioned from Nuinsco in March 2023 and reported in detail in a news release. The work commitment over 4 years is Cdn\$550,000 and to 31 December FCMC had expended Cdn\$ 485,673 on exploration.

Prospecting of the Zigzag property commenced early in the 2023 field season in association with reconnaissance for access to the claim area. Initial prospecting returned very encouraging results which validated and enhanced the historic reported assays.

As follow up to this initial systematic sampling programme the team undertook furthermore systematic sampling in parallel with preparing for and undertaking a sawn channels sampling programme across the prospective outcrop. Note as an Early Exploration Agreement was not then in place no stripping to enlarge outcrop exposure was permitted.

The sawn channel sampling programme was along a ~150m strike at intervals across the exposed pegmatite outcrop.

The results from the channels were very encouraging. The results have not only vindicated the grab samples in respect to the lithium oxide content but also highlighted again the presence of other important, critical minerals such as tantalum, gallium, and rubidium, see table below for highlights of the reported assays.

Prior to the drill programme in December 2023 a further prospecting campaign was undertaken. This was dominated by soil sampling, the sample lines focussed on the open eastern and western extent of the 'core area' as well as a postulated subparallel structure or splay to the south of the main structure.

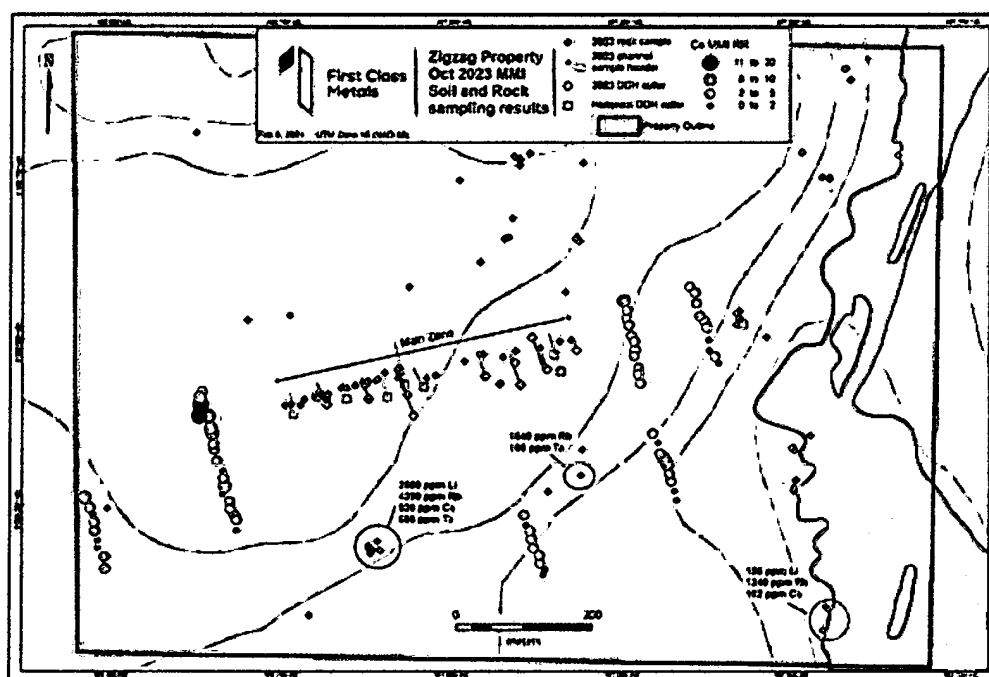


Figure 16 showing the main zone at Zigzag with locations of channels and drill holes, as well as the MMI soil sampling lines.

The results of the mobile metal ion (MMI) soil sampling assays gives support that the main structure continues along strike from the known (sampled by FCM) outcrop.

A significant silver anomaly was identified over the two eastern most MMI lines off the main zone. This also requires further investigation.

Furthermore, there is strong geochemical support for a sub parallel trend about 200m to the south of the main zone. Additional work is needed to expand and confirm the anomalism identified. As well follow up sampling is required to confirm the presence of a possible third trend currently identified in anomalous rare element results in grab samples.

Drilling

The drilling targeted the 400m central section of the property which had been subject to a non-mechanised stripping and channel sampling programme reporting up to 2.36% lithium (Li_2O) over 5.5m, see Figure 17.

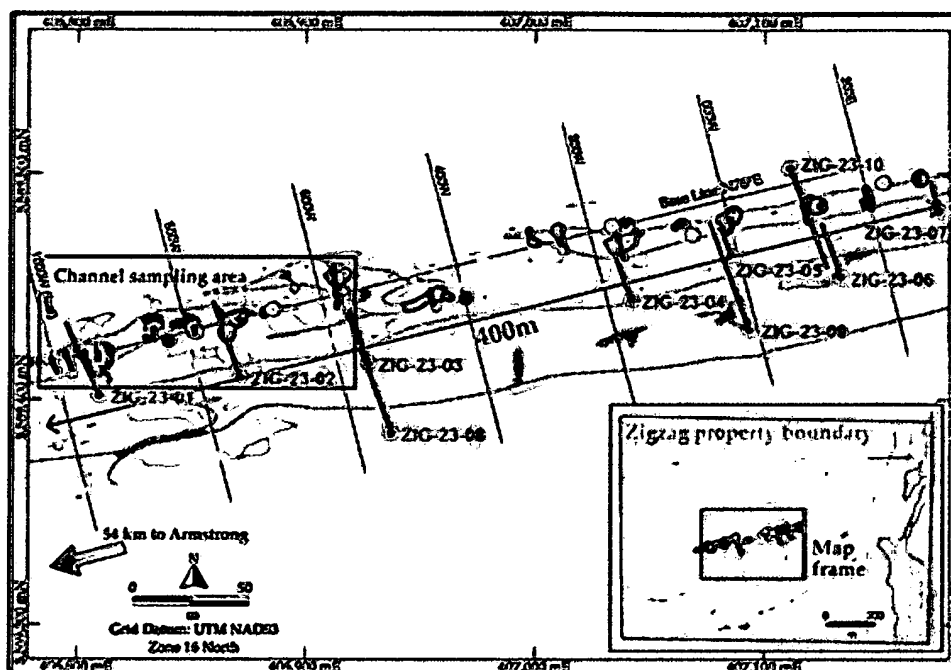


Figure 17 Drilling covered the area of channel sampling and 'grabs' on roughly 50 m centres (note historic grid lines are on 200ft (60m) centres).

Historic drill holes also reported an intersection grading 1.08% Li_2O over 6.1m from 12.45m and a separate intersection of 399.8ppm Ta_2O_5 over 2.92m from 15.50m. The results from the maiden drill programme by FCM were most encouraging and the significant intersections appear in the table below

Drill Hole	Metal	Depth From	Width	Grade
ZIG-23-01	Li_2O	12.7m	4.3m	1.65%
		<i>incl.</i>	1.0m	2.93%
	Rb_2O	11.7m	5.3m	0.21%
ZIG-23-02	Li_2O	15.0m	5.0m	1.5%
		<i>incl.</i>	0.2m	5.19%
	Rb_2O	14.25m	5.75m	0.21%
		<i>incl.</i>	0.3m	0.54%
	Cs	14.25m	3.25m	132 ppm
		<i>incl.</i>	0.25m	430 ppm
	Ta	14.0m	6.8m	90 ppm
		<i>incl.</i>	0.2m	235 ppm
	Ga	15.5m	0.2m	144 ppm

Drill Hole	Metal	Depth From	Width	Grade
ZIG-23-03	Li ₂ O	14.7m	0.75m	2.1%
	Rb ₂ O	12.6m	2.1m	0.16%
	Cs	12.0m	5.0m	151 ppm
		<i>incl.</i>	<i>0.45m</i>	<i>480 ppm</i>
	Ta	12.6m	3.9m	164 ppm
		<i>incl.</i>	<i>0.45m</i>	<i>624 ppm</i>
	Ga	21.9m	0.25m	127 ppm
and				
ZIG-23-03	Li ₂ O	28.4m	1.6m	0.46%
	Rb ₂ O	27.8m	2.2m	0.17%
ZIG-23-04	Li ₂ O	20.0m	1.6m	0.79%
	Rb ₂ O	20.0m	1.6m	0.21%
	Ta	15.3m	7.8m	165 ppm
		<i>incl.</i>	<i>1.0m</i>	<i>347 ppm</i>
ZIG-23-05	Li ₂ O	7.6m	6.0m	1.13%
		<i>incl.</i>	<i>1.0m</i>	<i>2.17%</i>
	Rb ₂ O	5.7m	3.8m	0.16%
	Ta	4.8m	9.9m	167 ppm
		<i>incl.</i>	<i>0.4m</i>	<i>401 ppm</i>
ZIG-23-06	Li₂O	28.8m	2.2m	1.09%
		<i>incl.</i>	<i>0.3m</i>	<i>2.26%</i>
	Rb ₂ O	28.8m	2.2m	0.19%
ZIG-23-07	Li₂O	9.9m	6.5m	1.09%
		<i>incl.</i>	<i>0.5m</i>	<i>2.76%</i>
	Rb ₂ O	10.4m	6.6m	0.21%
		<i>incl.</i>	<i>1.0m</i>	<i>0.41%</i>
	Cs	13.0m	4.0m	126 ppm
	Ta	9.0m	7.4m	131 ppm
		<i>incl.</i>	<i>0.6m</i>	<i>177 ppm</i>

Drill Hole	Metal	Depth From	Width	Grade
ZIG-23-08	Li ₂ O	65.5m	3.0m	1.28%
	Rb ₂ O	65.5m	3.4m	0.11%
	Ga	65.5m	3.0m	98 ppm
		<i>incl</i>	<i>1.0m</i>	<i>114 ppm</i>
ZIG-23-09	Li ₂ O	47.25m	4.75m	0.52%
		<i>incl.</i>	<i>0.8m</i>	<i>1.06%</i>
	Rb ₂ O	47.25m	4.75m	0.14%

Table shows assays from the (nine) hole drill programme at Zigzag, every hole had reportable intersections of Li₂O with significant 'credits' from the accessory critical elements / metals, specifically rubidium oxide, Rb₂O.

The presence of abundant spodumene in the core, see Figure 18 below, is reflected in the assays.



Figure 18-Shallow intersection of pegmatite hosting spodumene (pale green 'blades' in hole ZIG-23-01).

Two (shallow) step-back holes were conducted as well as a scissor hole to confirm the dip of the structure. Further drilling is warranted both along the (open) strike to the west and east as well as down dip.

- Future work planned will include:
- Possible stripping along strike to the west and east where anomalous MMI results indicate a continuation of the structure.
- Infill MMI sampling of the inferred southern sub parallel structure.
- Metallurgical work on beneficiation of the potential ore.

Post the reporting period, FCM has engaged with SGS Lakefield for a quote to undertake a preliminary metallurgical assessment of the lithium bearing rock.

6. McKellar

The McKellar property, comprised 66 claims, covering 12.5km² was sold to 79TH Group in June 2024.

7. Enable

The Enable property comprising 41 claims covers around 8.7km² was sold to 79TH Group in June 2024.

8. Coco East

The Coco East block of 30 claims covering ~6.3km² is located on the eastern sector of the Big Duck Lake Porphyry, which contains several historic showings as well as the Coco Estelle deposit. This porphyry, as well as other similar intrusions, are strongly spatially associated with Archean lode gold deposits.

There is only one showing located within the Coco East property boundary, the Big Birch Occurrence. Two pits are reported with a 5m spacing, striking east-west. The main pit exposes a 10cm-wide quartz and calcite vein and contains pyrite and possible chalcopyrite mineralisation, and historic assay results have returned values of 0.56 g/t Au and 2.83 g/t Ag.

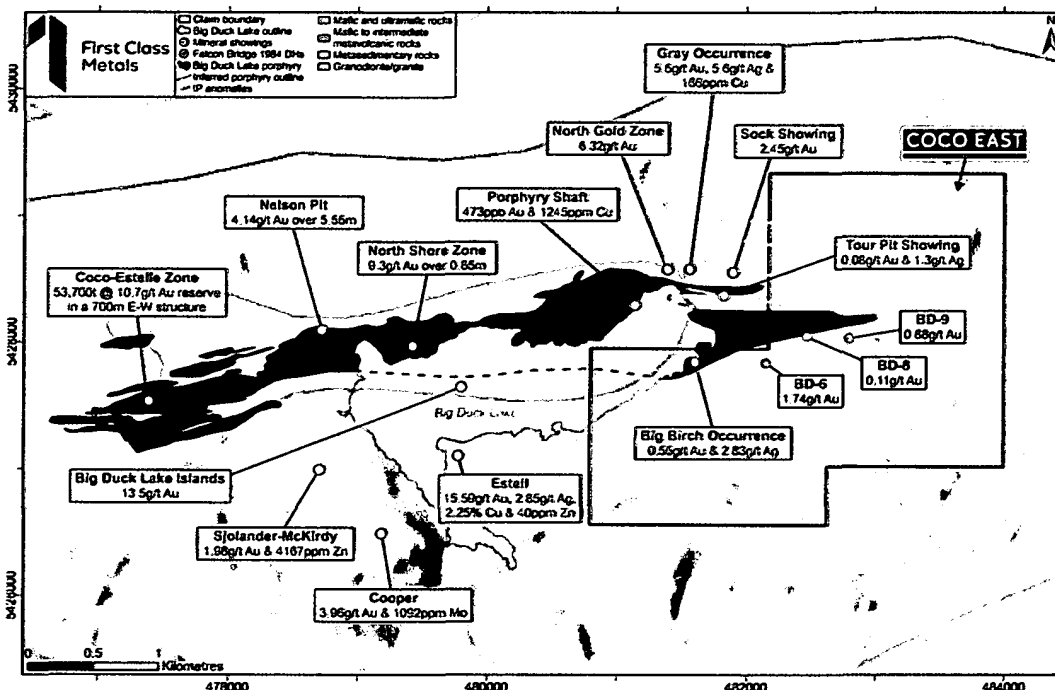


Figure 19 showing the regional setting of the Coco East claim block with OMI showings.

Limited field work was conducted during the season in 2024 in order to keep the property in good standing. Otherwise, the assessment credits accrued from 2022 field work extend into 2024.

Prospecting in the northern area around the geophysical anomaly collected twelve rock grab samples were collected from float and outcrop. Assay results from Actlabs reveal the highest assay value recorded for Au was <1ppm, for Cu was 7370ppm (0.7%) and Zn at 145ppm.

While Au and Cu values obtained to date are not strongly anomalous, they are associated with anomalous pathfinders for intrusion-related or orogenic gold mineralization (Ag, As, Bi, Te, Mo, Cu, Zn, W) and locally intense quartz veining in shear zones within the metavolcanic rocks. There are also numerous mapped units of felsic porphyry on the Property which have not been thoroughly investigated. Therefore further, more systematic work is warranted and it is recommended that from a base on the east shore of Big Duck Lake, to conduct a 1 or 2 week mapping, prospecting and sampling project near and along strike from the Big Birch Occurrence, and in the latest target area around a possible adit found in claim 609727.

