Tungsten West plc
Annual Report & Accounts
Year ended 31 March 2026

Company number: 11310159

About us

Tungsten West plc (the "Group') is listed on the London Stock Exchange's Alternative Investment Market. The Group is the owner and operator of the historic Hemerdon tungsten and tin mine located near Plymouth in South Devon, England. Hemerdon Mine is one of the largest tungsten resources in the world and is an increasingly strategic project with significant global interest.

The Group's business plan also includes the selling of high-quality aggregates, being a secondary product from the mining and mineral processing activities at Hemerdon Mine.

Tungsten West is committed to maintaining high standards of environmental stewardship and social responsibility. Through adherence to industry best practice, the Group seeks to minimise its environmental impact, contribute positively to the local community and maintain constructive engagement with its key stakeholders. This commitment has continued throughout the financial year.

Following the successful equity raising of £43.0m in February 2026 the Group had £25.5 million in cash at 31 March 2026. In August 2026, the Group secured the remaining funding required to restart mining operations at Hemerdon through an agreement with National Wealth Fund Limited ("NWF"), comprising an equity raise of £36 million (before costs) and a new 366-day £25 million loan facility, with a £10 million uncommitted accordion. As part of the agreement, the Company granted the UK Government a right, exercisable for a defined period of time from completion, to negotiate a definitive offtake agreement for up to 50% of the WO_3 production as detailed in the feasibility study over a period of up to ten years.

The Group is progressing a phased restart of the mineral processing facility at Hemerdon, moving from limited-scale commissioning and operations to full production across three stages between August 2026 and March 2027.

From August 2026, Stage 1 reclaims existing stockpiles and soft rock, using a mobile wash plant and crusher to feed the existing fines gravity facility. In Q4 2026, Stage 2 re-commissions the coarse gravity circuit with expanded mining operations. Q1 2027 sees the completion of the new construction crushing, screening and ore sorter facility with commissioning of the permanent name plate capacity plant.

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Our Purpose, Values and Culture

Our mission is to restore mining and mineral processing operations at the Hemerdon Mine, restarting production and supplying a globally significant source of critical minerals with strategic importance to the UK and Western economies.

Sustainability underpins our decision-making, with careful consideration given to the well-being of our local communities and the environment. The health, safety and well-being of our employees remain our highest priority. We are committed to creating long-term value while responsibly unlocking the potential of this world-class mineral resource.

Our culture drives us forward as we transition from a development project to a mining and mineral processing operation. Collaboration is central to our business, and we strive to create an environment where employee values and aspirations are aligned with those of the Company.

We believe in open communication, knowledge sharing and teamwork across all functions. Employees are encouraged to apply critical thinking, solve problems proactively and contribute to the continuous improvement of our operations.

↓ Underpinning our mission and culture are our values ↓

Care
When we say care, we mean to:

- Keep each other safe and well
- Look after the community and environment
- Take pride in your work and the company
- Value each other

Integrity
When we say integrity, we mean to:

- Treat people fairly
- Speak up even when it's hard
- Take ownership and bear the weight
- Uphold our standards

Teamwork
When we say teamwork, we mean to:

- Be a vital part of the team
- Work well with others
- Recognise each other's strengths, knowledge and expertise
- Be a good neighbour

Excellence
When we say excellence, we mean to:

- Strive for brilliance
- Be clear about our purpose
- Be an expert in your field
- Achieve valuable results

Our Strategy

Our strategy is to bring the Hemerdon mine back into production commencing from August 2026, thus creating a secure tungsten supply chain for the UK and its allies and partners over the life of mine. We will do so by creating a safe working environment, ensuring the successful execution of the project, and being an advocate for sustainable and environmentally focused practices. These elements continue to shape our vision for the future.

Monitoring and measuring strategic goals are important to the Company. It provides a clear understanding of the progress made towards achieving those goals and enables effective decision-making and course correction when necessary.

By regularly tracking and assessing strategic goals, the Group can identify any deviations from the intended path and take proactive steps to realign efforts and economic resources. This monitoring process helps to keep everyone focused and accountable, ensuring that actions are aligned with the broader, long-term strategy. Additionally, it provides valuable insights into the effectiveness of different initiatives and enables the identification of areas of improvement or potential risks.

Safe working environment

We measure how safe our working environment is through a number of LTI (Lost Time Injury) and MTI (Medical Treatment Injury) free days.

Project execution

We measure by providing departmental budgets versus actual costs spent. The CFO and the Board scrutinise the analysis on a weekly to monthly basis

Promote sustainable and environmentally friendly practices

The Group has aligned its ESG framework with nine UN Sustainable Development Goals, all with individual objectives against which we can measure.

