

## Caracal Gold PLC

Caracal Gold PLC (“the Company”), the expanding East African gold producer with over 1,300,000oz of JORC compliant gold resources, is pleased to announce its unaudited interim results for the six months ended 31 Dec 2022 (“the period”). These results can also be found on the Company’s website.

### Summary operational and financial updates for the period

- Sales of £2.380 million (Dec 2021 FY: £4.433 million) were generated from 1,641 ounces (“oz”) of gold sold during the period at an average price of US\$1,676/oz (Dec 2021 FY: 3,223oz sold at an average price of US\$1,770/oz)
- Gross Loss of £0.926 million for the period (Dec 2021 FY: gross loss of £1.197 million)
- Loss before taxation of £3.713 million for the period (Dec 2021 FY loss of: £8.412 million)
- Net debt of £6.436 million (Jun 2022: net debt of £3.784 million)
  
- Ongoing work to increase production at the flagship Kilimapesa Gold Mine:
  - Continue to optimize mine plan and renewed focus on process efficiencies.
  - Realised a total 806 ounces in gold sales in Q3 and 835 ounces in Q4.
  
- Reviewed the exploration programmes to further strengthen the current Mineral Resource Estimate ('MRE'):
  - To date, 104 RC holes accounting for 10,444m and 21 DD holes accounting for 3,660m have been drilled at Kilimapesa Hill, Maghor and Vim Rutha.
  - In Q4, seven trenches were completed for a meterage total of 420m, five at Kilimapesa West Hill and two in Vim Rutha.
  
- Due to the delay in funding, activities around the expansion, operations have slowed down pending securing of funds.
  
- Excellent progress at Nyakafuru Gold Project in Tanzania:
  - Completed Phase 1 exploration project on time; and
  - Commencing 2nd phase drill programme validating historical drill results (i) as well as further interpretation (ii) and collection of metallurgical samples (iii).

### Finance update

Post the H1 2022 period the Company announced on the 10th January 2023, that the previously planned OCIM financing of US\$10m would not be proceeding. As a result, the previously announced Philoro funding was put on hold and it has now been necessary to renegotiate the terms of the US\$1.5m Mill End Financing and to date this negotiation is ongoing.

The company is progressing discussions, including technical and legal due diligence, with several potential financiers in order to provide the funding required to complete the Kilimapesa expansion project. Philoro have confirmed their US\$3m funding is planned to come in alongside this funding.

Also, post H1 2022 the company announced a US\$1 million fund raise via the issue of secured Convertible Loan Notes ("CLNs") to Orca Capital GmbH ('ORCA'). The proceeds were immediately drawn down and used to accelerate operations at Kilimapesa. The Company has granted ORCA an option to subscribe for up to a further US\$4 million of CLNs. (The details of the transaction are contained in the RNS dated 16th February 2023.)

### **Share Admissions and Prospectus update**

Certain share admissions previously announced by the Company have not been admitted to the Financial Conduct Authority's ("FCA") Official List and to trading on the London Stock Exchange. Work is continuing on the production of a prospectus, which will be published as soon as practicable, subject to approval by the FCA.

### **Board changes**

During the period Mr. Riaan Lombard was appointed to the Board of Caracal Gold Plc ("Caracal") as an Executive Director and Chief Operating Officer ("COO").

Mr. Stefan Mülller was also appointed as a Non-Executive Director and as part of the Board changes, the Company announced that Mr. Gerard Kisbey-Green, current Executive Director, would transition to become a Non-Executive Director.

### Post H1 2022

On the 13th January Mr Simon Games--Thomas stepped down from his position as Non-Executive Chairman. Simon Grant Rennick was asked to assist the Company in a consultancy role with the intention that he subsequently be appointed and that in the interim be regarded as Chairman Designate.

### **Corporate Governance review**

Post the H1 2022 period the Company announced that legal counsel had been engaged to conduct a comprehensive review of the corporate governance, regulatory compliance and communications policies in order to strengthen internal procedures.

The Board decided that the Company's financial advisor, VSA, as well as an independent firm of solicitors, would be consulted to assist the Chairman Designate in this review and the Board expects the above to be concluded as soon as is practically possible.