9. Magical

Located only 9km northwest of the Barrick Hemlo gold mine, these 14 claims which are 2.9km² and are also situated on a compelling geological contact which potentially represents a district scale geological structure, which could be an extension of one of the inferred North Limb shears, (see Figure 02). The enigmatic 'Valley Float' less than 1km off the property boundary to the northeast has reported >16g/t Au, whilst the Gowan Lake showing to the southwest, also on the inferred contact, reports ~1.5g/t Au and the Kusins showing also associated with the contact reports 70.1 g/t Ag, 10.7% Zn and 8.9% Pb, see Figure 20.

No field work was undertaken in 2024, however, assessment credits from previous work ensure that the property remains in good standing.

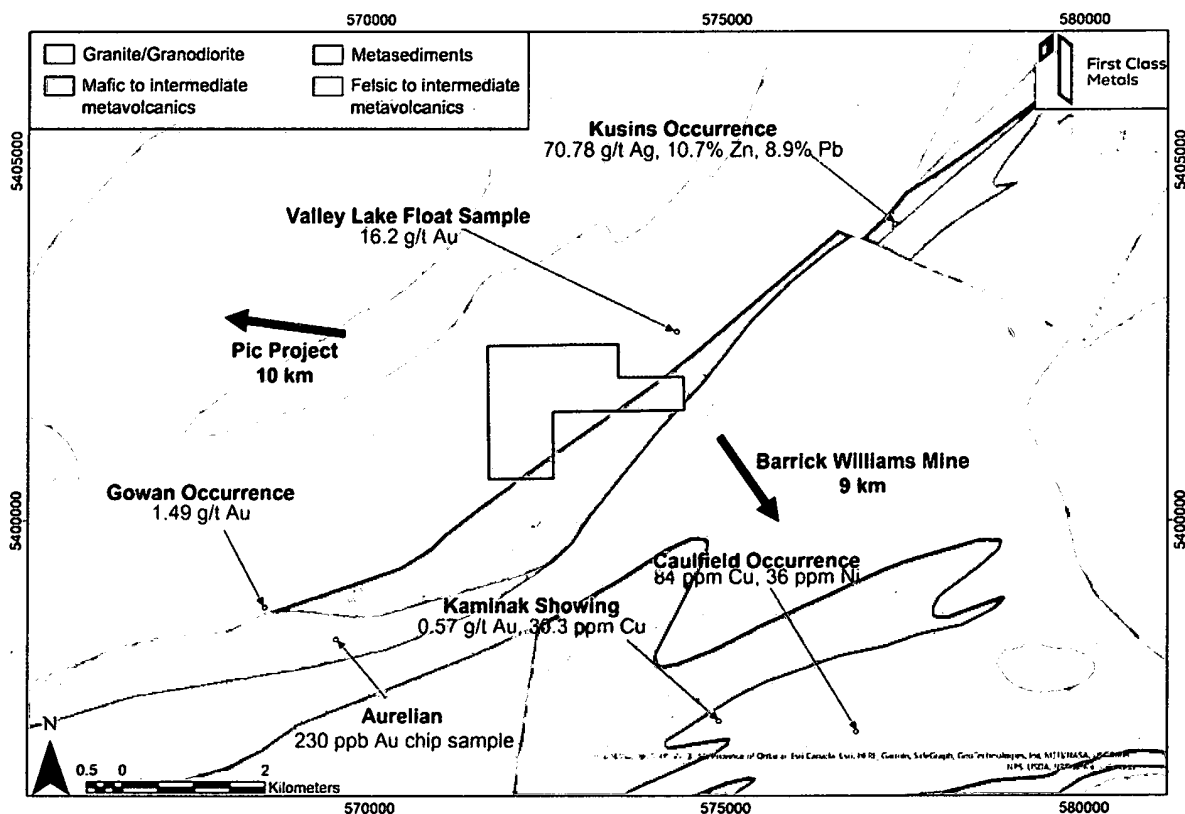


Figure 20 showing the *Magical* claim block in a geological district scale with pertinent 'showings'.

Geologically, the area contains a northeast trending sequence of clastic sediments, plus subordinate amphibolite. These are bounded by the Gowan Lake Pluton in the northwest and the Cedar Lake Pluton in the southeast. The contact between the Gowan Lake Pluton and metavolcanics is found in the east and southern areas of the property. On the basis of nearology / vector, this is considered a potential host for gold mineralisation.

During the 2022 field season 11 rock chip samples and 56 soil samples were collected out of a helicopter supported 'fly' camp. The latter was analysed by the mobile metal ion ("MMI") methodology, see Figure 33.

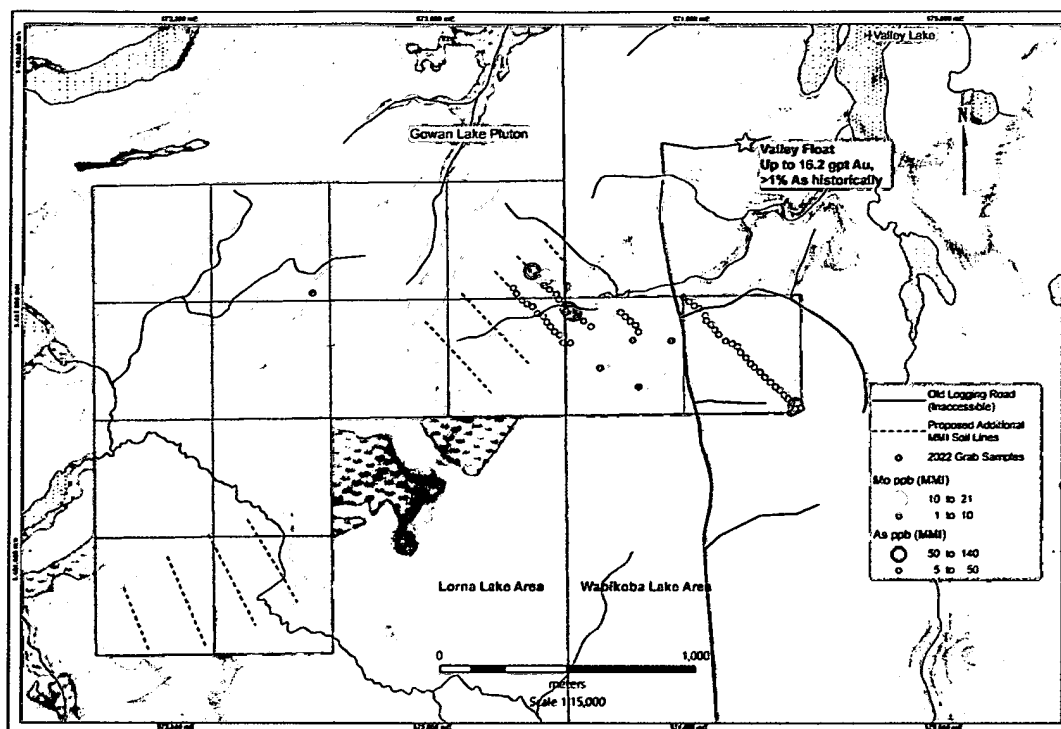


Figure 21 *MMI sampling on the Magical property*

The anomalous molybdenum (“Mo”) and arsenic (“As”) close to the northwest end of the MMI survey at the contact of the Gowan Lake Pluton is of interest and, given the gold occurrence to the northeast and southwest, on trend (but off property). This is a significant encouragement for the property’s potential.

For planned future work it is proposed that the soils lines are extended as well as further lines in the southwest to validate the anomalism associated with the contact / shear as well as prove strike continuity.

10. Quinlan

The Quinlan property is located to the northwest of Thunder Bay.

In March 2024 FCM and Broken Rock Resources Inc. entered into an option – buyout agreement, in respect to the Quinlan property, the details of which are tabulated below.

A total number of 98 single cell claims are involved in the transaction with FCM staking 50 claims and 48 claims being optioned from BRR.

Table: Option costs for the Quinlan property

	Cash (CAD\$)	Ordinary FCM Shares (CAD\$)	Annual Work Commitment (CAD\$)
On signing	10,000	15,000	0.00
Within one year anniversary	5,000	10,000	50,000
Within two-year anniversary	10,000	5,000	50,000
Within three-year anniversary	15,000	10,000	150,000
Within four-year anniversary	100,000	NIL	150,000
Total	140,000	40,000	400,000

There is also an NSR in favour of BRR

Quinlan lake reported one of the highest lake sediment lithium values (966.3 ppm- constituting the 'Nine-Sixty-Six lake sediment' anomaly) recorded in the Province from an Ontario Geological Survey (OGS) survey. (OGS sample site 1109, Jackson and Dyer 2000b; 287642E 5527869N) was collected from a small lake north of Kashishibog Lake. The sample also returned 38.57 ppm Rb and 9.53 ppm Cs. The area surrounding site Nine-Sixty-Six is covered by thick till and a few granitic pegmatite boulders. Most of these pegmatitic boulders are rounded, ranging in size from 0.5 to 2 m, and composed mainly of quartz and feldspar with local minor biotite.

Although no outcrop was found in the area of the lake area, large outcrops of granitic pegmatite were observed in an area 2 km to the northwest.

Historically, the Kashishibog Lake area has seen very little exploration and geological mapping. According to the Ontario Geological Survey in 1964, vast areas of granite pegmatite dike sheets occur in the vicinity of Sparkling and Mountairy lakes, 12 to 30 km west of Kashishibog Lake, respectively. The pegmatites are situated near the Western Wabigoon–Winnipeg River terrane boundary and along the northeast-trending regional-scale faults that extend for more than 30 km in the Kashishibog and Awkward lakes area

The property's potential was further highlighted by the annual Ontario Thunder Bay OGS Resident Geologist Program (Target 11) 'Recommendations for Exploration' publication to be a prime under explored potential new pegmatite corridor.

The Company now holds a significant land package, providing a cost-effective entry into an area that is highly favoured by the Provincial OGS Resident Geologists for its lithium prospectivity.

Post reporting period, 4 claims in the core of the property became vacant and were staked by BRR, as they fall within the 'buffer zone' designated in the Agreement they will form part of the Option arrangement.

Additionally in March 2025 a one-day helicopter supported visit to the property resulted in 16 lake sediment samples being collected. Assays are not yet available.

11. Sugar Cube

The Sugar Cube claim block of 205 claims, covering ~43km², is contiguous to the north-west of Silver Lake's 1.6Moz+ Sugar Zone gold mine. Sugar Cube was one of the 'seed' properties that formed the pre-IPO package. Previous workers interpreted from the limited geological information that the property could potentially contain the remnants of a (subparallel, arcuate) greenstone belt. No field work has been conducted in the reporting period.

The previous work included a helicopter borne magnetic/ VTEM geophysics survey undertaken in early 2023 which provided insufficient credits to maintain this entire block through 2023 and into 2024, accordingly after the geophysical interpretation only the central section was retained.

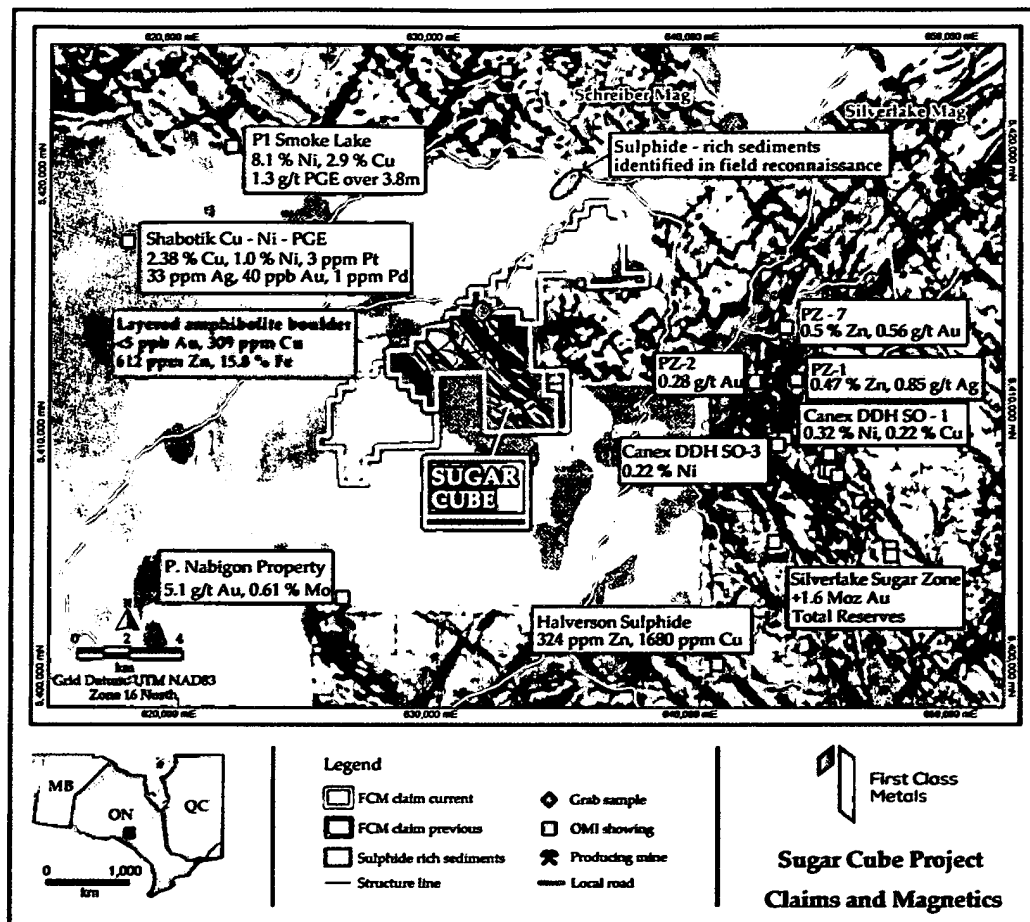


Figure 22: Interpretation provided by PGW of the EM survey conducted on the reduced Sugar Cube property.

The survey was successful in so much no obvious remnants of greenstone geology were evident. However, the central sector of the block which contains northwest south east orientated structures (elsewhere referred to as 'Harvy faults' and potential auriferous), merits further work and will be a focus for a future exploration programme. Other sectors were not apportioned assessment credits and hence lapsed.

Summary, strategy, and conclusions

In line with FCM's future corporate plans and divestment strategies across the wider portfolio, it is crucial for the Company to maintain a continuous flow of high-quality prospects that can grow in value over time. The acquisition of additional property assets like Kerrs and Quinlan ensures that FCM is well-positioned for future growth and development.

First Class Metals, through its Canadian subsidiary, controls nine claim blocks totalling ~230km² in northwest Ontario, Canada. Seven of the nine blocks are 100% owned. Two claim blocks (North Hemlo and Sunbeam) account for well over half of the total area.

The four core properties have sufficient assessment credits generated by field work in 2024, to keep them in good standing through to proposed field work in 2025. The Sugar Cube block is now impaired as a result of the magnetic survey results. Regardless, FCM holds funds or has conducted the exploration required to keep all the claims in good standing for the year 2025.