Strategic Report

Chairman's Statement

I am pleased to present the Group's audited results for the year ended 31 March 2026.

This was a year of significant progress for Tungsten West. The Company completed the technical and commercial work needed to establish a credible pathway to restart the Hemerdon tungsten and tin mine, and made substantial progress towards securing the funding to get there.

Alongside the updated Feasibility Study and the financing steps set out in the CEO's statement, the Group converted its outstanding convert-ible loan notes into equity during the year and completed a series of capital raisings. Together with the funding secured with National Wealth Fund Limited after the year end - comprising an equity raise of £36 million (before costs) and a 366-day, £25 million loan facility, with a £10 million uncommitted accordion - these transactions give the Company a clear route to bring Hemerdon back into production.

We have also built the team to support this: more than 150 employees have joined to support the restart, a significant proportion from the local area, with further recruitment planned as the operation expands. Phased processing activities have commenced (fines gravity circuit), and commissioning is scheduled to progress through to the first quarter of 2027.

The strategic case for Hemerdon has also strengthened. China's introduction of tungsten export controls in February 2025 tightened supply outside China, reinforcing the need for secure Western sources of critical minerals and contributing to stronger tungsten prices - a further improvement to the Project's economics.

Adrian Bougourd and Martin Wood will not be seeking re-election as Directors at the forthcoming AGM. On behalf of our Board and share-holders, I would like to thank Adrian and Martin for their significant contribution and commitment to Tungsten West.

On behalf of the Board, I would like to thank all our stakeholders including our employees, local residents, regulators, contractors, advisers, financing partners and shareholders for their continued support.

Stephen Harrison

Non-Executive Chairman

Strategic Report

Chief Executive Officer’s Report

The financial year ended 31 March 2026 was a pivotal year for Tungsten West, as we advanced Hemerdon towards restart and strengthened the technical, operational and financial foundations needed to become a strategically important tungsten and tin producer.

Hemerdon is a rare asset: a substantial resource, a long operating life, significant existing infrastructure and a location in a stable, well-regulated jurisdiction. Few undeveloped tungsten projects globally combine scale with this level of strategic relevance. Tungsten's hardness, density and heat resistance make it essential to cutting tools, aerospace, defence and advanced manufacturing, and Western governments and industrial customers are increasingly focused on securing supply outside a small number of overseas sources.

That strategic case strengthened further during the year. China's introduction of tungsten export controls in February 2025 materially tightened supply outside China, reinforcing the need for secure Western sources and contributing to stronger tungsten prices - further improving the economic outlook for the Project.

We also made concrete progress translating that opportunity into a deliverable plan. Our updated Feasibility Study, published in August 2025, incorporated the lessons of the mine's previous operation and confirmed a revised development plan built around a new crushing, screening and ore-sorting front end, additional gravity separation equipment, refurbishment of the pre-existing mineral processing facility, and enhanced environmental mitigation.

Funding remains our most important objective, and we made substantial progress against it. During the year, the Group converted its outstanding convertible loan notes into equity and completed a series of capital raisings, which together enabled us to finalise the Feasibility Study, place orders with equipment suppliers, progress development works and advance discussions with debt providers. Following the year end, we built on this momentum: securing funding from National Wealth Fund Limited in August 2026, comprising an equity raise of £36 million (before costs) and a 366-day £25 million loan facility, with a £10 million uncommitted accordion. Together, these milestones give the Company a fully funded runway to full scale production in Q1 2027.

The strategic backdrop continues to strengthen more broadly. Governments across the UK, Europe and North America are placing growing emphasis on critical-mineral supply security, and a successful restart would give the UK a substantial domestic tungsten source and a more resilient Western supply chain. We are engaging with potential customers and partners accordingly, with an ambition to be a strategic supplier, not just a producer.

Execution is now the defining task, and it is already under way. Initial processing and commissioning activities have commenced, with commissioning scheduled to progress from Q3 2026 to completion at the end of Q1 2027. We are building an operation that is technically robust, appropriately funded, on the lowest cost quartile of global tungsten producers and built to high standards of safety and environmental performance.

Building the right team behind this restart has been as important as the technical work itself, and recruitment - drawing significantly on the local area - continues as the operation expands. Responsible development sits alongside this: mining activity affects neighbouring communities - noise, dust, traffic and change - and we take that seriously, committing to transparent engagement and appropriate independent monitoring as activity increases. Hemerdon has real potential to deliver multi-generational benefits to the South West, from skilled jobs to local procurement, training and investment.