### **KENYA – KILIMAPESA GOLD PROJECT**

	<b>Q1 22</b>	<b>Q2 22</b>	<b>Q3 22</b>	<b>Q4 22</b>
<b>Mined tons</b>	44,846	42,233	64,639	35,989
<b>Treated Tons</b>	54,121	58,722	53,709	19,613
<b>Smelted ounces Au</b>	1,266	746	806	835
<b>Stockpile tons</b>	22,744 @ 1,72g/t	22,757 @ 1,68g/t	18,757 @ 1.72	7,715 @ 1.47

- In Q3, the plant processed a total of 23,790t at an average grade of 1.61g/t through the CIL circuit and a further 29,919t at an average grade of 0.99g/t through the heap leach circuit to realise a total of 806 ounces in gold sales.
- In Q4, the plant processed a total of 19,613t at an average grade of 1.80g/t through the CIL circuit and a further 6,859t at an average grade of 0.86g/t through the heap leach circuit to realise a total of 835 ounces in gold sales.
- Plant 2 was stopped on 1 August 2022 as the project of washing fines in the circuit proved to be uneconomic. Major factors were the low tons washed to the CIL and the insignificant upgrading of the fines.
- The heap leach pads reached design capacity and therefore Plant 3 was stopped in December 2022.
- Gold figures accountability (ratio of sold to produced) increased to 99% in September from an average of 50% for July and August. This was attributed to the installations of weightometers in the plant and the flowmeter in the Plant 3 CIS circuit, standardisation of sampling and sample handling procedures and the increase in Quality Control checks in the new laboratory. Gold figure accountability has subsequently remained stable at these rates.
- Tailings Storage Facility construction is on track.

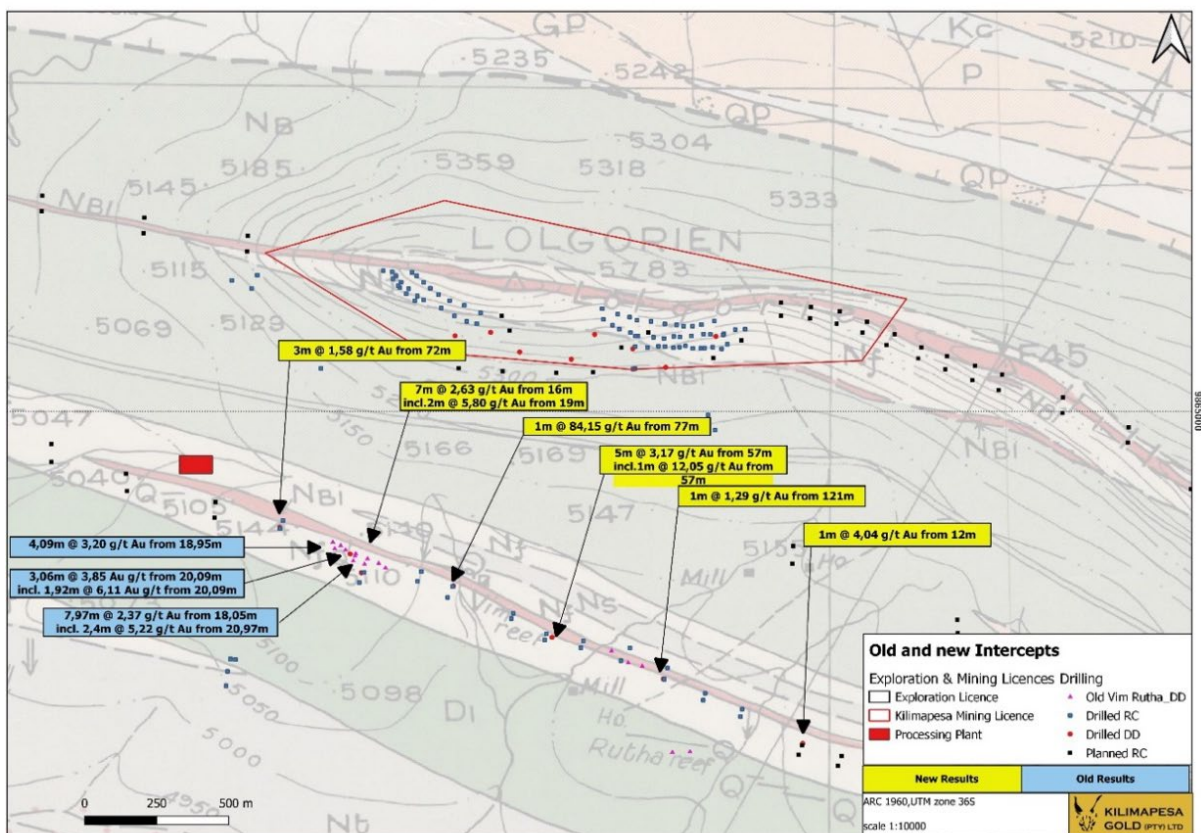
#### Post H12022

Operating activities recommenced at Kilimapesa, activities on the heap leach plant commenced immediately with the pads being loaded from existing low-grade stockpiles. This was followed by open cast mining recommencing on the 5<sup>th</sup> March and the Milling plant on the 8<sup>th</sup> March. The Company then announced the discovery of a high-grade mineable zone above the current underground workings and previous drilled areas, which is now processing 360tpd of high-grade material with average grades from 3.31g/t to 4.74g/t. A targeted mining plan confirming 180 days of high-grade material has been prepared and is being actioned, while it is planned to focus on processing 500tpd.