FCM continued its systematic diligent exploration programme covering the core (North Hemlo, Sunbeam, Kerrs and Zigzag), properties in 2024. The results were sufficiently encouraging to warrant further follow-up exploration in the upcoming field season. Particularly successful were the drilling at Zigzag and the stripping at Sunbeam, and the 'new discovery' on the Dead Otter trend. However, it must be noted that most properties explored still have areas requiring prospecting and whilst the cornerstone of the exploration is gold, FCM contains in its portfolio precious, base (battery) and critical (lithium) mineral targets.

Whilst the annual commitment to maintain the claims is circa CAD\$450,000, this is not a required spend given that credits from 2023 and 2024 carry over to the 2025 season and in some instances into 2026. FCM intends to build off the positive exploration results and progress the exploration of the properties by drilling where permitting, funding and logistics allow, to a monetising event.

FCM has a business model / strategy to assess, value add and develop the properties towards either a sale, joint venture, or relinquishment event. It is currently not the Company's stated aim to become a producer. Priorities will be geared toward the completion of first-pass exploration (realistically drilling) of the principal properties in order to fully evaluate the portfolio, both on the merits of the properties and a ranking process.

The Company's strategy remains on track: to identify potential, value add, then monetise by JV or by structured sale.

STRATEGIC REPORT

Key Performance Indicators

Financial

- Market Capitalization: £1.713m at 31st December 2024
- Share Price: 1.7p

Non-Financial

- Due to the nature of the business of the Group typical non-financial KPI's (such as customer retention rate, conversion rate, production efficiency measures etc.) are not applicable to us. Further, while the Group has an effective ESG policy in place, due to unavailability of data such KPI's could not be measured and assessed for the relevant time period. For further details regarding the Group's ESG policy, please see the ESG section of this report.

The principal risks and uncertainties

The principal risks and uncertainties of the Group¹ are outlined below.

A majority of the Group's operating costs will be incurred in US and Canadian dollars, whilst the Group has raised capital in £ Sterling

The Group will incur exploration costs in US and Canadian Dollars, but it has raised capital in £ Sterling. Fluctuations in exchange rates of the US Dollar and Canadian Dollar against £ Sterling may materially affect the Group's translated results of operations. In addition, given the relatively small size of the Group, it may not be able to effectively hedge against risks associated with currency exchange rates at commercially realistic rates. Accordingly, any significant adverse fluctuations in currency rates could have a material adverse effect on the Group's business, financial condition and prospects to a much greater extent than might be expected for a larger enterprise.

Exploration, Development and Operating Risk

Resource exploration and development is a speculative business, characterised by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. Exploration and development work is the Group's sole business activity.

This risk is accentuated where exploration activity is not carried on as an ancillary activity to a developed business producing operating cash flows from commercial quantities of saleable material from operational activity which can be used to mitigate this risk. The marketability of minerals acquired or discovered by the Group may be affected by numerous factors that are beyond the control of the Group and that cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment, and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting minerals and environmental protection, the combination of which factors may result in the Group not receiving an adequate return of investment capital.

The business of exploration for minerals and mining involves a high degree of risk. Few properties that are explored, even those demonstrating initial potential, are ultimately developed into producing mines. There is no assurance that the Group's mineral exploration and development activities will result in any discoveries of commercial mineral bodies.

The long-term profitability of the Group's operations will in part be directly related to the costs and success of its exploration and development programs, which may be affected by a number of factors. In recent years, both metal prices and publicly traded securities prices have fluctuated widely.

¹ (FCM and FCMC are collectively referred to as the "Group")

The Group is not currently generating revenue and will not do so in the near term

The Group is an exploration company and will remain involved in the process of exploring and assessing its asset base for some time. The Group is unlikely to generate revenues until such time as it has made a commercially viable discovery. Given the early stage of the Group's exploration business and even if a potentially commercially recoverable reserve were to be discovered, there is a risk that the grade of mineralisation ultimately mined may differ from that indicated by drilling results and such differences could be material. Accordingly given the very preliminary stages of the Group's exploration activity it is not possible to give any assurance that the Group will ever be capable of generating revenue at the current time.

The Group will need additional financial resources if it moves into commercial exploitation of any mineral resource that it discovers

Whilst the Group has sufficient financial resources to conduct its planned exploration activities, meet its committed licence obligations and cover its general operating costs and overheads for at least 12 months, the Group will need additional financial resources if it wishes to commercially advance any mineral resource discovered because of its exploration activity.

The Group has budgets for all near and short-term activities and plans, however in the longer term the potential for further exploration, development and production plans and additional initiatives may arise, which have not currently been identified, and which may require additional financing which may not be available to the Group when needed, on acceptable terms, or at all. If the Group is unable to raise additional capital when needed or on suitable terms, the Group could be forced to delay, reduce, or eliminate its exploration, development, and production efforts.

The Group is unaware of any further risks that the business of the Group may be subject to under prevailing market conditions.

Going Concern

As a junior exploration company, the Directors are aware that the Group must seek funds from the market in the next 12 months to meet its investment and exploration plans.

The Group's reliance on a successful fundraising presents a material uncertainty that may cast doubt on the Group's ability to continue to operate as planned and to pay its liabilities as they fall due for a period not less than twelve months from the date of this report.

The Group successfully raised £776,500 in the year ended 31 December 2024 through a combination of issuing new shares and sale of properties (McKellar and Enable). As at the year-end date the Group had total cash reserves of £221,071 (2023: £140,802).

The Directors are aware of the Group's reliance on fundraising within the next 12 months and the material uncertainty this presents but having reviewed the Group's working capital forecasts they believe the Group is well placed to manage its business risks successfully providing the fundraising is successful.

Section 172 (1) Statement

The First Class Metals Plc Board is cognisant of its legal duty to act in good faith and to promote the success of the Group for the benefit of its shareholders and with regard to the interests of stakeholders and other factors. These include the likely consequence of any decisions we make in the long term, the need to foster relationships we have with all of our stakeholders; the impact our operations have on the environment and local First Nation communities, and the desire to maintain a reputation for high standards of business conduct.

The Board takes a long-term approach to creating and realising value for the shareholders and is aware of the capital and time required in order to develop a resource projects. All of the Group's key assets are early-stage exploration.

The Directors, both individually and collectively, believe, in good faith, that throughout the year and at every meeting of the Board and management when making every key decision, they have acted to promote the success of the Group for the benefit of its members as a whole, as required by Section 172 of the Companies Act 2006, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006. The Directors' Section 172 Statement follows.

Section 172 of the Companies Act is contained in the part of the Act which defines the duties of a director and concerns the "duty to promote the success of the Company".

Section 172 adopts an 'enlightened shareholder value' approach to the statutory duties of a company director, so that a director, in fulfilling his duty to promote the success of the company must act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to other specified factors insofar as they promote the Company's interests.

The Board of FCM recognises its legal duty to act in good faith and to promote the success of the Group and the Company for the benefit of its shareholders and with regard to the interests of stakeholders as a whole and having regard to other matters set out in Section 172. These include the likely consequences in the long term of any decisions made; the interest of any employees; the need to foster relationships with all stakeholders; the impact future operations may have on the environment and local communities; the desire to maintain a reputation for high standards of business conduct and the need to act fairly between members of the Company.

The Board recognises the importance of open and transparent communication with shareholders and with all stakeholders, including landowners, First Nation communities, and regional and national authorities. We seek to maximise the industry's benefits to local communities, while minimising negative impacts to effectively manage issues of concern to society. Shareholders have the opportunity to discuss issues and provide feedback at any time.

The application of the Section 172 requirements can be demonstrated in relation to the Group operations and activities during the past year as follows.

Having regard to the likely consequences of any decision in the long term

The Group's purpose and vision are set out in the Chairman's Statement and in this Strategic Report. The Board oversees the Company's strategy and is committed to the long-term goal of the development of the Ontario exploration projects. The activities towards that goal are described and discussed in the Strategic Report. The Board remains mindful that its strategic decisions have long-term implications for the progression of all these properties, and these implications are carefully assessed.

Having regard to the need to foster the Group's business relationships with others

The Group operates as a mineral exploration business, without any regular income and is entirely dependent upon new investment from the financial markets for its continued operation. The Board values the benefits of maintaining strong relationships with key partners, contractors, and consultants. This is discussed in more detail elsewhere in this Strategic Report.

Having regard to the interests of the Group employees

The Group currently has no full-time employees and is managed by its directors and a small number of associates and subcontract staff. The Board takes steps to ensure that the suggestions, views, and interests of the Group's personnel are considered in decision-making.

Having regard to the desirability of the Company maintaining a reputation for high standards of business conduct

The Board is committed to high standards of corporate governance, integrity, and social responsibility and to managing the Company in an honest and ethical manner, as further discussed in the Corporate Governance Report. The Directors strive to apply ethical business practices and conduct themselves in a responsible and transparent manner with the goal of ensuring that FCM maintains a reputation for high standards of business conduct and good governance.

Having regard to the impact of the Company's operations on the community and the environment

The Board takes a broad range of stakeholder considerations into account when making decisions and gives careful consideration to any potential impacts on the local community and the environment. The Board strives to maintain good relations with the local community, especially with the First Nations peoples of Ontario.

We recognise the safety and well-being of our employees, local communities, and other stakeholders as a non-negotiable priority. Our commitment to high environmental, social and governance (ESG) standards is central to maintaining our license to operate, to create value for all stakeholders and to ensure commercial success. Our operations are guided by an acute awareness of the role we play as a company in meeting the UN's Sustainable Development Goals (SDGs), including the critical role of strategic minerals in supporting global climate action and complementing resource development in Canada.

As a result, ESG is at the centre of everything the Group undertakes. The Group is dedicated to exploring for precious and battery/base metals in a socially and environmentally responsible way in an industry that will play an essential role in the transition to a lower-carbon economy through underpinning the supply chain for sustainable battery and electric vehicle manufacturing as well as other industrial growth in Canada.

In this way, the Group aims to play an important role in helping Canada meet its emissions reduction targets. FCM aims to comply with all relevant UK and Canadian standards, as well as accepted international guidelines, including strict adherence to the health, safety and environmental standards and regulations, as well as the applicable elements of the Equator Principles. The Group will also endeavour to provide stakeholders with clear insights into our operations to increase assurance regarding the ESG and health and safety aspects of our business.

Our policy consists of five pillars:

- 1) responsible stewardship,
- 2) strong partner for local communities (First Nations),
- 3) an enabler of energy transition,
- 4) ensuring safe workplaces and operations, and
- 5) strong governance and an inclusive culture.

Our broad commitments are outlined below. Throughout all operations and our activities, we aim to:

- Play a positive and critical role in the green energy transition.
- Operate in an environmentally responsible manner.
- Promote diversity Inclusion and equality.

Our full ESG report is available on our website.

Greenhouse Gas (GHG) Emissions

The Company is aware that it needs to measure its operational carbon footprint in order to limit and control its environmental impact. The extent to which these activities together with the Group's administrative and management functions result in greenhouse gas emissions is impracticable to estimate and, in any event, less than the amount reportable under the Energy and Carbon Regulations 2018. Additionally, the Company will only measure the impact of its direct activities, as the full impact of the entire supply chain of its suppliers cannot be measured practically.

Board, Shares and Related Parties

Having regard to the need to act fairly as between members of the Group, the Group has only one class of share in issue and all shareholders benefit from the same rights, as set out in the Articles of Association, and as required by the Companies Act 2006. Since the IPO a Shareholder Agreement has been in place with Power Metal Resources PLC, the largest shareholder, which provides that FCM will maintain an independent Board and any transactions between Power Metal Resources and FCM will be at an arm's length basis. The Board recognises its legal and regulatory duties and does not take any decisions or actions, such as selectively disclosing confidential or inside information, that would provide any shareholder with any unfair advantage or position compared to the shareholders as a whole.

TCFD Compliance Statement

CLIMATE RELATED FINANCIAL DISCLOSURES

Introduction

The Board recognises that transparency regarding climate-related risks and opportunities is critical to maintaining the trust of our stakeholders and allows our investors to understand the implications of the Group's activities on climate change. The Board's consideration of key environmental risks is included under the principal risks and uncertainties section of the Director's Report. The Board also presents the following synthesis of its adoption of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), structured into four sections: Governance, Risk Management, Strategy and Metrics and Targets.

Governance

The Board recognise that operating responsibly, which includes minimizing the environmental impact of our operations, is fundamental to the long-term success of the Group. We believe building a better future involves embedding climate awareness throughout our organisation, starting at the top.

The Board oversees the management of specific risks and opportunities, including climate-related risks and opportunities. The senior management team provides regular updates to our Board on their activities, and, in addition, the Board reviews the risks associated with the Group's operations throughout the year.

Risk Management

The Board recognises that climate change risk is a global issue that may impact how we run our business, both today and in the future. As such, we continue to look for ways to improve our understanding of climate-related risks. However, although the impact of climate change is extremely low at this stage in the Group's development, we are conscious that "doing nothing" isn't an acceptable response to the impact climate change may have on the business in the future. We are therefore working to integrate climate risk variables into our overall risk management process and establish formal multi-disciplinary processes.

Strategy

The Group operates from a corporate head office in the UK but holds metal exploration assets in Ontario, Canada. The nature of these assets includes early-stage exploration with limited invasive impact. The Board is conscious of the inherent environmental risks associated with metals exploration. However, the Board actively encourages its contractors to operate within international environmental guidelines and to perform its activities using the most up-to-date equipment.

Metrics & Targets

The Board is committed to reducing its impact on the environment in all aspects of its business activities in which it operates. The Board engages with all its key stakeholders and partners and encourages the reduction of CO2 emissions throughout the value chain to promote an environment that actively strives towards achieving 'net zero' by 2035. However, at this stage in the Group's development there are no formal metrics or targets to measure the Group's emissions against, but the Board continues to review the need to implement metrics & targets.

This report is approved by the Board on April 30, 2025 and signed on its behalf by:



Marc J. Sale

CEO

CORPORATE GOVERNANCE REPORT

Introduction

The Company is considered as a 'small cap' company listed on the main market of the London Stock Exchange. It has a board of directors consisting of 3 directors. Of these directors, 1 is considered as an Executive director and 2 are considered Independent Non-Executive Directors. James Knowles, the Executive Chairman, is the only full-time employee of the Company. In order to meet its work-related requirements, the company hires contractors on a periodic basis as and when the need arises.

Considering the small size of the Company, the Board believes that it can perform a majority of the functions required by it or through its direct supervision. The Company has two committees: the Audit Committee and the Remuneration Committee which are constituted mainly by two Independent Non-Executive Directors.

Further information on the Boards administrative and management along with information about each of the two Board committees and its composition, function as well as their respective activities for the year 2024 can be found below in this Corporate Governance Report.

Chairman's Statement

First Class Metals seeks to operate with a high degree of good corporate governance practices at its core. Corporate governance refers to the set of processes, policies, and procedures that are in place to ensure that a company operates in a responsible and ethical manner. This includes everything from financial oversight to the way that we interact with our employees, and other stakeholders.