Safety remains non-negotiable - no target or milestone takes precedence over it - and we continue to strengthen the systems, culture and accountability that underpin it, alongside our environmental and governance commitments.

We enter the next phase with a clearer strategy, a stronger financial footing and a sharper focus on delivery. The task now is to convert Hemerdon's potential into performance.

Thank you to our employees, contractors, advisers, financing partners and shareholders for their continued support and professionalism this year.

Jeffery Court

Chief Executive Officer

Strategic Report

ESG Report

Our mission

Our primary goal is the re-development of the Hemerdon Mine and to restart the production of tungsten and tin with a strong commitment to environmental and social responsibility. We aim to establish ourselves as a mining operation in the UK that demonstrates the highest level of ESG practices.

We actively focus on three key aspects: environmental, social, and governance, commonly referred to as ESG. By incorporating ESG principles into our operations, we strive to minimise our ecological footprint, engage positively with local communities, and adhere to high standards of corporate governance.

Our aim is to ensure that our mining activities have a positive and sustainable impact, not just on the environment but also on the social fabric of the communities in which we operate.

Our mission is to become a world-leading producer of tungsten, tin and aggregates, committed to adhering to international standards in mining operations, environmental conservation and safe working practices to enable the delivery of excellence and growth for our partner communities, investors, employees and other stakeholders.

United Nations Sustainable Development Goals

Tungsten West has aligned its policies and procedures with the UN Sustainable Development Goals ("SDGs"), which are widely regarded as the leading global standards for being a good corporate citizen.

Whilst we appreciate the value of all 17 UN SDGs, we have assessed where we can have the most significant positive impact and have therefore chosen to focus on the nine goals outlined below, which align with our known environmental and social impacts.

Using the UN SDGs as an ESG framework

By considering the results of stakeholder analysis and the environmental impacts identified within the project's Environmental and Social Impact Assessment ("ESIA") and Environmental Management System ("EMS"), Tungsten West has developed the following ESG pillars that include themes aligning with the UN SDGs and 11 issues deemed most material to our business.

Our ESG Pillars	Applicable UN SDGs	Key issues identified
Environmental	• Clean Water and Sanitation • Industry, Innovation and Infrastructure • Climate Action • Life Below Water • Life on Land	• Sustainable Water Stewardship • Waste Management • Biodiversity • Climate Change
Social and Development	• Gender Equality • Decent Work and Economic Growth • Responsible Consumption and Production • Peace, Justice and Strong Institutions	• Gender Equality • Health, Safety and Wellbeing • Communities and Partnerships • Pioneering Sustainable Critical Metals • Social and Economic Development
Governance	• Decent Work and Economic Growth • Industry, Innovation and Infrastructure • Peace, Justice and Strong Institutions	• Ethics and Compliance • Enterprise Risk Management and Risk Appetite

Environmental

At Tungsten West, we have a strong commitment to environmental responsibility. By implementing our environmental pillars, we proactively identify and implement programmes to mitigate any associated risks. These have been incorporated into our updated development plan.

UN SDGs: 6, 14

Sustainable Water Stewardship

Objective: 100% compliance with all water quality standards and permits

Current ongoing compliance initiatives include our water consumption limits and restoration plan. These are managed under the Hydrology and Optimisation Project and Environmental Development Management Plan.

TW appointed a Geohydrologist to review the appropriateness of our compliance limits. This technical review was submitted for the Environment Agency's consideration and approval on the 20th of December 2024. The proposed revised limits have been formally accepted by the EA and has come into effect as of the 10th of November 2025 and includes the November groundwater monitoring. No permit limits have been exceeded since.

UN SDGs: 9

Waste Management

Objective: Achieve 60:40 waste to recycling ratio at our head office facilities

Our waste management projects aim to limit our product waste sent to the Mine Waste Facility ("MWF") and any operational waste that may end up in landfill. The biggest initiative in waste management is the management of mineral processing waste to be re-purposed as by-product, high quality aggregate. As a by-product of the mining process, our aggregates have a very low carbon footprint. By selling this by-product we are reducing the amount of waste material that remains on-site in addition to reducing the transportation impact from aggregate produces further afield.

Operational waste is minimised by engaging with local waste contractors to promote the circular economy where practicable. An on-site recycling programme also encourages staff to think about their own personal waste management on a day-to-day work cycle.

Strategic Report

UN SDGs: 15

Biodiversity

Objective: Maintain, care and prevent loss of existing trees planted by previous operator and Tungsten West.

As part of a Section 106 (Unilateral Undertaking) agreement between Devon County Council and the previous operator, we have a commitment requirement to plant and maintain approximately 42,500 trees across the Hemerdon Mine site. By extension, this agreement is now the responsibility of Tungsten West.