#### Exploration

- Latest results from drilling on Kilimapesa Hill confirmed the lateral and depth extensions at the Kilimapesa Hill.
- Completed a total of 10 DD holes and 22 RC holes on Vim Rutha prospect, which extends more than 4km into the exploration licence and is located a few hundred metres south of Kilimapesa Hill, for a total of 1,621m and 1,943m respectively.
- DD drilling confirmed the existence of a mineralised structure over 1.5km parallel to the Kilimapesa Hill deposit while samples from the RC drilling are currently being analysed.
- A systematic trenching campaign commenced in Q3 to define the surface expression of the Vim Rutha mineralisation and samples are being analysed.
- During Q4, a total of seven trenches were completed for a meterage of 420m. Five trenches at the Kilimapesa West Hill prospect and two in Vim Rutha prospect. These trenches were positioned to determine both the strike and the extent of mineralisation on Kilimapesa West Hill and Vim Rutha prospects.
- Continued underground DD with a total of 33.32m being drilled in two boreholes in Adit D.
- To date, 104 RC holes accounting for 10,444m and 21 DD holes accounting for 3,660m have been drilled at Kilimapesa Hill, Maghor and Vim Rutha:

- We also have assayed results from the Diamond Drilling ('DD') programme on the Vim Rutha prospect, a shear zone of about 4.9km parallel to the known orebody at the Kilimapesa Hill deposit ('Kilimapesa Hill') at the Kilimapesa Gold and Mining Operations in Kenya (the 'Project'). The drilling intercepted, on several occasions and over a distance of more than 2km from west to east, one or more mineralised structures of significant thickness located a few hundred metres south of Kilimapesa Hill.
- Assay results confirm that the Vim Rutha prospect corridor is intensely gold-bearing with mineralised intercepts indicated by historical diamond drilling. Additionally we have noted vertical and lateral extensions of one or more parallel mineralised structures over several kilometres of distance just south of Kilimapesa Hill.
- These results continue to demonstrate the high gold potential of the various exploration prospects located in direct proximity to the Kilimapesa Hill deposit.



### Updated Company Reserves and Resources

- Following the successful resource expansion drill campaign, we have expanded our Measured, Indicated and Inferred Resource of 12.15Mt @ 1.5g/t gold for 565.7koz contained gold for the Kilimapesa Hill Deposit.
- This represents a 202% increase in the Measured and Indicated category, with 56% of the contained ounces (317.6koz) now in Measured and Indicated (previously 105koz).
- These promising results support at least a 10-year Life of Mine for the current Project expansion, targeting 24,000oz per annum production.

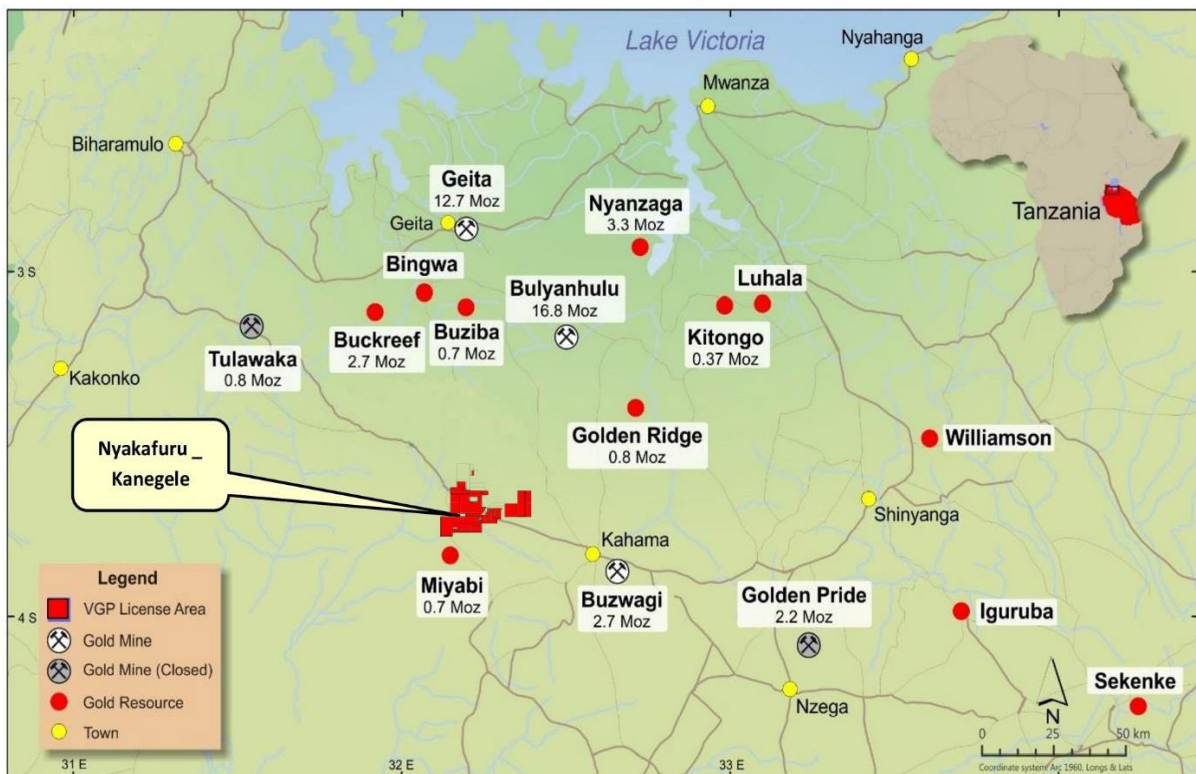
- The significant increase in the Measured and Indicated Resource provides optionality for the current mining and processing operations, delivering the necessary differential in feed grade to the Milling and Heap Leach plants.