Effective corporate governance is crucial to the long-term success of our Company. By maintaining high standards of transparency, accountability, and ethical behaviour, we can build trust with our stakeholders and create a strong foundation for sustainable growth.

To that end, we have established a comprehensive framework for corporate governance that covers all aspects of our operations. This includes a clear code of conduct for all employees (currently just the directors), regular audits and assessments of our financial and operational performance, and robust systems for risk management and compliance.

We believe that our commitment to corporate governance is a key differentiator for our Company, and we will continue to invest in this area to ensure that we maintain the highest standards of integrity and ethical behaviour in all that we do.

The Chairman takes the lead in ensuring that the various facets of the Company are functioning in an ethical way compliant with best practices in the industry. Under the leadership of the Chairman the Company has policies in place in order to ensure effective corporate governance. These policies are reviewed annually. They include:

The Board aims to lead by example and do what is in the best interest of the Company. We operate in remote and developing areas and ensure our employees and contractors understand their obligations towards the environment and in respect of anti-bribery and corruption. Regular calls with senior employees serve to refresh and re-iterate the Company's ethical

standards as they apply to the operational issues that are discussed on that call. All employees are informed of responsibilities with regard to anti-bribery and anti-corruption when they join the Company. Contracts with suppliers also reflect these requirements. Employees are required to treat each other with respect and to not tolerate any form of discrimination.

Anti-Bribery Policy

The anti-bribery policy of the Company aims to ensure that the Company and its employees, agents, and business partners comply with all relevant anti-bribery laws and regulations. The policy prohibits any form of bribery, including giving, offering, promising, or receiving bribes, and outlines the procedures for reporting and investigating any suspected violations of the policy. The policy also emphasizes the importance of due diligence in the selection and monitoring of business partners, and provides guidance on gifts, hospitality, and donations. The Company's commitment to anti-bribery measures is often reinforced by training, regular risk assessments, and reviews of the policy's effectiveness.

Whistle Blower Policy

The whistle-blower policy of the Company is designed to encourage employees and others to report any suspected wrongdoing, including illegal or unethical activities, without fear of retaliation. The policy outlines the procedures for reporting such concerns, including options for confidential reporting, and ensures that all reports will be investigated in a fair and objective manner. The policy also emphasizes the Company's commitment to protecting the confidentiality of whistle-blowers and to taking appropriate action against any retaliation. The Company typically provides training and guidance to its employees and other stakeholders to promote awareness of the policy and its importance.

Environmental, Social, and Governance (ESG) Policy

The ESG policy of the Company outlines its commitment to environmental, social, and governance principles and its approach to managing ESG risks and opportunities. The policy covers a range of issues, including climate change, energy use, human rights, labour standards, and board diversity. The Company sets targets and measures its performance against relevant ESG standards and integrates ESG considerations into its decision-making processes. The Company also engages with stakeholders, including investors, suppliers, and communities, to promote transparency and accountability, and to identify and address emerging ESG issues. The Company's ESG policy demonstrates its commitment to responsible and sustainable business practices, which can contribute to long-term value creation and resilience.

Equality and Diversity Policy

The Board is committed to our equality, diversity and inclusion policies. The Company actively promotes equality, diversity and inclusion, and proactively removes and addresses any activities or behaviours that may jeopardise this policy.

The Company aims to create an environment where all stakeholders can work harmoniously, feel valued, appreciated, and included, irrespective of race ethnicity, culture, gender, skin colour, sexual orientation, marital status, religion, disability, ability, educational background, family background, political background, health or representative of any community.

The Company is an equal opportunity employer, which allows equal opportunity for employment and progression in the organisation on the basis of ability, qualifications, and aptitude for the work. Every employee shall be treated equally and have the right to a harmonious work environment where an individual is treated fairly and with dignity and respect.

The Board are committed to equality, diversity, and inclusion. While there is no formal diversity policy in place due to the current size of the Group, the Directors remain committed to diversity among our staff and leadership team, and this is revisited each year. The Company actively promotes equality, diversity, and inclusion, and proactively removes and addresses any activities or behaviours that may jeopardise this commitment. The Company aims to create an environment where all stakeholders can work harmoniously, feel valued, appreciated, and included, irrespective of race, ethnicity, culture, gender, skin colour, sexual orientation, marital status, religion, disability, ability, education background, family background, political background, health or representative of any community.

Compliance with the Quoted Company Alliance Code

In addition to the above, although the Company is not required to comply with the UK Code of Corporate Governance because the Company does not have a Premium listing, compliance with the Quoted Company Alliance Code is being undertaken on a voluntary basis to the extent it is considered appropriate considering the size of the Group. In specific, the Group has adopted and complies with the following principles:

Principle One: Establish a strategy and business model which promote long-term value for shareholders.

The Board implements a well-defined strategy that aims at securing long-term growth for the shareholders. The details of the same can be found in the Strategic Report.

Principle Two: Seek to understand and meet shareholder needs and expectations. The Board is committed to maintaining good communications with its shareholders and with investors with a view to understanding their needs and expectations. The Board and, in particular, the Chairman, maintain close contact with many of the shareholders.

All shareholders are encouraged to attend the Company's Annual General Meetings where they can meet and directly communicate with the Board.

The Company publishes an Annual Report, Financial Statements, and Interim Results. All of which are available at the Company's website. The Company also provides regular regulatory announcements and business updates through the Regulatory News Service (RNS) and copies of such announcements are posted to the Company's website.

Shareholders and investors also have access to information on the Group through the Company's website, www.firstclassmetalsplc.com which is updated on a regular basis, and which also includes the latest corporate presentation of the Company.

Principle Three: Take into account wider stakeholder and social responsibilities and their implications for long-term success.

The Company will engage positively and seek to develop close relationships with local communities, regulatory authorities and stakeholders which are in close proximity to or connected with its overseas operations and where appropriate the Board will take steps to safeguard the interests of such stakeholders.

The Board has adopted detailed ESG, Equality and Diversity, Anti-Bribery and Whistle-blower policies. The Board plans, in due course, to adopt further appropriate policies to ensure that the Group's activities are compliant with best industry practices.

Principle Four: Embed effective risk management, considering both opportunities and threats, throughout the organisation.

The Board regularly reviews its business strategy and, in particular, identifies and evaluates the risks and uncertainties which the Group is or may be exposed to. As a result of such reviews, the Board will take steps to manage risks or seek to remove or reduce the Group's exposure to them as much as possible.

The risks and uncertainties to which the Group is exposed at present and in the foreseeable future are detailed in Principal Risks and Uncertainties in the Strategic Report.

The Company has a system of financial controls and reporting procedures in place which are considered to be appropriate given the size and structure of the Group.

Principle Five: Maintain the Board as a well-functioning, balanced team led by the Chairman.

James Knowles, the Executive Chairman, leads the Board and is responsible for the effective performance of the Board through control of the Board's agendas and the running of its meetings. James Knowles, in his capacity as Executive Chairman, also has overall responsibility for the corporate governance of the Company. James Knowles takes an active part in the day-to-day corporate aspects of the Company. The day-to-day operational running of the Group is delegated to Marc Sale, the Chief Executive Officer.

The Board holds Board meetings periodically, and at least four times a year, as issues arise which require the attention of the Board. Prior to such meetings, the Board's members receive an appropriate agenda and relevant information and reports for consideration on all significant strategic, operational and financial matters and other business and investment matters which may be discussed and considered.

The Board is supported by the Remuneration and Audit Committees, details of which are set out on below.

Principle Six: Ensure that between them the directors have the necessary up to date experience, skills and capabilities.

The Directors' qualifications and experience are set out on in the Directors' Report. The Board believes that the current balance of sector, technical, financial, operational and public markets skills and experience which its members have is appropriate for the current size and stage of development of the Company. The Company Secretary provides advice and guidance, as required, to the Board on regulatory matters, assisted by the Company's lawyers. The Directors seek to keep their skills up to date through continuing professional development and attending relevant courses. Directors from a technical discipline are encouraged to maintain professional accreditation.

Principle Seven: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement.

The Board's performance is reviewed and considered in the light of the progress and achievements against the Group's long-term strategy and its strategic objectives. However, given the size and nature of the Group, the Board does not consider it appropriate to have a formal performance evaluation procedure in place. The Board will closely monitor the situation as required.

Principle Eight: Promote a corporate culture that is based on ethical values and behaviours.

The Company has established corporate governance arrangements which the Board believes are appropriate for the current size and stage of development of the Company.

The Company has adopted a number of policies applicable to directors, officers and employees and, in some cases, to suppliers and contractors as well, which, in addition to the Company's corporate governance arrangements set out above, are designed to provide the Company with a positive corporate culture. Details of the Board's Policies can be found within this Corporate Governance Report.

Principle Nine: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board.

Whilst the Board has overall responsibility for all aspects of the business, James Knowles, the Executive Chairman, is responsible for overseeing the running of the Board and ensuring that Board focuses on and agrees with the Group's long-term direction and its business strategy and reviews and monitors the general performance of the Group in implementing its strategic objectives.

The Board has established the Remuneration Committee and the Audit Committee with formally delegated duties and responsibilities. Further, the Board will have a Nomination Committee in place in the coming months.

This Corporate Governance Statement will be reviewed at least annually to ensure that the Company's corporate governance framework evolves in line with the Company's strategy and business plan.

Principle Ten: Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.

The Company's approach to communication with shareholders and others is set out under Principles 2 and 3 above.

Leadership of the Board

The Board comprised of 1 Executive Directors and 2 Non-Executive Directors. The Board is charged with the leadership of the Company and to ensure its long terms success. The key responsibilities of the Board include:

Strategy and Planning

The Board is responsible for setting the Company's long-term strategy and goals.

Risk Management

The Board identifies and assesses the risks associated with the Company's operations, including financial, legal, and reputational risks.

Financial Oversight

The Board oversees the Company's financial operations, including budgeting, financial reporting, and auditing.

Corporate Governance

The Board ensures that the Company follows good corporate governance practices, including transparency, accountability, and ethical behaviour.

Stakeholder Management

The Board considers the interests of all stakeholders, including shareholders, employees, suppliers, and the community and ensures that the Company's operations are sustainable and socially responsible.

Monitoring Performance

The Board monitors the Company's performance against its goals and strategy. It regularly reviews the Company's financial and non-financial performance and makes necessary adjustments to ensure the Company is meeting its objectives.

Division of Responsibilities

The Board has defined the responsibilities of the Chairman, and the CEO as follows:

James Knowles, Chairman: The Chairman is primarily responsible for leading the Board and providing direction for the organisation. The Chairman is responsible for leading meetings, facilitating effective communication between members of the Company, setting goals and strategies for the organisation, and ensuring accountability. He is also directly involved in assisting the CEO on day-to-day matters

Marc Sale, CEO: The CEO is responsible for the day to day running of the Company and reports to the Board in which role he is supported by the Chairman.

Independent Non-Executive Directors

Independent non-executive directors (INEDs) play a crucial role in corporate governance by bringing an objective and independent perspective to the boardroom. Their primary responsibility is to act in the best interest of the Company and its stakeholders by providing oversight, guidance, and strategic input to the board.

The role of the independent Non-Executive Directors is as follows:

- **Provide independent oversight:** INEDs are responsible for providing an objective and independent perspective on the Company's activities and performance. They scrutinize the Board's decisions and ensure that the Company is complying with legal and regulatory requirements.
- **Monitor and advise on risk management:** INEDs monitor the Company's risk management policies and procedures and advise the Board on potential risks and their mitigation strategies.
- **Review and challenge management decisions:** INEDs review and challenge management decisions to ensure that they are aligned with the Company's strategic goals and do not pose any risks to the Company's reputation or financial stability.
- **Provide strategic guidance:** INEDs bring their expertise and experience to the Board and provide strategic guidance on matters such as mergers and acquisitions, capital allocation, and corporate social responsibility.
- **Represent the interests of stakeholders:** INEDs represent the interests of all stakeholders, including shareholders, employees, customers, and suppliers, and ensure that their views are taken into account when making decisions.

Andrew Williamson and Marc Bamber are considered to be INEDs of the Company

Board Support, Meeting, and Attendance

The Board and its Committees meet regularly on scheduled dates. In leading and controlling the Company, the Directors are expected to attend all meetings and their attendance for the financial year 2023 is shown in the Directors' Report section of this Annual report.

The Company Secretary plays a vital role in ensuring good governance, assisting the Chairman. Procedures are in place for distributing meeting agendas and reports so that they are received in good time, with the appropriate information. Ahead of each Board meeting, the Directors each receive reports which include updates on strategy, finance, including

management accounts, operations, commercial activities, business development, risk management, legal and regulatory, people and infrastructure and on investor relations. The Directors may have access to independent professional advice, where needed, at the Company's expense.

Board Induction, Training and Development

New Directors are provided with a full and tailored induction in order to introduce them to the business and management of the Company. Throughout their tenure, Directors are given access to the Company's operations and personnel, and receive updates on relevant issues as appropriate, taking into account their individual qualifications and experience. This allows the Directors to function effectively with appropriate knowledge of the Company.

The Board is satisfied that each Director has sufficient time to devote to discharging his responsibilities as a Director of the Company.

Re-Election of Directors

All Directors are put forward for re-election on a three-year basis as is required by the Company's Articles of Association. The composition of the Board is provided above.

Board Committees

The Board has delegated and empowered two Committees: An Audit Committee and a Remuneration Committee.

The Company has thus far not formed a Nomination Committee due to the size of its Board. However, various discussions are progressing, and the Company aims to have a Nomination Committee in place with Terms of Reference for its operation in the forthcoming months. Each Committee has written terms of reference set by the Board, which are reviewed annually. The Chair of each committee reports to the Board on the activities of and determinations of such committee. A summary of each Committee's responsibilities and the work done during the year follows.

Audit Committee Report

Composition of the Audit Committee

The Audit Committee comprises of Marc Bamber (Chair of the committee), James Knowles and Andrew Williamson. The Board considers all members of this committee to have the appropriate skills and expertise. See Director biographies in the Directors' report.

The appointments to the Audit Committee are made by the Board. Only members of the committee have the right to attend these meetings, however the Executive Directors or senior financial members of the Company may be invited by the Committee in order to provide their opinion as required. The external auditor may also attend the meetings and discuss as required the planning and conclusions of their work. The committee also calls upon information from management and consults with the external auditor if required.

The committee meets at least twice a year directly linked to the Company's half year and full year results. It further meets as required.

Operation of the Committee

The Audit Committee periodically reviews and updates the Terms of Reference in order to conform to best practices. These are subject to Board approval.

The Committee works to a planned programme of activities, which are focused on key events in the annual financial reporting cycle and other matters that are considered in accordance with its Terms of Reference.

The Committee operates within terms of reference approved by the Board, including:

- Considering the appointment of external auditors.
- Reviewing relationship with external auditors.
- Reviewing financial reporting and internal control procedures.
- Reviewing the consistency of accounting policies.

An important part of the role of the Audit Committee is its responsibility for reviewing the effectiveness of the Company's financial reporting, internal control policies, and procedures for the identification, assessment and reporting of risk.