A closure plan has been prepared which will represent a formal commitment to decommission and restore the Hemerdon Mine, in accordance with all regulatory requirements and to achieve outcomes agreed through consultation with all appropriate stakeholders.

The Closure Plan will provide the foundation from which Tungsten West will continue to develop the detail and update routinely, throughout the operational phase. This process will facilitate incorporation of any relevant development of environmental monitoring as agreed with the regulatory and community stakeholders. This closure plan is financially supported with a £14.9m environmental escrow account, ensuring the plan is delivered.

UNSDGs: 13

Climate Change

Objective: Install sub-metering so we can baseline our office energy consumption

Objective: Baseline our scope three emissions for future assessment and target setting

We recognise our responsibility, as a contributor of greenhouse gas emissions, to identify and implement programmes to minimise energy usage where possible. Our Greenhouse Gas Emissions Project looks to address in the short term our on-site energy consumption whilst also looking ahead and forecasting our emissions intensity across all our products, meaning the Group can implement carbon emission reducing strategies when we reach production. Tungsten West has successfully carried out the installation of site wide electricity submetering so that the business can be better informed about where to target efficiency improvements or challenge cultural issues surrounding energy consumption. It is the intention of Tungsten West to widen the scope of these meters into the processing plant during operations so that the business can target efficiency improvements projects on significant energy users.

This group regularly reviews ongoing energy usage whilst also exploring energy efficiency / reduction strategies, renewable energy generation, and alternative fuels. The Group has ordered non-OEM truck bodies for its new fleet of haul trucks. These are expected to significantly reduce fuel consumption.

The revised design for the mineral processing facility is focused heavily on energy efficiency. Implementation of new technology ore sorters reduces the amount of material that is subsequently processing the mineral processing facility by up to 80%, significantly reducing energy consumption. In addition to this, the by-product aggregate produced from the ore sorters will provide a more environmentally sourced construction material for projects in the south west, reducing the need for dedicated quarry operations and transport from sources further away.

Social and Development

UN SDGs: 5, 8, 12, 16

Gender Equality

Objective: Build a more gender-diverse workforce and inclusive culture as the Company scales

Gender diversity and inclusion are important to Tungsten West as diverse teams and communities produce better outcomes for all stakeholders. Mining has historically been a male-dominated industry, and as the Company grows its workforce significantly over the coming years, we are committed to:

- Ensuring equitable recruitment practices that provide fair access and consideration for female candidates at all levels, from site operations through to senior leadership
- Maintaining transparent, open channels of communication across the business to surface and address barriers to inclusion
- Reviewing pay, progression and development opportunities to ensure equity between genders

UN SDGs: 8

Health, Safety and Wellbeing

Objective: Maintain a 0% all-time incident rate; where not achievable, reduce the incident rate by at least 10% year-on-year.

Objective: 10% increase in near miss reporting frequency rate

The health, safety and wellbeing of our employees is always our number one priority. We encourage our employees to embrace a strong health and safety culture through first aid training and respecting health and safety procedures on-site.

As a tool to aid the objective, Tungsten West has successfully rolled out an incident reporting platform. This platform, which allows instantaneous reporting of incidents, near misses, and unsafe conditions, allows Tungsten West to monitor trends and target safety training or improvements in specific areas before more serious incidents are realised.

Tungsten West prioritises the physical and mental wellbeing of its employees, and as such has a number of initiatives and schemes to support staff needs led by its dedicated HR resource including an Employee Assistance Programme providing 24/7 access to counselling services and personal growth support, awareness days that seek to tackle issues of importance to staff welfare and staff events designed to bring the team together in a relaxed environment, such as all-staff lunches. Transparent communication with executive management is encouraged. This approach is underpinned by inclusive and supportive HR policies and processes, administered through the latest cloud-based HR systems aimed at promoting continuous professional development in a nurturing environment.

UN SDGs: 16

Communities and Partnerships

Objective: 100% of Stage 1 complaints responded to within timescales and 100% of interactions logged and acknowledged

Our ability to operate successfully depends on the continued support of our local communities. During this period of mine and plant upgrades, we concentrate our time on developing positive, constructive and professional relationships with our local communities, especially those who live and reside close to the mine site. Many local residents remember the legacy noise issues under the previous operator; therefore, it is critical that we address any concerns ahead of the recommencing of mining operations so the local residents can have the peace of mind that as neighbours, we will operate in a conscientious and respectful manner consistent with our permitted levels.