### Safety, Health, and Environment

- Continued focus on environmental plans with targets hit, annual audit conducted, and environmental licence obtained in relation to exploratory drilling, open-pit mining, and heap leach.
- Open Pit and Exploration Environmental Impact Assessment submitted to NEMA in Q4.
- All statutory audits including Fire Safety, OH&S and Environmental up to date as at 31 December 2022.
- Ongoing support of employees with various training programmes completed and underway.
- One significant accident in Q3 – the employee received immediate care, is fully recuperated and has resumed work.

### **TANZANIA - NYAKAFURU GOLD PROJECT**

- Completed the Phase 1 exploration project on schedule with the final report nearing completion.
- Completed several fieldwork programmes including structural analysis of Voyager and Mentelle and planning of location of drill holes for the 2nd phase drill programme.
- Upgraded the Nyakafuru camp and completed the review of the licences and extensions.
- Advanced the drill tender process.



**\*\* ENDS \*\***

For further information visit [www.caracalgold.com](http://www.caracalgold.com) or contact the following:

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**CARACAL GOLD PLC**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	6 months ended 31 December 2022 £'000 (unaudited)	12 months ended 31 December 2021 £'000 (unaudited)
<b>Continuing operations</b>			
Revenue		2,380	4,433
Cost of sales		(3,306)	(5,630)
<b>Gross loss</b>		<b>(926)</b>	<b>(1,197)</b>
Administrative expenses		(1,905)	(3,038)
Share-based payments		-	(668)
<b>Operating loss before finance costs</b>		<b>(2,831)</b>	<b>(4,903)</b>
Finance costs		(269)	(48)
Other income		4	2
Foreign exchange loss		(617)	(70)
Reverse acquisition expense		-	(3,393)
<b>Loss before taxation</b>		<b>(3,713)</b>	<b>(8,412)</b>
Taxation		-	-
<b>Loss for the period</b>		<b>(3,713)</b>	<b>(8,412)</b>
<b>Other comprehensive income – items that may be reclassified subsequently to profit and loss account</b>			
Translation of foreign operations		433	220
<b>Total other comprehensive loss</b>		<b>433</b>	<b>220</b>
<b>Total comprehensive loss for the period attributable to the owners of the Parent Company</b>		<b>(3,280)</b>	<b>(8,192)</b>
Loss per share – basic and diluted (pence)	5	(0.20p)	(0.54p)

**CARACAL GOLD PLC**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Note	As at 31 December 2022 £'000 (unaudited)	As at 30 June 2022 £'000 (audited)
<b>Non-Current Assets</b>			
Intangible assets		2,392	2,392
Property, plant and equipment	6	6,467	5,689
<b>Total Non-Current Assets</b>		<b>8,859</b>	<b>8,081</b>
<b>Current assets</b>			
Inventories	7	773	712
Trade and other receivables		500	826
Cash and cash equivalents		2	80
<b>Total Current Assets</b>		<b>1,275</b>	<b>1,618</b>
<b>Total Assets</b>		<b>10,134</b>	<b>9,699</b>
<b>Equity and Liabilities</b>			
Share capital		1,879	1,879
Share premium		14,246	14,306
Translation reserve		877	444
Reverse acquisition reserve		6,481	6,481
Share-based payment reserve		148	148
Retained earnings		(29,034)	(25,321)
<b>Total Equity</b>		<b>(5,403)</b>	<b>(2,063)</b>
<b>Non-Current Liabilities</b>			
Deferred tax liability		552	552
Provisions and contingent liabilities	10	2,058	1,989
Loans and borrowings – interest bearing	9	4,657	167
<b>Total Non-Current Liabilities</b>		<b>7,267</b>	<b>2,708</b>
<b>Current Liabilities</b>			
Trade and other payables	8	6,489	7,357
Loans and borrowings – interest bearing	9	1,781	1,697
<b>Total Current Liabilities</b>		<b>8,270</b>	<b>9,054</b>
<b>Total Liabilities</b>		<b>15,537</b>	<b>11,762</b>
<b>Total Equity and Liabilities</b>		<b>10,134</b>	<b>9,699</b>