The Directors are responsible for internal control in the Company and for reviewing effectiveness. Due to the size of the Company, all key decisions are made by the Board. The Directors have reviewed the effectiveness of the Company's systems during the period under review and consider that there have been no material losses, contingencies, or uncertainties due to weaknesses in the controls. A key governance requirement of the Company's financial statements is for the report and accounts to be fair, balanced, and understandable. The coordination and review of the Company wide input into the Annual Report is a sizeable exercise performed within an exacting time frame. It runs alongside the formal audit process undertaken by external auditors and is designed to arrive at a position where initially the Committee, and then the Board, is satisfied with the overall fairness, balance, and clarity of the document.

An essential part of the integrity of the financial statements are the key assumptions and estimates or judgements that have to be made. The Committee reviews key judgements prior to publication of the financial statements at the full and half year, as well as considering significant issues throughout the year. In particular, this includes reviewing any materially subjective assumptions within the Group's activities. The Committee reviewed and was satisfied that the judgements exercised by management on material items contained within the Annual Report were reasonable and that there were no significant issues that needed to be addressed in relation to the financial statements. The key assumptions and estimates or judgements that have been used in preparing these financial statements are set out in note 3 to the accounts.

Internal financial control

Financial controls have been established to maintain proper accounting records and to provide reliable financial information for internal use. Key financial controls include:

- The maintenance of proper records;
- A schedule of matters reserved for the approval of the Board;
- Evaluation, approval procedures and risk assessment for acquisitions; and
- Close involvement of the Executive Directors in the day-to-day operational matters of the Group.

The Directors are responsible for the Group's methods of internal control. The Group's risk management protocols and internal control methods are designed to reduce risk associated with the business of the Group and achieve its strategic objectives. The Group has established procedures of internal control that are considered adequate for a business of the size of the group.

The Directors are responsible for internal control in the Group and for reviewing effectiveness. Due to the size of the Company, all key decisions are made by the Board. The Directors have reviewed the effectiveness of the Company's systems during the period under review and consider that there have been no material losses, contingencies, or uncertainties due to weaknesses in the controls.

Audit, Risk and Internal Control

The Audit Committee did not face any significant issues in relation to the preparation of the financial statements. The financial accounts were prepared by the Company with the assistance of Aventus Partners and was audited by RPG.



Marc Bamber

.....
Audit
Committee
Chairman
30 April 2024

Remuneration Report

Composition of the Remuneration Committee

The Remuneration Committee for the reporting period comprised of Andrew Williamson (Chair of the Committee), Marc Sale (CEO), and Marc Bamber.

Role of the Remuneration Committee

The Remuneration Committee's function includes ascertaining the policy and amount of the remuneration of the Executive Directors and other executives including bonuses, incentive payments and share options.

Remuneration Policy

The Remuneration Committee is committed to ensuring that the Company's key executive team is incentivised to drive sustainable earnings growth and returns to shareholders, thereby creating a genuinely strong alignment of interests between management and investors. The Company's remuneration policy aims to provide its members with a competitive market aligned remuneration package to reward their performance and deliver value for shareholders. Remuneration packages are aligned against to that of similar organisations in the sector.

Remuneration policy is designed to ensure that it attracts, retains, and motivates the executive members of the Company for the long term. The basic structure of a remuneration package consists of a basic salary, an annual bonus plan and a pension plan.

The remuneration policy is based on the following principles:

1. Fairness and equity: The remuneration should be fair and equitable, ensuring that employees receive compensation that is commensurate with their skills, experience, and performance.
2. Transparency: The remuneration policy should be transparent, ensuring that employees understand how their compensation is determined, including the criteria used for performance evaluation and promotion. As a public Company, an effective measure used to evaluate performance is the prevailing market price of the Company's stock and its performance over various time periods.
3. Competitive compensation: The policy aims to offer compensation that is competitive with industry standards, allowing the Company to attract and retain top talent.
4. Incentives for performance: The policy includes incentives for high performance, such as bonuses or other forms of variable pay, to motivate employees to achieve their goals and objectives.
5. Flexibility: The policy is flexible, allowing for adjustments to compensation based on changes in market conditions, industry trends, and individual employee performance.
6. Regular review: The policy is regularly reviewed and updated to ensure it remains effective and relevant to changing organisational needs and market conditions.
- 7.

Remuneration of Directors

The remuneration policy and packages of the Directors were duly covered in detail in the Annual Report 2023 and approved at the Annual General meeting of the Company held on July 16, 2024. Further, details of the same will be submitted to the general body of the shareholders at the forthcoming Annual General Meeting of the Company.

a. Remuneration of Executive Directors

During the year, the Executive Directors received a basic salary and benefits as set out in the table below.

b. Remuneration of Non-Executive Directors

The remuneration of the Non-Executive Directors is set by the Board. They attend meeting of the Board of the Company as well as perform their functions in the various Board committees.

Directors Remuneration Report

Summary	Salary	Fees	Pension	Total
	£	£	£	£
M Bamber	33,750	15,750	-	49,500
J Knowles	115,964	-	-	115,964
M Sale	50,700	111,116	18,000	179,866
A Williamson	-	39,315	-	39,315
Carlos Espinosa	-	6,857	-	6,857
	200,414	173,088	18,000	391,502

Notes:

1. *Marc Sale's company Specialist Exploration Services Scotland Limited ("SES") was paid a total of £111,116 during the year. These payments include travel/accommodation & out of pocket expenses incurred through the period by SES on behalf of First Class Metals PLC amounting to £15,011.*
2. *Bonus Payments totalling £75,000 of: £30,000 to James Knowles, £30,000 to Marc Sale, £10,000 to Marc Bamber and £5,000 to Andrew Williamson have been awarded in 2024 but not yet paid.*

Company Pension Scheme

As of 31 December 2024, the Company has a pension plan in place which the Directors may opt in to whereupon the Company will pay contributions in relation to their remuneration. Thus far, only Marc Sale has opted in and contributed a sum of £18,000 into a private pension scheme. The Company has not paid out any further excess retirement benefits to any other Directors.

Service Contracts

The Company has entered into service contracts with each of its directors. These contracts are on an ongoing basis with the Executive Directors and includes a one month notice period in case of termination. The contracts with the INED's are on a three-year basis with an option to renew upon mutual agreement.

The Company entered into a consultancy agreement with Specialist Exploration Services (Scotland) Limited (SES) on 1 March 2022 (SES Consultancy Agreement), pursuant to which SES agreed to provide certain consultancy services to the Company.

SES is a company owned by Marc Sale. The engagement commenced with effect from 1 March 2022 and shall continue unless terminated as provided for in the SES Consultancy Agreement or on the giving of not less than four weeks' prior written notice by either party. The engagement is for a minimum commitment of at least 10 days per month with such additional time, if any, as may be necessary for their proper performance of the services.

The Company has entered into an agreement for services with Vrynwy Limited on October

12, 2023. Vrynwy Limited has appointed Andrew Williamson as an INED of the Company. The agreement has a term of three years. The agreement may be terminated by either party by giving one month's notice to the other. The agreement is subject to the Company's articles of association as may be amended from time to time. Copies of the letters of appointments and service contracts awarded to Directors are kept at the registered office of the Company for inspection.

Directors' interest in shares

Holder	Number of Shares	% of total capital issued
James Knowles ¹	449,257	0.02%
Marc Bamber	377,965	0.46%
Andrew Williamson	-	-

Notes:

1. James Knowles has loaned First Class Metals PLC 9,500,001 Ordinary Shares to be repaid by issue of that number of Ordinary Shares of £1 each at Second Admission. This has been reflected in the equity reserve.

One meeting of the committee was held in March 2024 in order to evaluate and recommend suitable bonuses and pay increases to reward the efforts made by various members of the Company. A further meeting was held in November 2024 in order to assess the performance of the various personnel of the Company.

Consideration of shareholder views

The Remuneration Committee considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's periodic reviews of its policy on remuneration.

UK 10-year performance graph

The directors have considered the requirement for a UK 10-year performance graph comparing the Group's Total Shareholder Return with that of a comparable indicator. The directors do not currently consider that including the graph will be meaningful because the Company has only been listed since July 2022, is not paying dividends and is currently incurring losses as it gains scale. The directors therefore do not consider the inclusion of this graph to be useful to shareholders at the current time. The directors will review the inclusion of this table for future reports.

UK 10-year CEO table and UK percentage change table

The directors have considered the requirement for a UK 10-year CEO table and UK percentage change table. The directors do not currently consider that including these tables would be meaningful because, as described under the Directors' Service Contracts section above directors have been engaged in the Company only since July 2022. The directors will review the inclusion of this table for future reports.

Relative importance of spend on pay

The Directors have considered the requirement to present information on the relative importance of spend on pay compared to shareholder dividends paid. Given that the Company does not currently pay dividends the directors have not considered it necessary to include such information.

Policy for new appointments

Base salary levels will take into account market data for the relevant role, internal relativities, the individual's experience, and their current base salary. Where an individual is recruited at below market norms, they may be re-aligned over time (e.g. two to three years), subject to performance in the role. Benefits will generally be in accordance with the approved policy. For external and internal appointments, the Committee may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

Policy on payment for loss of office

Payment for loss of office would be determined by the Remuneration Committee, taking into account contractual obligations.

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a horizontal line.

Andrew Williamson
Remuneration
.....
Committee Chairman
April 30 2025

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements for the year ended 31 December 2024.

A review of the business and principal risks and uncertainties has been included in the Strategic Report.

Principal Activity

The principal activities of the Company during the period were the acquisition and the exploration and development of its assets. Successful acquisitions have been completed in 2024 and more details can be found in the Chairman's Statement.

Dividends

No dividend has been paid during the year, nor do the Directors recommend the payment of a final dividend (2023: £nil).

Directors

The Directors who served during the year and up to the date hereof were as follows:

	Date of appointment	Date of resignation
Marc Sale	16 June 2022	03 March 2025
James Knowles	26 January 2021	-
Andrew Williamson	15 October 2023	-
Marc Bamber	29 July 2022	-
Ayub Bodi	26 January 2021	02 February 2024
David Webster	03 March 2025	31 March 2025

Directors' Indemnity Provisions

The Company has implemented Directors and Officers Liability Indemnity insurance.

Donations

The Company made no political donations during the year (2023: £nil).

Share Capital

First Class Metals Plc is incorporated as a public limited company and is registered in England and Wales with the registered number 13158545. The Company has one class of Ordinary Share, and all shares have equal voting rights and rank pari passu for the distribution of dividends and repayment of capital.

Substantial Shareholdings

Details of changes in share capital during the year are detailed in note 17 to the financial statements. On 31 December 2024 shareholders may be analysed as follows:

Major Shareholders

Shareholder	As at the 31 st December 2024 Number of Ordinary Shares	% of issued ordinary share capital	As at the date of this document Number of Ordinary Shares	% of issued ordinary share capital
Power Metal Resources Plc and Power Metals Canada	19,033,802	18.9%	19,033,802	9.9%
James Peter Knowles ¹	449,257	0.4%	449,257	0.2%
Ayub Bodi	4,153,924	4.1%	10,149,256	5.3%
James Goozee	10,100,000	10.0%	10,100,000	5.3%
Asif Bodi	3,644,667	3.6%	3,644,667	1.9%
Afzal Valli	3,599,635	3.6%	3,599,635	1.9%
Graeme Paton	5,400,000	5.4%	5,400,000	2.8%
Lee Scott	2,948,344	2.9%	2,948,344	1.5%
OnGold Investment Corp.	-	0.0%	5,882,353	3.1%
The Seventy Ninth Group Limited	-	0.0%	78,552,084	41.0%

Notes:

1. James Peter Knowles has loaned First Class Metals PLC 9,500,001 Ordinary Shares to be repaid at Second Admission.

Board of Directors

The Board currently consists of one executive Directors & two independent non-executive Directors. It met regularly throughout 2024 to discuss key issues and to monitor the Company's overall performance. All matters and committees, such as Remuneration and Audit are considered by this Board.

James Knowles

Executive Chairman

A corporate professional who has enjoyed a twenty-five-year career in the financial sector, James is primarily focused on debt funding for Real Estate projects, most recently for Barclays Bank PLC. James is a seasoned resource company investor and has consulted to several London and Canadian junior listed resource companies on investor relations, public relations, and social media marketing activities.

Marc Sale

Chief Executive Officer

A corporate professional who has specialised in natural resources, specifically precious and base metals, with a focus on gold, for over 25 years. Marc has worked on project assessment, exploration, and development in Africa, the Americas, Europe, and Australasia. He has held Technical Directorships for several listed and private companies, including Brancote PLC, Landore Resources PLC, Gold Mines of Sardinia, and Patagonia Gold. As a 'Competent Person' he is accomplished in the preparation of Company reports and overseeing JORC/NI43-101 reporting as well as delivery of presentations to investors, institutions, and shareholders.

Andrew Williamson

Non-Executive Director

Andrew qualified as a lawyer in 1990 and has worked in the corporate field throughout his career. As a corporate partner, he advised on corporate and capital market transactions, both debt and equity. He has substantial experience of listings on the major stock markets around the world. He also has extensive experience of public and private corporate transactions and the creation of domestic and international investment funds. A former institutional corporate stockbroker, nomad, and sponsor to the Full List, he is known to use his extensive commercial experience to assist his clients with their legal issues. He has been recognized as a recommended lawyer by legal 500 in the private acquisition and merger (sub £100m) category and in the debt capital market category.

Marc Bamber

Non-Executive Director

A Global Corporate Financier, with over 20 years of experience in the hedge fund sector, capital markets, private and institutional Investments, investor comms, and marketing. Marc was a core member of the multiple award-winning RAB Special Situations Fund that delivered net returns of 50x to investors with circa. US\$2.8Bn in Assets Under Management (AUM) in just under five years. Marc is very active in the international markets and works with a number of Toronto and London-listed companies in senior management roles.

Ayub Bodi

Executive Director

Ayub Bodi was resigned as a Director of the Company on February 02, 2024.

David Webster
Non-Executive Director

David Webster was appointed to the Board on March 03, 2025 and resigned on March 31, 2025.

Directors' powers

As set out in the Company's Articles of Association, the business of the Company is managed by the Board which may exercise all powers of the Company.

Directors' Remuneration

A total of £391,502 was paid as remuneration to Directors for the year ended December 31, 2024. The remuneration of the Directors will further be put to the approval of the shareholders at the forthcoming Annual General Meeting of the Company

Board Activities

The Board has determined that the Company will have a minimum of four Board Meetings, one Audit Committee Meetings and two Remuneration Committee Meetings each year. Due to necessary circumstances, the Board held a total of 10 meetings during the year 2024. The meeting of the Audit Committee was held on 26 March 2024 and 08 May 2024, and the meetings of the Remuneration Committee was held on 26 March 2024 and November 19, 2024.

The table below provides an overview of the attendance of the various directors.