One way we proactively manage these issues is to hold public engagement events in local parish venues. By studying the issues and designing world-class mitigations, we can demonstrate to our local communities how we aim to mitigate noise or light nuisances. Tungsten West also facilitates a Local Liaison Group comprising representatives from local parish / ward councils, the Environment Agency, Devon County Council and other interested parties with the aim of providing a forum for Tungsten West to discuss its future plans and address any stakeholder concerns.

UN SDGs: 12

Pioneering Sustainable Critical Metals

Objective: Deepen engagement with the research and technology community to support tungsten's role in the UK's low-carbon transition.

As countries continue to come forward with ambitious emission reduction targets, ensuring that critical minerals and materials are available for renewable technologies and electric vehicles is vital. Most recently, the funding decision from the UK Government’s National Wealth Fund, sets aside a significant proportion of our critical metal to find ways this can be leveraged to support clean energy generation initiatives from the UK Government.

Societies also want to see the positive benefits that arise from mineral extraction and processing; therefore we have a responsibility to ensure our processes always take into account the local environment and communities.

UN SDGs: 8

Social and Economic Development

Objective: Invest an agreed amount via a Community Investment Fund

Tungsten West is actively engaged with local education providers and regularly hosts educational site tours for students and other interested stakeholders. As at August 2026, we have recruited more than 150 employees, with a significant proportion from the local area. Further recruitment is planned as the operation expands.

Additionally, Tungsten West has recently agreed to develop a Community Investment Fund, with the aim of supporting and working with individuals and groups in surrounding communities.

UN SDGs: 16

Ethics and Compliance

Objective: Compliance with all environmental permits

To achieve our mission, Tungsten West looks to maintain the highest levels of ethical standards in our conduct and encourages the same for all our wider stakeholders, whilst working in full compliance with the laws and regulations that impact on our operations.

During 2024 Tungsten West obtained its MPF Permit from the EA.

Although we de-prioritised these certificates and allowed them to lapse during the Care & Maintenance period and while the company has been fully focused on the Re-start Project, the company is targeting to complete these audits again before the end of 2027.

Enterprise Risk Management and Risk Appetite

Objective: Implement and host routine internal risk seminars to educate our employee base on key Company risks

Robust risk management and effective corporate governance are the foundation upon which we deliver positive economic, social and environmental outcomes.

All departments are required to maintain risk registers and report any significant changes in risk exposure to the Risk and Audit Committee. Cross-functional collaboration enables risks to be reviewed and challenged from multiple perspectives, helping to ensure they remain aligned with the Group's strategic objectives and are managed consistently across the business.

Strategic Report

Stakeholder Engagement

Understanding our stakeholders

Section 172 statement

All members of the Board of Directors understand the duties of directors under Section 172 of the Companies Act 2006.

All Directors act in a manner they consider, in good faith, to promote the success of the Company for the benefit of all stakeholders and in doing so consider:

- The likely consequence of any decision in the long term.
- The interests of the Company's employees.
- The need to foster the Company's business relationships with suppliers, customers and others.
- The impact of the Company's operations on the community and the environment.
- The desirability of the Company maintaining a reputation for high standards of business conduct.
- The need to act fairly between members of the Company.

Tungsten West's purpose is to restart the world-class Hemerdon Tungsten-Tin Mine to provide essential strategic metals, doing so in a profitable, safe and sustainable manner. By promoting this approach, we look to create value throughout our stakeholder base.

Throughout the financial year we have engaged with all our key stakeholders which has allowed us to understand their views and consider how we can address their needs in order to align these with our strategy and core goals.

The key stakeholder zones

- Hemerdon and Sparkwell
- Cornwood and Lutton
- Shaugh Prior and Wotter
- Plympton – Chaddlewood and St Mary Wards
- Wider Plymouth

The redevelopment and restart of the Hemerdon Mine remains the Group's key strategic priority, and having now commenced commissioning, the Board's focus has shifted from project development and financing towards safe, responsible ramp-up to full-scale operations. Given that substantially all of the Board's material decisions during the year related directly to the restart - covering financing, recruitment, operational readiness and regulatory compliance - the Board considers that its engagement with stakeholders in connection with Hemerdon is representative of its wider approach to stakeholder engagement under section 172 of the Companies Act 2006. The Board remains committed to maintaining open and transparent engagement with its key stakeholders throughout this next phase: employees, shareholders and funders, suppliers and contractors, and local communities, regulators and elected representatives.

The following are our key stakeholders and how we engaged with them during the financial year.

Employees

WHO - Our employees comprise a growing and highly skilled workforce, combining experienced personnel with prior Hemerdon operational knowledge and new recruits drawn from the local area and the wider mining, processing and engineering sectors. The Company continues to strengthen its capabilities through the recruitment of specialist and leadership roles to support the safe and successful restart of Hemerdon.