**CARACAL GOLD PLC**  
**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Share capital	Share premium	Share-based payment reserve	Reverse acquisition reserve	Foreign currency reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Balance at 31 December 2020 (unaudited)</b>	<b>4,430</b>	-	-	-	<b>509</b>	<b>(9,773)</b>	<b>(4,834)</b>
Loss for the Period	-	-	-	-	-	(8,397)	(8,397)
Other comprehensive income	-	-	-	-	(7)	-	(7)
<b>Total comprehensive loss for the period</b>	-	-	-	-	<b>(7)</b>	<b>(8,397)</b>	<b>(8,404)</b>
Transfer to reverse acquisition reserve	(4,430)	-	-	4,430	-	-	-
Recognition of plc equity at acquisition date	132	602	-	8,573	-	-	9,307
Issue of shares for acquisition of subsidiary	462	4,156	-	(4,618)	-	-	-
Issue of shares for placing at Admission	670	5,133	-	-	-	-	5,803
Issue of other shares at Admission for to settle loans and creditors	296	2,690	-	-	-	-	2,986
Issue of shares in settlement of fees post Admission	15	136	-	-	-	-	151
Issue of shares for further placings post Admission	64	736	-	-	-	-	800
Share based payment	-	-	668	-	-	-	668
Cost of share issues	-	(414)	-	-	-	-	(414)
<b>Total transactions with owners</b>	<b>(2,791)</b>	<b>13,039</b>	<b>668</b>	<b>8,385</b>	-	-	<b>19,301</b>
<b>Balance at 31 December 2021 (unaudited)</b>	<b>1,639</b>	<b>13,039</b>	<b>668</b>	<b>8,385</b>	<b>502</b>	<b>(18,170)</b>	<b>6,063</b>
Loss for the Period	-	-	-	-	-	(7,151)	(7,171)
Other comprehensive income	-	-	-	-	(58)	-	(58)
<b>Total comprehensive loss for the period</b>	-	-	-	-	<b>(58)</b>	<b>(7,151)</b>	<b>(7,209)</b>
Adjustments to equity accounts at year end	(36)	(1,282)	(520)	(1,904)	-	-	(3,742)
Further placings	276	2,459	-	-	-	-	2,825
<b>Total transactions with owners</b>	<b>240</b>	<b>1,267</b>	<b>(520)</b>	<b>(1,904)</b>	-	-	<b>(917)</b>
<b>Balance at 30 June 2022 (audited)</b>	<b>1,879</b>	<b>14,306</b>	<b>148</b>	<b>6,481</b>	<b>444</b>	<b>(25,321)</b>	<b>2,063</b>
Loss for the Period	-	-	-	-	-	(3,713)	(3,713)
Other comprehensive income	-	-	-	-	433	-	433
<b>Total comprehensive loss for the period</b>	-	-	-	-	<b>433</b>	<b>(3,713)</b>	<b>(3,280)</b>
Cost of share issues in prior period	-	(60)	-	4,430	-	-	(60)
<b>Total transactions with owners</b>	-	<b>(60)</b>	-	-	-	-	<b>(60)</b>
<b>Balance at 31 December 2022 (unaudited)</b>	<b>1,879</b>	<b>14,246</b>	<b>148</b>	<b>6,481</b>	<b>877</b>	<b>(29,034)</b>	<b>(5,403)</b>

**CARACAL GOLD PLC**  
**INTERIM CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	6 months ended 31 December 2022 £'000 (unaudited)	12 months ended 31 December 2021 £'000 (unaudited)
<b><i>Cash flows from operating activities</i></b>		
Operating loss – continuing operations	(3,713)	(8,412)
Adjustments for:		
Depreciation	258	643
Finance costs (net)	269	46
Shares and warrants issued to settle expenses relating to the reverse acquisition and in lieu of cash settlement to creditors	-	3,136
Foreign exchange movement	433	70
Share-based payment – incentives	-	669
Reverse acquisition share base payment expense	-	3,393
<b>Operating cash flow before working capital movements</b>	<b>(2,753)</b>	<b>(455)</b>
Decrease/(increase) in trade and other receivables	326	(1,628)
(Increase)/decrease in trade and other payables	1,475	(2,522)
(Increase) in inventories	(61)	(653)
<b>Net cash flows from operating activities</b>	<b>(1,013)</b>	<b>(5,258)</b>
<b><i>Net cash flows from investing activities</i></b>		
Cash acquired on acquisition	-	96
Payments for intangibles assets acquired in prior period	(343)	-
Expenditure of exploration, development and production assets	(592)	(642)
<b>Net cash flows from investing activities</b>	<b>(935)</b>	<b>(546)</b>
<b><i>Net cash flows from financing activities</i></b>		
Repayments on external loans	-	(325)
Proceeds from convertible loan notes	2,000	-
Payment of lease liabilities	(69)	-
Interest paid on loan notes	-	(46)
Proceeds from issue of share capital	-	6,053
Cost of share issues	(60)	(18)
<b>Net cash flows from financing activities</b>	<b>1,870</b>	<b>5,664</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(78)</b>	<b>(140)</b>
Cash and cash equivalents at the beginning of the period	80	121
Effect of exchange rates on cash	-	54
<b>Cash and cash equivalents at the end of the period</b>	<b>2</b>	<b>35</b>