Board Meeting Attendance	
Name of Director	Meetings Attended
James Knowles	10
Ayub Bodi	Nil
Marc Sale	10
Marc Bamber	9
Andrew Williamson	10

Note: David Webster was appointed on 3 March 2025 and resigned on 31 March 2025. During this time there were no Board Meetings held, except the one in relation to his resignation

Explanation of Board Performance and Effectiveness

During the financial year ended 31 December 2024 a Board evaluation was carried out and it has been determined that the Board has been effective during the period. Additionally, the Board believes that it has developed a suitable composition in order to continue to perform as a cohesive Board for the foreseeable future.

Auditor

First Class Metals Plc had appointed Royce Peeling Green Limited (RPG) on 9 February 2023. RPG has expressed its willingness to continue in office.

At the Annual General Meeting for the year 2024, the Board assessed the performance of RPG for the previous year and recommended to the shareholders that RPG be re-appointed as auditors to the Company for an additional term of one year. This was duly passed by the shareholders as an ordinary resolution.

RPG is a long-established firm of Chartered Accountants, and a PIE registered auditor based in Manchester, England. RPG is a UK member of DFK International, the sixth largest accounting association in the world according to the International Accounting Bulletin's annual World Survey Report in 2022, with worldwide revenues in excess of \$1.5 billion across 94 countries. In the UK, RPG operates from two offices with around 80 staff, including 9 directors.

RPG do not provide any non-audit services therefore their objectivity and independence are safe-guarded.

It is also to be noted that there are no contractual obligations restricting the Board's choice of external auditor.

A resolution to reappoint RPG will be proposed at the forthcoming Annual General Meeting.

Shareholder Communications

The Company uses its corporate website <https://www.firstclassmetalsplc.com/> to ensure that the latest announcements, press releases and published financial information are available to all shareholders and other interested parties. The AGM will be used to communicate with both institutional shareholders and private investors and all shareholders are encouraged to participate. The Company counts all proxy votes and will indicate the level of proxies lodged on each resolution after it has been dealt with by a show of hands.

Disclosure of Information to the Auditor

Each of the persons who is a director at the date of approval of this Annual Report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Statement of Directors' Responsibilities in respect of the Annual Report and the financial statements

The Directors are responsible for preparing this report and the financial statements in accordance with applicable United Kingdom law and regulations and UK adopted International Financial Reporting Standards ("IFRS")

Company law requires the Directors to prepare financial statements for each financial period which present fairly the financial position of the Company and the financial performance and cash flows of the Company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable, and understandable information;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular

transactions, other events and conditions on the entity's financial position and financial performance.

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 Company 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.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations, and for ensuring that the Annual Report includes information required by the Listing Rules of the Financial Conduct Authority.

The financial statements are published on the Company's website <https://www.firstclassmetalsplc.com/>. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of this website and accordingly, the Auditor accepts no responsibility for any changes that have occurred to the financial statements since they were initially presented on the website. Visitors to the website need to be aware that legislation in the United Kingdom covering the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

The directors reduce the risk by outsourcing the preparation of consolidated financial statements to DSG <https://www.dsg.uk.com/>, a firm of chartered accounts who have adequate skills and experience necessary to do so.

The Directors confirm that to the best of their knowledge:

- the Company financial statements give a true and fair view of the assets, liabilities, financial position, and profit of the Company;
- this Annual Report includes the fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that it faces; and
- the Annual Report and Financial Statements, taken as a whole, are fair, balanced, and understandable and provide information necessary for shareholders to assess the Company's performance, business, and strategy.

Forward Looking Statements

This document contains certain forward-looking statements. The forward-looking statements reflect the knowledge and information available to the Directors of the Company and Group during preparation and up to the publication of this document. By their very nature, these statements depend upon circumstances and relate to events that may occur in the future and thereby involving a degree of uncertainty. The statements, estimates and projections herein are based upon various assumptions by the Company that may not prove to be correct. Such assumptions are inherently subject to significant economic and competitive uncertainties and contingencies, many of which are beyond the control of the Company, and upon assumptions with respect to the future performance of the Company that may be subject to change because of circumstances beyond the control of the directors and/or the Company. The Company believes that such estimates and other assumptions are reasonable under the circumstances, but no representation, warranty or other assurance is given that such statements, estimates and projections will be realized. There may be variances between such projections and actual events and results.

Post balance sheet events

The Company received a further CAD\$58,550 OJEP Grant from the Canadian Ministry of Mines for the North Hemlo property for work completed during 2024 in March 2025

The Company entered into a Subscription Agreement with The 79th GRP Limited on December 17, 2024. This was partially completed on February 25, 2025. This subscription also set-off the loan of GBP700,000 given The 79th GRP Limited. This cleared the Company's books of all loans.

No other adjusting or significant non-adjusting events have occurred between the 31 December reporting date and the date of authorisation.

This report is approved by the Board on 30 April 2025 and signed on its behalf by:



James Knowles
Chairman

First Class Metals Plc

Consolidated Income Statement for the Year Ended 31 December 2024

	Note	31 December 2024 £	31 December 2023 £
Revenue		-	-
Administrative expenses		(1,365,274)	(1,461,347)
Profit on disposal of intangible assets		31,906	
Operating loss	5	(1,333,368)	(1,461,347)
Finance income		177	5,742
Finance costs		(26,766)	(123,324)
Net finance cost	6	(26,589)	(117,582)
Loss before tax		(1,359,957)	(1,578,929)
Taxation	10	-	-
Loss for the year		(1,359,957)	(1,578,929)

Items that may be reclassified subsequently to profit or loss

Foreign currency translation (losses)/gains	(13,904)	14
Total comprehensive loss for the year	(1,373,861)	(1,578,915)

Total comprehensive loss attributable to:

Owners of the company	(1,373,861)	(1,578,915)
-----------------------	-------------	-------------

The above results were derived from continuing operations.

Loss per share

Basic and diluted loss per share (pence)	11	(1.53)p	(2.13)p
--	----	---------	---------

First Class Metals Plc
(Registration number: 13158545)

Consolidated Statement of Financial Position as of 31 December 2024

	Note	31 December 2024 £	31 December 2023 £
Assets			
Non-current assets			
Property, plant, and equipment	13	16,731	903
Mineral property exploration and evaluation	12	3,643,342	3,351,389
		<u>3,660,073</u>	<u>3,352,292</u>
Current assets			
Trade and other receivables	15	90,389	290,012
Cash and cash equivalents	16	221,071	140,802
		<u>311,460</u>	<u>430,814</u>
Total assets		<u>3,971,533</u>	<u>3,783,106</u>
Equity and liabilities			
Equity			
Share capital	17	100,819	82,046
Share premium		5,474,035	4,719,622
Equity reserve		713,761	719,440
Foreign currency translation reserve		(13,792)	112
Retained earnings		<u>(3,784,601)</u>	<u>(2,424,644)</u>
Equity attributable to owners of the company		<u>2,489,822</u>	<u>3,096,576</u>
Current liabilities			
Trade and other payables	21	558,603	291,689
Loans and borrowings	19	700,000	160,000
		<u>1,258,603</u>	<u>451,689</u>
Non-current liabilities			
Trade and other payables	21	223,108	234,841
Total liabilities		<u>1,481,711</u>	<u>686,530</u>
Total equity and liabilities		<u>3,971,533</u>	<u>3,783,106</u>

The financial statements were approved and authorised for issue by the Board on 30 April 2025 and signed on its behalf by:



James Peter Knowles - Executive Chairman
Director

First Class Metals Plc
(Registration number: 13158545)

Company Statement of Financial Position as of 31 December 2024

	Note	31 December 2024 £	31 December 2023 £
Assets			
Non-current assets			
Property, plant, and equipment	13	16,731	903
Investments in subsidiary	14	581	581
		<u>17,312</u>	<u>1,484</u>
Current assets			
Trade and other receivables	15	3,893,229	3,528,626
Cash and cash equivalents	16	187,842	140,302
		<u>4,081,071</u>	<u>3,668,928</u>
Total assets		<u>4,098,383</u>	<u>3,670,412</u>
Equity and liabilities			
Equity			
Share capital	17	100,819	82,046
Share premium		5,474,035	4,719,622
Equity reserve		713,361	719,440
Retained earnings		(3,213,191)	(2,109,931)
Total equity		<u>3,075,024</u>	<u>3,411,177</u>
Current liabilities			
Trade and other payables	21	323,359	99,235
Loans and borrowings	19	700,000	160,000
		<u>1,023,359</u>	<u>259,235</u>
Total equity and liabilities		<u>4,098,383</u>	<u>3,670,412</u>

The Company's loss for the year was £1,103,260 (2023: - £1,289,345).

The financial statements were approved and authorised for issued by the Board on 30 April 2025 and signed on its behalf by:



James Peter Knowles - Executive Chairman
Director

First Class Metals Plc

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

	Share capital £	Share premium £	Equity reserve £	Foreign currency translation £	Retained earnings £	Total equity £
At 1 January 2024	82,046	4,719,622	719,440	112	(2,424,644)	3,096,576
Loss for the year	-	-	-	-	(1,359,957)	(1,359,957)
Other comprehensive income	-	-	-	(13,904)	-	(13,904)
Total comprehensive income	-	-	-	(13,904)	(1,359,957)	(1,373,861)
New share capital subscribed	18,773	754,413	-	-	-	773,186
Shares to be issued	-	-	353,641	-	-	353,641
Other equity reserve movements	-	-	(359,720)	-	-	(359,720)
At 31 December 2024	100,819	5,474,035	713,361	(13,792)	(3,784,601)	2,489,822

	Share capital £	Share premium £	Equity reserve £	Foreign currency translation £	Retained earnings £	Total equity £
At 1 January 2023	69,049	3,395,168	10,258	98	(869,379)	2,605,194
Loss for the year	-	-	-	-	(1,578,929)	(1,578,929)
Other comprehensive income	-	-	-	14	-	14
Total comprehensive income	-	-	-	14	(1,578,929)	(1,578,915)
New share capital subscribed	12,997	1,324,454	-	-	-	1,337,451
Shares to be issued	-	-	719,440	-	-	719,440
Other equity reserve movements	-	-	13,406	-	-	13,406
Transfer between reserves	-	-	(23,664)	-	23,664	-
At 31 December 2023	82,046	4,719,622	719,440	112	(2,424,644)	3,096,576

James Knowles has loaned First Class Metals PLC 9,500,001 Ordinary Shares to be repaid by issue of that number of Ordinary Shares of £1 each at Second Admission. This has been reflected in the equity reserve.

First Class Metals Plc

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

	Share capital £	Share premium £	Equity reserve £	Retained earnings £	Total £
At 1 January 2024	82,046	4,719,622	719,440	(2,109,031)	3,411,177
Loss for the year	-	-	-	(1,103,260)	(1,103,260)
Total comprehensive income	-	-	-	(1,103,260)	(1,103,260)
New share capital subscribed	18,773	754,413	-	-	773,186
Shares to be issued	-	-	353,641	-	353,641
Other equity reserve movements	-	-	(359,220)	-	(359,220)
At 31 December 2024	100,819	5,474,035	713,361	(3,213,191)	3,075,024

	Share capital £	Share premium £	Equity reserve £	Retained earnings £	Total £
At 1 January 2023	69,049	3,395,168	10,258	(844,250)	2,630,225
Loss for the year	-	-	-	(1,289,345)	(1,289,345)
Total comprehensive income	-	-	-	(1,289,345)	(1,289,345)
New share capital subscribed	12,997	1,324,454	-	-	1,337,451
Shares to be issued	-	-	719,440	-	719,440
Other equity reserve movements	-	-	13,406	-	13,406
Transfer	-	-	(23,664)	23,664	-
At 31 December 2023	82,046	4,719,622	719,440	(2,109,931)	3,411,177

James Knowles has loaned First Class Metals PLC 9,500,001 Ordinary Shares to be repaid by issue of that number of Ordinary Shares of £1 each at Second Admission. This has been reflected in the equity reserve.

First Class Metals Plc

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

	Note	31 December 2024 £	31 December 2023 £
Cash flows from operating activities			
Loss for the year		(1,359,957)	(1,578,929)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	1,495	532
Impairment losses	5	3,153	88,568
(Profit)/loss on disposal of mineral properties exploration and evaluation assets	5	(31,906)	-
Foreign exchange loss/(gain)	5	202,357	77,447
Finance income	6	(177)	(5,742)
Finance costs	6	26,766	123,324
		(1,158,269)	(1,294,800)
Working capital adjustments			
Decrease/(increase) in trade and other receivables	15	199,623	(107,521)
Increase in trade and other payables	21	255,181	283,876
Net cash flow from operating activities		(703,465)	(1,118,445)
Cash flows from investing activities			
Interest received	6	177	5,742
Acquisitions of property plant and equipment		(17,323)	(624)
Proceeds of disposal of mineral property exploration and evaluation assets	12	262,480	-
Acquisition of mineral property exploration and evaluation assets	12	(653,081)	(1,253,726)
Net cash flows from investing activities		(407,747)	(1,248,608)
Cash flows from financing activities			
Interest paid	6	-	(18)
Proceeds from issue of ordinary shares, net of issue costs		773,186	1,337,451
Proceeds from other borrowing draw downs		700,000	450,000
Repayment of other borrowing		(160,000)	(517,143)
Financing of shares loaned by directors		(103,220)	725,602
Finance cost of financial instruments		(26,766)	(123,305)
Foreign exchange gains or losses		8,281	(77,447)
Net cash flows from financing activities		1,191,481	1,795,140
Net increase/(decrease) in cash and cash equivalents		80,269	(571,913)
Cash and cash equivalents at 1 January		140,802	712,715
Cash and cash equivalents at 31 December		221,071	140,802

First Class Metals Plc

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

	Note	31 December 2024 £	31 December 2023 £
Cash flows from operating activities			
Loss for the year		(1,103,260)	(1,289,345)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	5	1,495	532
Foreign exchange loss		(765)	389
Finance income	6	(177)	(5,004)
Finance costs		3,857	110,765
		(1,098,850)	(1,182,663)
Working capital adjustments			
Increase in trade and other receivables	15	(364,603)	(1,280,546)
Increase in trade and other payables	21	321,265	2,760
Net cash flow from operating activities		(1,142,188)	(2,460,449)
Cash flows from investing activities			
Interest received	6	177	5,004
Acquisitions of property plant and equipment		(17,323)	(624)
Net cash flows from investing activities		(17,146)	4,380
Cash flows from financing activities			
Interest paid		-	(18)
Proceeds from issue of ordinary shares, net of issue costs		773,186	1,337,451
Proceeds from other borrowing draw downs		700,000	450,000
Repayment of other borrowing		(160,000)	(517,143)
Financing of shares loaned by directors		(103,220)	725,602
Finance cost of financial instruments		(3,857)	(110,746)
Foreign exchange gains or losses		765	(388)
Net cash flows from financing activities		1,206,874	1,884,758
Net increase/(decrease) in cash and cash equivalents		47,540	(571,311)
Cash and cash equivalents at 1 January		140,302	711,613
Cash and cash equivalents at 31 December		187,842	140,302

First Class Metals Plc

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

1 General information

The Company is a public company limited by share capital, incorporated and domiciled in England and Wales. The principal activity of the Company was that of a holding company.