HOW – The Company promotes open and transparent communication through regular management briefings, company-wide meetings, team meetings and direct engagement with employees. These channels provide updates on project progress, business performance, safety, operational readiness and strategic priorities, while encouraging employee feedback and participation.

WHAT – As the Hemerdon restart programme progresses, the Company continues to recruit and develop the workforce required to support refurbishment, commissioning and future operations. Many key leadership and operational appointments have been made, with further recruitment planned as project activities continue to expand.

OUTCOME – Regular engagement has helped maintain employee awareness of project developments, strengthened organisational alignment and supported the recruitment and retention of key skills required to advance the Hemerdon restart programme.

Shareholders and funders

WHO - The Company's stakeholders include its shareholders and funding providers (Including the converted note holders). Their continued support is critical to advancing the restart of the Hemerdon Mine and delivering long-term sustainable value for shareholders and other stakeholders.

HOW – The Company engages with shareholders and funding partners through regulatory announcements, investor presentations, meetings, industry conferences and digital communication channels. The Board and senior management maintain regular dialogue with investors, while timely RNS announcements provide transparent updates on strategic, operational and financing developments.

WHAT – During the year, shareholders and funding partners were primarily focused on the Company's progress towards securing project financing, advancing the Hemerdon restart programme and achieving key operational milestones. This cumulated in the equity raise of £41m in this financial year, the the completion of full project funding outside the last financial year.

OUTCOME – Prior to conversion, the Company engaged in meetings with Noteholders. A significant milestone was the Company successfully completing an equity raise in the financial year, and post financial year, which completed the full funding package for the project.

Local Communities

WHO - We really need the support and understanding of our local communities around the mine site so we can operate effectively and respectfully. Engaging with the community helps us make smarter decisions for the long-term success of the mine.

HOW - The Company maintains a Mine Local Liaison Group to offer regular updates to elected officials from neighbouring community councils. Additionally, the Company has enthusiastically welcomed visits from local primary schools, aiming to inspire the next generation of miners.

WHAT – The main concern of our local communities remains focused on Low Noise Frequency (“LFN”). Additionally, we receive regular interest in our environmental responsibilities, including our commitment to maintaining the deer fencing and tree planting programme.

OUTCOME – A local "working group" has been established to provide community members with updates outside of the Parish Council meetings. We have shared information about joining this group through Facebook pages and community noticeboards. A Community meet and greet session was conducted in August 2026, with more community events planned.

Regulators

WHO - It's crucial for us to establish trust with regulators to make sure we are compliant with our permitting and planning duties. Being a mining company, we understand the importance of respecting the Hemerdon landscape and carrying out our mining operations responsibly to protect the environment.

HOW - We actively collaborate with South Hams Council, Devon County Council and the Environment Agency to ensure we meet our compliance obligations for the mine site.

WHAT – Our regulators are particularly interested in our ongoing compliance obligations relating to water and our future our permitted activities.

OUTCOME - Through regular meetings and calls, we have fostered strong working relationships with our regulators. We prioritized transparent and open communication so as to establish a foundation of trust and collaboration.

Suppliers

WHO - The Company depends on third-party service providers and suppliers to acquire equipment, services, infrastructure, and raw materials necessary for our business and operations. Our goal is to establish long-term partnerships in the mining industry, building a network that supports our needs effectively.

HOW – We actively engage with our suppliers by sharing our procurement process. Additionally, we remain involved in supplier tendering to ensure that our costs are kept reasonable and in line with market standards. As part of our commitment to the industry, we are proud members of various trade bodies, including the Chamber of Commerce and the Critical Minerals Association.

WHAT – The Company has engaged with a small number of suppliers to ensure that our process equipment is fit for purpose.

OUTCOME – The Company relies upon a range of suppliers and consultants to achieve our aims. Notwithstanding, financial constraints we seek to ensure a safe and happy work environment.

Strategic Report

Financial and Operating Review

KPI	2026	2025
Cash and cash equivalents	£25.5m	£0.02m
Investment raised net of issue costs (including convertible loan notes)	£46.2m	£6.7m
Asset under construction carrying value at year end	£10.0m	£4.7m
Lost Time and Medical Time incidents	0 / 0	0 / 0

Operating Loss	(£7.9m)	(£19.0m)
(deduct)/ add back other gains (note 7)	(£0.1m)	£9.5m
Alternative performance measure: Adjusted loss (non-IFRS)*	(£8.0m)	(£9.5m)

(*Adjusted loss is an alternative performance measure and is not defined under IFRS. Management uses this measure because it excludes items that are non-recurring or do not reflect underlying operating performance, and considers it provides shareholders with additional, relevant information to understand the Group's underlying financial performance. Adjusted loss is not a substitute for, and should be read alongside, the Group's loss for the year as reported under IFRS)

Overall, the Group made a net loss after tax of £175.4 million (2025: £24.7 million) and an adjusted operating loss of £7.9million, reconciled above (2025: £9.5 million).