## CARACAL GOLD PLC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

#### 1. General Information

Caracal Gold Plc ('the Company' or 'CGP') is a public limited company with its shares traded on the Main Market of the London Stock Exchange. The address of the registered office is 27-28 Eastcastle Street, London, W1W 8DN. The Company was incorporated and registered in England and Wales on 19 October 2015 as a private limited company and re-registered on 24 June 2016 as a public limited company. It changed its name on to Caracal Gold Plc on 13 August 2021. The Company's registered number is 09829720.

The principal activity of the Company and its subsidiaries (the "Group") is the exploration, development and mining of gold in Kenya and Tanzania and the development of further projects to expand its operations within this industry.

These interim condensed consolidated financial statements were approved for issue by the Board of directors on 31 March 2023.

The Company's auditors have not reviewed these interim condensed consolidated financial statements.

#### 2. Basis of preparation

This condensed consolidated interim financial report for the interim period ended 31 December 2022 has been prepared in accordance with the UK-adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report should be read in conjunction with the financial statements for the year ended 30 June 2022, which has been prepared in accordance with both "International Accounting Standards in conformity with the requirements of the Companies Act 2006" and "International Financial Reporting Standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union" and any public announcements made by Caracal Gold Plc during the interim reporting period.

The interim financial statements present the results for the Group for the 6 months ended 31 December 2022. The profit and loss and cashflow comparative periods are for the period from 1 January to 31 December 2021 and the balance sheet is for the period ended 30 June 2022.

No taxation charge has arisen for the period and the Directors have not declared an interim dividend.

Copies of the interim report can be found on the Company's website at [www.caracalgold.com](http://www.caracalgold.com)

The financial information has been prepared under the historical cost convention, as modified by the accounting standard for financial instruments at fair value.

The business is not considered to be seasonal in nature.

The accounting policies applied by the Group in these interim condensed consolidated financial statements are the same as those applied by the Group in its audited financial statements for the period ended 30 June 2022. There were no new or amended accounting standards adopted or introduced that required the Group to change its accounting policies. The directors also considered the impact of standards issued but not yet applied by the Group and do not consider that there will be a material impact of transition on the financial statements.

#### Going concern

The interim condensed consolidated financial statements have been prepared on a going concern basis. The Group's assets are not currently generating substantial revenues and therefore an operating loss has been reported. Despite a stronger operational performance forecast, an operating loss is still likely in the 12 months subsequent to the date of these financial statements. As a result the Group will still likely need to raise funding to provide additional working capital within the next 12 months. The ability of the Group to meet its projected expenditure is dependent on both operational performance, further equity injections and / or the raising of cash through bank loans or other debt instruments. These conditions necessarily indicate that a material uncertainty exists that may cast significant doubt over

## CARACAL GOLD PLC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

the Group's ability to continue as a going concern and therefore their ability to realise their assets and discharge their liabilities in the normal course of business. Whilst acknowledging this material uncertainty, the directors remain confident the project will perform and they will be able to raise additional finance and therefore, the directors consider it appropriate to prepare the interim condensed consolidated financial statements on a going concern basis. The interim condensed consolidated financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

#### 3. Critical Estimate and Judgements

The preparation of interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results might differ from these estimates.

In preparing these condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements of Caracal Gold Plc for the year ended 30 June 2022.

#### 4. Segment Reporting

For the purpose of IFRS 8, the Chief Operating Decision Maker "CODM" takes the form of the board of directors. The directors are of the opinion that the business of the Group focused on two reportable segments as follows:

- Head office, corporate and administrative, including parent company activities of raising finance and seeking new investment opportunities, all based in the UK and
- Gold mining operations, all based in Kenya.

The geographical information is the same as the operational segmental information shown below.