The principal activity of the Group was that of the exploration of gold and other semi-precious metals as well as battery metals critical to energy storage and power generation solutions.

The Company's ordinary shares are traded on the London Stock Exchange (LSE) under the ticker symbol FCM.

The address of its registered office is:

Suite 16 Freckleton Business Centre

Freckleton Street

Blackburn

Lancashire

BB2 2AL

United Kingdom

These consolidated financial statements comprise the Company and its subsidiary, First Class Metals Canada Inc. (together referred to as 'the Group').

These financial statements were authorised for issue by the board on 30 April 2024

2 Accounting policies

Statement of compliance

The statutory financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the UK and in accordance with UK companies' legislation, as applicable to companies reporting under IFRS.

Basis of preparation

The financial information has been prepared on the historical cost basis.

The financial statements are presented in sterling (£), which is the Company's functional currency. Each group entity determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

2 Accounting policies (continued)

Basis of consolidation

The consolidated financial statements comprise the financial information of the Company and its subsidiary made up to the end of the reporting period. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The consolidated financial statements present the results of the Company and its subsidiary as if they formed a single entity. Inter-company transactions and balances between group companies are therefore eliminated in full. The financial information of subsidiaries is included in the Group's financial statements from the date that control commences until the date that control ceases.

The Company has taken advantage of the exemption available under section 408 of the Companies Act 2006 and elected not to present its own Statement of comprehensive income in these financial statements.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. When necessary, adjustments are made to the financial information of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

Adoption of New and Revised Standards

The following standards and amendments became effective in the year:

- IFRS 16 Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions.
- Amendment to IAS 7 and IFRS 7 - Supplier finance
- Amendment to IAS 1 – Non-current liabilities with covenants

There has been no material impact from the adoption of new standards, amendments to standards or interpretations which are relevant to the Group.

New standards and interpretations not yet adopted

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for accounting periods beginning on or after 1 January 2025 and which the Group has chosen not to adopt early. These include the following standards which are relevant to the Group:

- Amendments to IAS 21 - Lack of Exchangeability
- IFRS S1, 'General requirements for disclosure of sustainability-related financial information
- IFRS S2, 'Climate-related disclosures'
- Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments
- IFRS 18 - Presentation and Disclosure in Financial Statements

The Group does not expect that the standards and amendments issued but not yet effective will have a material impact on results or net assets.

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

2 Accounting policies (continued)

Going concern

As a junior exploration company, the Directors are aware that the Company must seek funds from the market in the next 12 months to meet its investment and exploration plans and to maintain its listing status.

The Group's reliance on a successful fund raising presents a material uncertainty that may cast doubt on the Group's ability to continue to operate as planned and to pay its liabilities as they fall due for a period not less than twelve months from the date of this report.

The Company successfully raised £773,186 in the year ended 31 December 2024 through a combination of issuing new shares and warrant conversions. As at the year-end date the Group had total cash reserves of £221,802 (2023: £140,802).

The Directors are aware of the reliance on fund raising within the next 12 months and the material uncertainty this presents but having reviewed the Group's working capital forecasts they believe the Group is well placed to manage its business risks successfully providing the fund raising is successful.

Government grants

Government grants received on capital nature are generally deducted in arriving at the carrying amount of the asset purchased. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable. Where retention of a government grant is dependent on the Group satisfying certain criteria, it is initially recognised as deferred income. When the criteria for retention have been satisfied, the deferred income balance is released to the consolidated statement of comprehensive income or netted against the asset purchased.

Foreign currency transactions and balances

Transactions in currencies other than the Group's functional currency are recognised at the rates of exchange prevailing at the dates of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical costs are not re-translated.

Exchange gains or losses arising from translations of foreign currency monetary assets, liabilities and transactions are recorded in foreign exchange gain (loss) in the statement of net income (loss).

Segmental reporting

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Executive Chairman. The Executive Chairman is responsible for the allocation of resources to operating segments and assessing their performance.

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

2 Accounting policies (continued)

Tax

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported comprehensive income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Group and its subsidiaries operate by the end of the financial period.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the Directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Property, plant, and equipment

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

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

Depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Property	Over the term of the lease
Computer equipment	3 years - straight line basis

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

2 Accounting policies (continued)

Mineral property exploration and evaluation

Exploration and evaluation assets under IFRS 6 include acquired mineral use rights for mineral properties held by the Group. Mineral exploration and evaluation expenditures are capitalised. The amount of consideration paid (in cash or share value) for mineral use rights is capitalised on a project-by-project basis pending determination of the technical feasibility and the commercial viability of the project. Capitalised costs include costs directly related to exploration and evaluation activities in the area of interest. General and administrative costs are only allocated to the asset to the extent that those costs can be directly related to operational activities.

Mineral property exploration and evaluation assets will be amortised and impaired to profit and loss once commercial production has been achieved or written off if the exploration assets are abandoned or sold. Depletion of costs capitalised on projects when put into commercial production will be recorded using the unit-of-production method based upon estimated proven and probable reserves. The ultimate recoverability of the amounts capitalised for the exploration and evaluation assets and expenditures is dependent upon the delineation of economically recoverable ore reserves, obtaining and retaining the necessary permits to operate a mine, and realising profitable production or proceeds from the disposition thereof.

The commercial viability of extracting a mineral resource is considered to be determinable when resources are determined to exist. The property rights are current, and it is considered probable that the costs will be recouped through successful development and exploitation of the project, or alternatively by the sale of the property. Upon determination of resources, exploration, and evaluation assets attributable to those resources are first tested for impairment and then reclassified from exploration and evaluation assets mineral property interests. Expenditures deemed unsuccessful are recognised in operations in the income statement.

Impairment of mineral property exploration and evaluation

The carrying values of capitalised exploration and evaluation assets are assessed for impairment if fact and circumstances indicate that the carrying amount exceeds the recoverable amount and sufficient data exists to evaluate technical feasibility and commercial viability. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated. The recoverable amount is determined as the higher of the fair value less costs of disposition and the asset's value in use. If the carrying amount of the asset exceeds its estimated recoverable amount, the asset is impaired, and an impairment loss is charged to the income statement so as to reduce the carrying amount to its estimated recoverable amount.

If individual claims/ cells are abandoned for one reason or another, then the property as a whole will be considered for impairment. An impairment presumption also exists if no work has been done on a claim/ cell in three years. Cash resources are taken into consideration to justify claim preservation/ renewal in the forthcoming twelve months.

Investments in subsidiaries

Investments in subsidiary companies are classified as non-current assets and included in the Statement of financial position of the Company at cost, less provision for impairment at the date of acquisition.

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 changes in value.

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

2 Accounting policies (continued)

Trade payables

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

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

Borrowings

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

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

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

Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required, or the amount of obligation cannot be measured reliably.

A contingent liability is not recognised but is disclosed in the notes to the accounts. When a change in the probability of an outflow occurs so that the outflow is probable, it will then be recognised as a provision. A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group. Contingent assets are not recognised but are disclosed in the notes to the accounts when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

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.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity and has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

For defined contribution plans contributions are paid publicly or privately administered pension insurance plans on a mandatory or contractual basis. The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

2 Accounting policies (continued)

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognised in the Group's Statement of Financial Position when the Group becomes party to the contractual provision of the instrument. The following policies for financial instruments have been applied in the preparation of consolidated financial statements:

The Group and Company's financial assets which comprise loans and receivables and other debtors are measured at amortised cost.

The classification depends on the business model for managing the financial assets and the contractual terms of the cash flows. Financial assets are classified as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial liabilities (other than convertible debt) are classified as other financial liabilities measured at amortised cost. Financial liabilities are initially recognised at fair value, net of directly attributable transaction costs, and are subsequently measured at amortised cost. A financial liability is de-recognised when the obligation under the liability is discharged, cancelled or expires.

Compound financial instruments

Compound financial instruments issued by the Company comprise convertible loan notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability and equity components in proportion to the initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not re-measured subsequent to initial recognition except on conversion or expiry.

3 Critical accounting judgements and key sources of estimation uncertainty

Certain amounts included in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on the management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimates is contained in the accounting policies and/or the notes to the financial statements.

Significant areas of estimation uncertainty and critical judgements made by management in preparing the consolidated financial statements include:

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty (continued)

Recognition of evaluation and exploration assets

Judgement is required in determining when the future economic benefit of a project can be reasonably be regarded as assured, at which pointy evaluation and exploration expenses are capitalised. This includes the assessment of whether there is sufficient evidence of the probability of the existence of economically recoverable minerals to justify the commencement of capitalisation of costs.

The carrying value at the year-end was £3,643,342 (2023: £3,351,389).

In connection with possible impairment of exploration and evaluation assets the Directors assess each potentially cash generating unit annually to determine whether any indication of impairment exists. The judgements made when making these assessments are similar to those set out above and are subject to the same uncertainties.

4 Segmental information

Identification of reportable operating segments

The Group is organised into one corporate function in the UK and the operating segment, being mining and exploration operations. This operating segment is the subsidiary in Canada, for which the Executive Chairman assesses its performance and determines the allocation of resources.

The information reported to the Executive Chairman is on a monthly basis.

Geographical information

Income statement analysis

	2024			2023		
	UK £	Canada £	Total £	UK £	Canada £	Total £
Administrative expenses	1,099,581	265,693	1,365,274	1,183,584	277,763	1,461,347

Non-current assets

	2024			2023		
	UK £	Canada £	Total £	UK £	Canada £	Total £
Mineral property exploration and evaluation asset	-	3,643,342	3,643,342	-	3,351,389	3,351,389

5 Operating loss

Arrived at after charging

	31 December 2024 £	31 December 2023 £
Depreciation expense	(1,495)	(532)
Impairment losses	(3,153)	(88,568)
Profit on disposal of mineral properties exploration and evaluation assets	31,906	-
Foreign exchange (losses)/gains	(202,357)	(77,447)

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

6 Finance income and costs

	31 December 2024 £	31 December 2023 £
Finance income		
Interest income on bank deposits	177	5,742
Finance costs		
Interest on bank overdrafts and borrowings	-	(2)
Interest expense on other financing liabilities	(26,766)	(123,322)
Total finance costs	(26,766)	(123,324)
Net finance costs	(26,589)	(117,582)

7 Staff costs

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

	31 December 2024 £	31 December 2023 £
Wages and salaries	200,414	266,725
Social security costs	9,782	26,585
Other short-term employee benefits	-	4,200
Pension costs, defined contribution scheme	18,000	1,500
	228,196	299,010

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

	31 December 2024 No.	31 December 2023 No.
Administration and support	4	4

8 Directors' remuneration

The directors' remuneration for the year was as follows:

	31 December 2024 £	31 December 2023 £
Remuneration	373,502	459,860
Contributions paid to money purchase schemes	18,000	1,500
	391,502	477,860

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

8 Directors' remuneration

Summary

	Salary/Bonus	Fees	Defined contribution pension scheme contributions	Total
	£	£	£	£
M Bamber	33,750	15,750	-	49,500
J Knowles	115,964	-	-	115,964
M Sale	50,700	111,116	18,000	179,866
A Williamson	-	39,315	-	39,315
Carlos Espinosa	-	6,857	-	6,857
	200,414	173,088	18,000	391,502

Notes:

1. Marc Sale's company Specialist Exploration Services Scotland Limited ("SES") was paid a total of £111,116 during the year. These payments include travel/accommodation & out of pocket expenses incurred through the period by SES on behalf of First Class Metals PLC amounting to £15,011.

2. Bonus Payments totalling £75,000 of: £30,000 to James Knowles, £30,000 to Marc Sale, £10,000 to Marc Bamber and £5,000 to Andrew Williamson have been awarded in 2024 but not yet paid.

9 Auditors' remuneration

	31 December 2024	31 December 2023
	£	£
Audit of these financial statements	31,000	29,000

10 Income tax

The tax on profit before tax for the year is the same as the standard rate of corporation tax in the UK (2023: the same as the standard rate of corporation tax in the UK) of 25% (2023: 23.5%).

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	31 December 2024	31 December 2023
	£	£
Loss before tax	(1,359,957)	(1,578,929)
Corporation tax at standard rate	(339,989)	(371,048)
Increase from effect of unrelieved tax losses carried forward	339,989	371,048
Total tax charge/(credit)	-	-

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

There is an unrecognised deferred tax asset at 31 December 2024 of £662,257 (2023: £612,073) which, in view of the trading results, is not considered by the directors to be recoverable in the short term. The applicable tax rate is 25% which was enacted under UK legislation and would be the rate applicable when the asset reverses.

11 Loss per share

The basic loss per share for the period of 1.53p (2023: loss of 2.13p) is calculated by dividing the loss for the period by the weighted average number of Ordinary Shares in issue of 89,797,752 (2023: 74,217,536 Ordinary Shares). Note 17 provides details of the share issues during the year ended 31 December 2024.

There are potentially issuable shares all of which relate to share warrants issued as part of placings in 2023. The weighted average number of additional potential Ordinary Shares in issue is £15,000,452 (2023: 22,615,228). However, due to the losses for the year the impact of the potential additional shares is anti-dilutive and has therefore not been recognised in the calculation of the fully diluted loss per share of 1.53p per share (2023: loss of 2.13p). There have been no further shares issued post year-end.

12 Mineral property exploration and evaluation

Group

	Mineral property exploration and evaluation £
Cost or valuation	
At 1 January 2024	3,439,957
Additions	750,222
Disposals	(230,574)
Foreign exchange movements	(230,476)
At 31 December 2024	3,729,129
Amortisation	
At 1 January 2023	88,568
Foreign exchange movements	(5,934)
Impairment charge	3,153
At 31 December 2024	85,787
Carrying amount	
At 31 December 2024	3,643,342
At 31 December 2023	3,351,389

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

13 Property, plant and equipment

Group and Company

	Property	Furniture, fittings and equipment	Total
	£	£	£
Cost or valuation			
At 1 January 2024	-	1,598	1,598
Additions	17,323	-	17,323
At 31 December 2024	17,323	1,598	18,921
Depreciation			
At 1 January 2024	-	695	695
Additions	962	533	1,495
At 31 December 2024	962	1,228	2,190
Carrying amount			
At 31 December 2024	16,361	370	16,731
At 31 December 2023	-	903	903

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

14 Investments

Company

Details of the Company's subsidiary as at 31 December 2024 are as follows:

Name of subsidiary	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2024	2023
First Class Metals Canada Inc.	Mining of other non-ferrous metal ores	55 York Street Suite 401 Toronto ON M5J 1R7 Canada	100% ordinary shares	100% ordinary shares

Summary of the company investments

	31 December 2024	31 December 2023
	£	£
Investment in subsidiary	581	581

15 Trade and other receivables

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	£	£	£	£
Receivables from Group company	-	-	3,866,914	3,485,392
Accrued income (see note 12)	32,501	118,991	-	-
Prepayments	11,981	32,452	10,215	28,650
Other receivables	45,907	138,569	16,100	14,584
	90,389	290,012	3,893,229	3,528,626

The receivables from related party represents amount owed by the Company's subsidiary. This balance was interest free throughout the period and has no fixed repayment date. No provision has been made against this amount.