The significant increase in loss is due to the fair value (non-cash) of the convertible loan notes immediately prior to conversion. See note 25 for more information.

During the year, the Group generated tungsten concentrate sales of £0.6m (2025: nil), principally from limited processing of lower-grade material. Cost of sales of £152,053 (2025: £244,174) therefore continues to be driven principally by the same underlying costs as the prior year - the direct costs of maintaining the mine and processing facility in a state of production readiness, principally care and maintenance of the site - rather than a step-change into full production costs. These costs are of a comparable nature in both years and have been presented on a consistent basis, notwithstanding the modest sales generated in the current year.

At year end the Group had 33 (2025: 28) employees, excluding Directors.

The Group held cash and cash equivalents of £25.5 million (2025: £0.02 million) at year end. The increase is due to the equity raised in the year.

The Group capitalises costs directly attributable to the development and upgrade of the processing plant and mine site within Assets Under Construction. No impairment charge was recognised during the financial year (2025: £9.5 million). The prior year impairment principally related to consulting and design costs associated with a proposed front-end crushing circuit that was subsequently replaced as part of the ongoing optimisation and redevelopment of the Hemerdon project.

Share premium increased significantly during the year, from £51.9m to £277.0m. The majority of this movement relates to the conversion of the Convertible Loan Notes into equity. As the Notes were designated at fair value through profit or loss, the liability continued to be revalued to fair value up to the date of conversion.

Reflecting the Company's prevailing share price on that date, this resulted in a fair value of £197.2 million immediately before conversion (including a fair value movement of £167.3 million recognised in the year - see note 9), which was derecognised in full and recognised in equity, split between share capital and share premium according to the nominal value of the shares issued. The balance of the movement in share premium relates to the net proceeds of the February 2026 equity fundraise.

Funding

During the period the Company raised £0.9million in aggregate via the issue of Tranche G of the Convertible Loan Note. A further £4.3 million was raised in July 2025 via Tranche H of the Convertible Loan Note.

In December 2025, the company secured a bridge loan facility of £4.0 million. Only £2.0 million of the facility was drawn, with the repayment occurring following the equity raise in February 2026.

In December 2025 and February 2026 the outstanding Convertible Loan Notes were fully converted into equity.

In February 2026, the Company completed an equity fundraise of approximately £43.0 million (gross), Following the year end, the Company secured further funding from National Wealth Fund Limited, comprising an equity raise of approximately £36 million and a new 366-day £25 million loan facility with a £10 million uncommitted accordion.

Further discussion of the financial position of the Group can be seen in the Going Concern section of the Directors' Report.

Capital Allocation Policy

The Board's capital allocation objective is to maximise long-term shareholder value by establishing and maintaining a net cash position, while ensuring that the Group has sufficient financial resources to safely and responsibly operate and develop the Hemerdon Mine.

Strategic Report

The Board assesses capital allocation decisions having regard to the Group's liquidity, forecast cash flows, financing obligations, operational requirements, risk profile and prevailing market conditions.

The Group's capital allocation priorities are:

Repayment of debt
The Group's principal capital allocation priority is to repay its outstanding indebtedness and achieve a debt-free balance sheet as soon as reasonably practicable.

Subject to maintaining appropriate liquidity and meeting the Group's operational, regulatory and contractual obligations, surplus cash flow will be applied towards debt repayment. Reducing indebtedness and building a net cash position is expected to strengthen the Group's financial resilience, reduce financing costs and provide greater flexibility through commodity price and operating cycles.

Maintaining financial resilience
The Group will maintain sufficient liquidity and appropriate contingency reserves to meet its operating requirements, debt service obligations, regulatory commitments and foreseeable project risks. The group will target liquid reserves equal to 33%-66% of annual cash expenditure. Liquid reserves may include unrestricted cash, cash equivalents and collectible trade receivables expected to be realised in the ordinary course of business.

Investment in value-enhancing opportunities
The Group's primary focus will be on organic growth opportunities at Hemerdon. The Board will consider investment where it is necessary to support operations or where it is expected to deliver compelling risk-adjusted returns, including through improved recoveries, lower operating costs, increased production, enhanced resilience or an extension of mine life.