<b>Interim period ending 31 December 2022</b>	<b>United Kingdom £'000</b>	<b>Kenya £'000</b>	<b>Tanzania £'000</b>	<b>£'000</b>
Revenue	-	2,380	-	2,380
Cost of sales	-	(3,306)	-	(3,306)
Gross Profit	-	(926)	-	(926)
Operating expenses	(889)	(955)	(61)	(1,905)
<b>Operating Loss</b>	<b>(889)</b>	<b>(1,881)</b>	<b>(61)</b>	<b>(2,831)</b>
Other income	-	4	-	4
Finance and similar charges	(238)	(32)	-	(269)
Foreign exchange	-	(615)	(2)	(617)
Loss before and after tax	<b>(1,127)</b>	<b>(2,524)</b>	<b>(63)</b>	<b>(3,713)</b>
<b>Net Assets</b>				
Assets:	1,581	6,156	2,397	10,134
Liabilities	(12,223)	(2,749)	(564)	(15,537)
Net assets / (liabilities)	<b>1,637</b>	<b>3,407</b>	<b>1,832</b>	<b>(5,402)</b>

<b>Interim period ending 31 December 2021</b>	<b>United Kingdom £'000</b>	<b>Kenya £'000</b>	<b>£'000</b>
Revenue	-	4,433	4,433
Cost of sales	-	(5,630)	(5,630)
Gross Profit	-	(1,197)	(1,197)
Operating expenses	(1,723)	(1,314)	(3,037)

**CARACAL GOLD PLC****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

<b>Operating Loss</b>	(1,723)	(2,511)	(4,234)
Share-based payment	(669)	-	(669)
Finance and similar charges	-	(116)	(116)
Reverse acquisition expenses	(3,393)	-	(3,393)
Loss before and after tax	(5,785)	(2,627)	(8,412)
<b>Net Assets</b>			
Assets:	1,724	5,824	7,548
Liabilities	(87)	(1,398)	(1,485)
Net assets / (liabilities)	1,637	4,426	6,063

**5. Earnings per share (EPS)**

Basic and diluted loss per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

	<b>6 months ended 31 December 2022 £'000 (unaudited)</b>	<b>12 months ended 31 December 2021 £'000 (unaudited)</b>
Loss for the period	(3,713)	(8,412)
Weighted average number of shares in issue	1,878,978,592	1,563,406,228
Basic and Diluted earnings per share	(0.20p)	(0.54p)

There is no difference between the diluted loss per share and the basic loss per share presented. Share options, convertible loan notes, deferred share consideration and warrants could potentially dilute basic earnings per share in the future but were not included in the calculation of diluted earnings per share as they are anti-dilutive for the period presented.

**CARACAL GOLD PLC**

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**6. Property, Plant and Equipment**

	Land	Land Leased	Buildings	Mining Assets	Plant and Equipment	Field Vehicles (Leased)	Production Vehicles	Office Equipment and Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost</b>									
Balance as at 30 June 2022 (audited)	243	100	122	3,302	4,070	96	304	39	8,276
Acquisitions	-	-	119	455	73	569	-	1	1,217
FX effect	(7)	(4)	(9)	(87)	(123)	(28)	(10)	(3)	(272)
<b>Balance as at 31 December 2022 (unaudited)</b>	<b>236</b>	<b>96</b>	<b>232</b>	<b>3,670</b>	<b>4,020</b>	<b>637</b>	<b>294</b>	<b>36</b>	<b>9,222</b>
<b>Accumulated Depreciation</b>									
Balance as at 30 June 2022 (audited)	-	22	46	225	1,994	-	287	13	2,587
Depreciation charge	-	3	3	25	206	16	2	2	258
FX effect	-	(1)	(2)	(7)	(72)	(1)	(9)	2	(89)
<b>Balance as at 31 December 2022 (unaudited)</b>	<b>-</b>	<b>24</b>	<b>47</b>	<b>243</b>	<b>2,129</b>	<b>15</b>	<b>280</b>	<b>16</b>	<b>2,755</b>
<b>Carrying value</b>									
Balance as at 30 June 2022 (audited)	243	78	76	3,077	2,076	96	17	26	5,689
<b>Balance as at 31 December 2022 (unaudited)</b>	<b>236</b>	<b>72</b>	<b>184</b>	<b>3,427</b>	<b>1,892</b>	<b>622</b>	<b>15</b>	<b>20</b>	<b>6,467</b>

**CARACAL GOLD PLC****NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS****7. Inventories**

	<b>As at 31 December 2022 £'000 (unaudited)</b>	<b>As at 30 June 2022 £'000 (audited)</b>
Consumable stores	106	138
Raw materials	291	457
Broken ore	358	-
Precious metal on hand and in process	18	210
	<u>773</u>	<u>712</u>

**8. Trade and other payables**

	<b>As at 31 December 2022 £'000 (unaudited)</b>	<b>As at 30 June 2022 £'000 (audited)</b>
Trade creditors	1,813	541
Other payables and accruals	1,468	3,882
Taxes and social security	281	8
Deferred consideration	1,500	1,500
Contingent consideration due within one year	1,426	1,426
	<u>6,489</u>	<u>7,357</u>

Other payables include an amount of £482,000 (30 June 2022 £825,000) due to the owners of Tyacks for the completion of this acquisition. An amount of £2m owed to Orca Capital at 30 June 2022 has been reclassified in the current period from other payables and accruals into Amounts Due After More than One Year as it relates to a Convertible Loan Note issued in the prior period.