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

16 Cash and cash equivalents

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	£	£	£	£
Cash at bank	221,071	140,802	187,842	140,302

At 31 December 2024 all cash at bank and in hand was denominated in sterling other than £33,229 in Canadian Dollars (2023: £500).

17 Share capital

Allotted, called up and fully paid shares

	31 December 2024		31 December 2023	
	No.	£	No.	£
Ordinary shares of £0.001 each	100,819,240	100,819.25	82,046,029	82,046.03

New shares allotted

During the year 18,773,211 Ordinary shares having an aggregate nominal value of £18,773 were allotted for an aggregate consideration of £773,186.

The table below presents the number of new Ordinary Shares after each equity transactions that occurred in the year ended 31 December 2024 and the comparative period to 31 December 2024.

	Number of new Ordinary shares No	Share Capital £
Allotted, issued and fully paid:		
As at 31 December 2022	69,048,707	69,049
Shares issued upon exercising Subscription warrants	1,693,587	1,693
Placing on 26 June 2023	9,974,000	9,974
Issue of shares for options and services	1,329,735	1,330
As at 31 December 2023	82,046,029	82,046
Share loan repayments	12,731,046	12,731
Kerrs Gold & Zigzag Option Payment	1,514,201	1,514
Issue of shares for services	4,527,964	4,528
As at 31 December 2024	100,819,240	100,819

The Board has provisionally agreed to issue share options to Directors and Key Management Personnel, but no options had been granted at the year end. No share-based payment expense has been recorded in the year.

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

17 Share capital (continued)

The Group had in issue the following warrants during the year which are considered equity instruments::

Warrant, Issue & Expiry date	Amount Issued	Exercise Price	Amount Exercised	Number Outstanding at the year end
12.5p CCM Placing Warrants 30 June 2023 Exp 30 June 2025	4,987,000	12.5p	-	4,987,000
20p Warrants 28 July 2022 Exp 28 July 2025	7,321,785	20p	-	7,321,785
15p Broker Warrants 28 July 2022 Exp 28 July 2025	150,000	15p	-	150,000
20p Sunbeam Subscription Warrants 3 October 2022 Exp 3 October 2025	666,667	20p	-	666,667
20p James Goozee Warrants 4 December 2022 Exp 4 December 2025	1,875,000	20p	-	1,875,000

James Knowles has loaned First Class Metals PLC 9,500,001 Ordinary Shares to be repaid by issue of that number of Ordinary Shares of £1 each at Second Admission. This has been reflected in the equity reserve.

18 Reserves

Group and Company

Share capital - This represents the nominal value of equity shares in issue.

Share premium - This represents the premium paid above the nominal value of shares in issue less issue costs.

Equity reserve - This represents the shares loaned by the directors to the company for which shares will be issued at a later date and deferred consideration in respect of contractual obligations for the purchase of certain mineral exploration rights.

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

18 Reserves (continued)

Retained losses

This represents the accumulated net gains and losses since inception, recognised in the statement of comprehensive income.

The changes to each component of equity resulting from items of other comprehensive income for the prior year were as follows:

	Foreign currency translation £	Total £
Foreign currency translations gains	(13,792)	(13,792)

19 Loans and borrowings

	Group		Company	
	31 December 2024 £	31 December 2023 £	31 December 2024 £	31 December 2023 £
Current loans and borrowings				
Other borrowings	-	-	-	-
Other loans	700,000	160,000	700,000	160,000
	<u>700,000</u>	<u>160,000</u>	<u>700,000</u>	<u>160,000</u>

The Group's exposure to market and liquidity risks, including maturity analysis, relating to loans and borrowings is disclosed in note 23 "Financial risk review", see also note 27.

20 Other borrowings

Group and Company

Other liabilities maturity analysis

A maturity analysis of other borrowings based on undiscounted gross cash flow is reported in the table below:

	31 December 2024 £	31 December 2023 £
Less than one year	-	-

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

21 Trade and other payables

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	£	£	£	£
Current				
Trade payables	152,829	114,959	111,324	31,091
Accrued expenses and deferred consideration	343,287	150,436	149,548	41,850
Social security and other taxes	26,703	15,735	26,703	15,735
Other payables	35,784	10,559	35,784	10,559
	<u>558,603</u>	<u>291,689</u>	<u>323,359</u>	<u>99,235</u>
Non-Current				
Deferred consideration	223,104	234,841	-	-

The fair value of the trade and other payables classified as financial instruments are disclosed below.

The Group's exposure to market and liquidity risks, including maturity analysis, relating to trade and other payables is disclosed in note 23 "Financial risk review".

	Group		Company	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
	£	£	£	£
Trade and other payables at amortised cost - Suppliers	152,829	114,959	181,324	31,091
Deferred consideration at amortised cost	<u>390,611</u>	<u>330,445</u>	<u>-</u>	<u>-</u>

Deferred consideration payable in cash for the purchase of certain mineral exploration rights of £223,104 (2023: £234,841) is payable after more than one year.

22 Pension and other schemes

Defined contribution pension scheme

The Group operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Group to the scheme and amounted to £18,000 (2023: £1,500).

Contributions totalling £Nil (2023: £Nil) were payable to the scheme at the end of the year.

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

23 Financial risk review

Group

This note presents information about the group's exposure to financial risks and the group's management of capital.

The Group's objectives when managing capital are:

- (a) To maintain a flexible capital structure which optimizes the cost of capital at acceptable risk;
- (b) To meet external capital requirements on debt and credit facilities;
- (c) To ensure adequate capital to support long-term growth strategy; and
- (d) To provide an adequate return to shareholders.

The Group continuously monitors and reviews the capital structure to ensure the objectives are met.

Management defines capital as the combination of its indebtedness and equity balances, as disclosed in note 17, and manages the capital structure within the context of the business strategy, general economic conditions, market conditions in the power industry and the risk characteristics of assets.

The Group's objectives in managing capital and the definition of capital remain unchanged throughout the period. External factors, such as the economic environment, have not altered the Group's objectives in managing capital.

Credit risk

The Group's definition of credit risk is Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. At present the Group does not have any customers and its risk on cash and bank is mitigated by holding of the funds in an "A" rated bank.

Liquidity risk

The Group's definition of liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. The Group manages liquidity risk by maintaining adequate cash balances (or agreed facilities) to meet expected requirements. The liquidity risk of each group entity is managed centrally by the Executive Chairman. The contractual cashflows are mentioned in note 12,19,20 and 21.

Market risk

The Group's definition of market risk is The Group's definition of market risk is the risk that changes in market prices, such as commodity prices, will affect the Group's earnings. The objective of market risk management is to identify both the market risk and the Group's options to mitigate this risk.

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

23 Financial risk review (continued)

Foreign exchange risk

Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency.

A majority of the Group's operating costs will be incurred in US and Canadian Dollars, whilst the Group has raised capital in £ Sterling. Fluctuations in exchange rates of the US Dollar and Canadian Dollar against £ Sterling may materially affect the Group's translated results of operations. In addition, given the relatively small size of the Group, it may not be able to effectively hedge against risks associated with currency exchange rates at commercially realistic rates. Accordingly, any significant adverse fluctuations in currency rates could have a material adverse effect on the Group's business, financial condition and prospects to a much greater extent than might be expected for a larger enterprise.

Interest rate risk

Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market rates of interest. As the Group has no significant interest bearing assets or liabilities, the Group's operating cash flows are substantially independent of changes in market interest rates. Therefore, the Group is not exposed to significant interest rate risk.

24 Financial instruments

Financial assets at amortised cost

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Trade and other receivables	-	-	-	-
Cash and cash equivalents	221,071	140,802	187,842	140,302

Financial liabilities at amortised cost

	Group		Company	
	2024	2023	2024	2023
	£	£	£	£
Current liabilities				
Trade and other payables	152,829	114,959	111,324	31,091
Deferred consideration	167,503	95,604	-	-
Loans and borrowings	700,000	160,000	700,000	160,000
Non-current liabilities				
Deferred consideration	223,108	234,841	-	-

First Class Metals Plc

Notes to the Financial Statements for the Year Ended 31 December 2024 (continued)

25 Related party transactions

Parties are considered to be related if one party has the ability (directly or indirectly) to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Group

The Group has taken advantage of the exemption available under IAS 24 "Related Party Disclosures" not to disclose details of transactions between Group undertakings which are eliminated on consolidation.

Company

Funds are transferred within the Group dependent on the operational needs of individual companies and the Directors do not consider it meaningful to set out the gross amounts of transfers between companies.

Key management personnel

All key management personnel are directors and appropriate disclosure with respect to them is by issue of the same number of Ordinary Shares in the directors' remuneration report.

The directors received an 8.25% facility fee on the shares loaned. At the year-end James Knowles was owed £3,054 (2023: £3,081) which is reflected in other payables. Ayub Bodi owed the company £Nil (2023: £689) at the year end and is reflected in other receivables. Ayub Bodi resigned as director on 2 February 2024.

26 Results attributable to First Class Metals Plc

The loss after taxation in the Company amounted to £1,103,260 (2023: £1,289,345). The Directors have taken advantage of the exemptions available under section 408 of the Companies Act 2006 and not presented an income statement for the company alone.

27 Events after the reporting date

The Company received a further CAD\$58,550 OJEP Grant from the Canadian Ministry of Mines for the North Hemlo property for work completed during 2024 in March 2025

The Company entered into a Subscription Agreement with The 79th GRP Limited on December 17, 2024. This was partially completed on February 25, 2025. This subscription also set-off the loan of GBP700,000 given The 79th GRP Limited. This cleared the Company's books of all loans.

No other adjusting or significant non-adjusting events have occurred between the 31 December reporting date and the date of authorisation of the Consolidated Annual Report and Financial Statements.

First Class Metals Plc

Independent auditor's report to the members of First Class Metals Plc

Opinion

We have audited the financial statements of First Class Metals Plc (the 'parent Company') and its subsidiary (the 'Group') for the year ended 31 December 2024 which comprise Consolidated Income Statement, 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, Company Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group and parent Company financial statements is applicable law and UK adopted international accounting standards.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2024 and of the group's loss for the year then ended;
- the Group and parent Company financial statements have been properly prepared in accordance with UK adopted international accounting standards; and
- the financial statements 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 Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group and the parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our approach to the audit

The scope of our audit was the audit of the Group and parent Company for the year ended 31 December 2024. The audit was scoped by obtaining an understanding of the Group and parent Company and their environment, including the Group and parent Company's system of internal control and assessing the risks of material misstatement.

Audit work to respond to the assessed risks was planned and performed directly by the engagement team which performed full scope audit procedures.

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

First Class Metals Plc

Independent auditor's report to the members of First Class Metals Plc

Key Audit Matter	How our scope addressed this matter
Exploration and Evaluation assets	
The Group's accounting policy in respect of its exploration and evaluation assets ("E&E assets") is set out under "mineral property exploration and evaluation costs" and its accounting policy in respect of impairment is set out under "impairment of intangible assets" in Note 2 to the financial statements. Management have assessed E&E assets for impairment indicators under IFRS6 and concluded that no triggers existed at the year-end. Determining whether impairment indicators exist involves significant judgement by management, including considering specific impairment indicators prescribed in IFRS 6. There is a risk that if unidentified impairment indicators exist, the carrying value of the E&E assets may not be fully recoverable.	We have evaluated whether, under IFRS 6 Exploration for and Evaluation of Mineral Assets, the assets are appropriately determined as E&E assets. We have reviewed and challenged management's assessment with respect to indicators of impairment under IFRS 6. We have evaluated whether the relevant disclosures in the financial statements are reasonable. Our conclusion We are satisfied that expenditure capitalised as E&E assets meet the requirements of IFRS 6 and that management have adequately considered the indicators which could give rise to an impairment charge in their assessment of the carrying value of those assets.

Our application of materiality

The scope and focus of our audit was influenced by our assessment and application of materiality.

We define materiality as the magnitude of misstatement that could reasonably be expected to influence the readers and the economic decisions of the users of the financial statements. We use materiality to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Materiality for the Group financial statements as a whole was set at £98,000, based on 2.5% of the Gross Assets of the Group (2023: £91,000). This was considered an appropriate level of materiality given the limited trading activity of the Group and the significance of Gross Assets to users of the financial statements at this stage of operations. Performance materiality was set at £73,000, being 75% of materiality (2023: £68,000).

For income statement items, we determined that misstatements of lesser amounts than materiality for the financial statements as a whole would make it probable that the judgment of users, relying on the information would have been changed or influenced by the misstatement or omission. Accordingly, we set specific materiality figure of £95,000 (2023: N/A) for these balances. Performance materiality was set at £71,000 (2023: N/A). The specific materiality was based on 7.5% of loss before tax.

We report to the Board any corrected or uncorrected misstatements arising exceeding £4,000 (2023: £3,400).

First Class Metals Plc

Independent auditor's report to the members of First Class Metals Plc

Material uncertainty related to going concern

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

Our evaluation of the directors' assessment of the Group's and parent Company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing management's financial forecasts for the next twelve months and discussing these with the Board;
- Discussing the Board's strategy to ensure sufficient funds are available to the Group to finance its plans through fund raising, debt or asset realisation;
- Reviewing existing expenditure and overhead levels;
- Reviewing post year end investment activity and fund raising; and
- Reviewing the adequacy of the disclosure within the financial statements relating to the Directors' assessment of the going concern basis of preparation.

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

We draw attention to Note 2 in the accounting policies, concerning the Group's ability to continue as a going concern. The matters explained in Note 2 indicate that the Group needs to raise further finance to fund its working capital needs and development plans. As at the date of approval of these financial statements there are no legally binding agreements relating to securing the required funds. These events or conditions along with the matters set forth in Note 2 indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' remuneration report to be audited has been properly prepared in accordance with 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.

First Class Metals Plc

Independent auditor's report to the members of First Class Metals Plc

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 their 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 and the part of the Directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 61, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the Group's and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

We evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates and significant one-off or unusual transactions.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements. Our audit procedures included but were not limited to:

- Discussing with the directors and management their policies and procedures regarding compliance with laws and regulations;
- Communicating identified laws and regulations throughout our engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Group and parent Company which were contrary to applicable laws and regulations, including fraud.

First Class Metals Plc

Independent auditor's report to the members of First Class Metals Plc

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Auditor's Report.

Other matters which we are required to address

We were appointed by the Board on 9 February 2023 to audit the financial statements for the year ended 31 December 2022 and subsequent financial periods. Our total uninterrupted period of engagement is three years, covering the periods ending 31 December 2022 to 31 December 2024.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group and parent Company and we remain independent of the Group and parent Company in conducting our audit.

Use of our report

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

Royce Peeling Green Limited

Martin Chatten (Senior Statutory Auditor)
For and on behalf of Royce Peeling Green Limited
Chartered Accountants
Statutory Auditor

30 April 2025

The Copper Room
Deva City Office Park
Trinity Way
Manchester M3 7BG
United Kingdom