**9. Loans and Borrowings – Interest Bearing**

On 15 March 2022, the Company entered into a Convertible Loan Note Instrument with ORCA Capital GmbH ("ORCA"), a company incorporated and registered in Germany, for £2 million at an interest rate of 8% per annum. The conversion price being agreed as £0.06 per Ordinary share, save that where the price per ordinary share falls below £0.06, the conversion price shall be 90% of the 10-day VWAP of an ordinary share. 266 million warrants were also issued to ORCA, at an exercise price of £0.0085 and are exercisable for 2 years from the date of grant. The balance of £2m has been reclassified from 'trade and other payables' in the prior period to 'loan and borrowings – interest bearing' in the current period.

On 22 June 2022, the Company entered into a debt finance arrangement for a total value of \$1,500,000 with Mill End Ltd.

Post the 150 days Mill End has the right to convert into new ordinary shares at 80% of the VWAP of the Caracal ordinary shares on the business day prior to the conversion request. Mill End has been granted warrants to subscribe for ordinary shares, exercisable for three years from the date of signature, at an exercise price of 0.8 pence. The number of shares will be calculated by dividing \$500,000, converted into pounds sterling at a rate agreed between the parties or the spot exchange rate, by 0.8 pence.

These funds were due to be paid back from the proceeds of subsequent financings. However, with the long delays and subsequent withdrawal of OCIM from the previously anticipated financing, it has been necessary to renegotiate the terms of the Mill End Financing and to date this negotiation is ongoing. The balance outstanding under the Mill End facility is £1.7m within Loans and Borrowings – Interest bearing, under Current Liabilities.

## CARACAL GOLD PLC

### NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

On 18 July 2022, the Company entered into a Convertible Loan Note Instrument with Koenig Vermoegensverwaltungsgesellschaft MBH ("Koenig"), a company incorporated and registered in Germany, for £2 million at an interest rate of 8% per annum. The conversion price being agreed as £0.06 per Ordinary share, save that where the price per ordinary share falls below £0.06, the conversion price shall be 90% of the 10 day VWAP price of an ordinary share. 266m warrants were also issued to Koenig, at an exercise price of £0.0085 and are exercisable for 2 years from the date of grant.

These have been presented in the Balance Sheet at their face value (including interest payable) as the fair value is not considered to be materially different from their carrying value since the borrowings are of a short term nature. The warrants attached to these CLNs have not had a fair value attached to them as at the date of these interim accounts.

#### 10. Provisions and contingent liabilities

	<b>As at 31 December 2022 £'000 (unaudited)</b>	<b>As at 30 June 2022 £'000 (audited)</b>
Provision for rehabilitation and environmental provision	1,402	1,370
Contingent consideration	656	619
	<u>2,058</u>	<u>1,989</u>

#### 11. Warrants

The movement in warrants during the period was as follows:

	<b>Number of warrants</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
As at 30 June 2022	633,296,641	0.8p -2.5p	31/12/22-20/06/25
Expired in the period	(370,669,263)		
Issued in the period in relation to the ORCA CLN (as adjusted)	56,140,351	0.85p	22/3/24
Issued in the period in relation to the Koenig CLN	266,666,667	0.85p	18/07/24
	<u>585,434,396</u>	<u>0.8-0.85p</u>	

The weighted average exercise price of the outstanding warrants at period end is 0.84p and the average life is 1.7 years.

#### 12. Post balance sheet events

On 16 February 2023, the Company announced the raising of US\$1 million via the issue of secured Convertible Loan Notes ('the Loan Notes') to Orca Capital GmbH ('the Subscriber') and the proceeds have been drawn down.

US\$1 million of the CLNs has been drawn down. The Subscriber has the right, but not the obligation, to subscribe for up to a further US\$4 million of Loan Notes which will be conditional upon the approval of a prospectus by the Financial Conduct Authority ("FCA") and subsequent ability and authority of the Company to issue shares and must take place before the long stop date, being 30 June 2023.



**13. Statement of directors' responsibilities**

The Directors confirm that the condensed interim financial information has been prepared in accordance with International Accounting Standard 34, 'Interim Financial Reporting', as adopted by the European Union and that the Interim Report includes a fair review of the information required by DTR 4.2.7R and DTR 4.2.8R, namely: an indication of important events that have occurred during the first twelve months and their impact on the condensed interim financial information, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and material related-party transactions in the first twelve months and any material changes in the related-party transactions described in the last Annual Report.