Long-term shareholder returns
Once the Group has achieved a sustainable net cash position, the Board intends to return a meaningful proportion of surplus free cash flow to shareholders, while retaining sufficient capital to operate and develop Hemerdon.

Prior year adjustment

Four errors were identified requiring restatement of the prior period financial statements under IAS 8: a mis-classification of administrative expenses, restoration provision and associated escrow cash balance accounting treatment and calculation, and one relating to the allocation of goodwill arising on the acquisition of Drakelands Restoration Limited. Full details of the nature of each restatement and its financial impact are set out in note 37.

Philip Povey
Chief Financial Officer

Strategic Report

Principal Risks and Uncertainties

During the year, the Group continued to enhance its risk management practices, with increased focus and engagement across all levels of management. Recognising that risk management is an ongoing process, the Group maintained regular risk reviews and strengthened communication of key risks and mitigating actions. This approach supports effective decision-making, protects stakeholder interests and assists the Group in delivering its strategic objectives.

Emerging Risks

In addition to monitoring principal risks, the Board regularly assesses emerging risks that could affect the Group's strategy, operations and financial performance. Inflationary pressures, economic uncertainty and volatility in the cost of labour, equipment and services may impact the delivery and cost of the Hemerdon restart programme. To mitigate these risks, the Company continues to actively manage expenditure, engage with suppliers and contractors to secure competitive pricing, and regularly review project plans and budgets to support effective cost control and operational resilience.

Risk Appetite

During the period, the Group's risk profile improved materially. The rise in the tungsten price, and multiple successful capital raisings and debt conversion during the year reduced the financial risk for the project. The completion of the updated feasibility study in 2025 was a key factor in supporting this funding and conversion activity. While execution risk on the project remains, much of the funding and financing uncertainty that characterised prior periods has now reduced.

Principal risks

Outlined below are the principal risks and uncertainties that the Board considers could affect the Group's performance and financial returns. The risks detailed below are not exhaustive, and additional risks and uncertainties may exist that are currently unknown or considered immaterial. Changes in the assessment of these risks are measured against those disclosed in the prior year's Annual Report. The risks presented below are those considered by the Board to be significant.

Area	Risk	Impact	Mitigation	Change
Key Personnel Risk	The Group's ability to compete in the mining and mineral resources sector depends on its ability to attract, develop and retain highly qualified management, operational and technical personnel.	The loss of key management and technical personnel could delay the development of the Group's assets, adversely affect operational performance and reduce the Group's ability to compete effectively within the sector, which could have a negative impact on project profitability.	The Board and Executive Team monitor employee attrition and recruitment activities closely and seek to maintain competitive remuneration and benefits packages to attract and retain appropriately qualified personnel.	Key leadership appointments have been made to support the restart and development of the Project, with recruitment continuing across the organisation as activities progress towards production. The successful advancement of project financing, together with supportive tungsten and tin market conditions, has strengthened the Group's ability to attract skilled and experienced personnel.
Geopolitical Risk	There is a risk that geopolitical developments outside the Group's control could materially affect the delivery of its business plan.	Geopolitical developments may influence tungsten and tin markets, commodity prices, supply chains, exchange rates and the cost of key inputs required for the Project.	The Group continues to engage with UK and international government bodies and industry stakeholders to monitor developments affecting critical minerals, supply chains and commodity markets, and to help ensure that appropriate support mechanisms are identified where available.	Recent geopolitical developments have been broadly favourable for the Group. Export restrictions imposed by China, increasing demand arising from strategic and low-carbon technologies, and broader geopolitical tensions have contributed to stronger tungsten market fundamentals. However, ongoing geopolitical uncertainty continues to present risks relating to input costs, logistics, foreign exchange movements and the availability of key materials.
Access to Capital	Based on current forecasts, the Group expects to have sufficient funding to progress to production. However, if production is materially delayed, project costs exceed budget, or operating performance falls materially below expectations, additional funding may be required.	If the Project fails to achieve its forecast profitability, there may be insufficient capital available to complete the Project or meet the covenants associated with its financing arrangements.	The Group has completed a detailed feasibility study to support production forecasts, project planning and investment decisions. In addition, the Group has recruited an experienced team of mining and project delivery professionals to oversee project execution and operational readiness.	The Group has secured funding from National Wealth Fund Limited, comprising an equity raise of approximately £36 million and a 366-day £25 million loan facility with a £10 million uncommitted accordion, alongside its earlier equity raise of approximately £43 million in February 2026.

Area	Risk	Impact	Mitigation	Change
Development Risk	Site and plant enhancement activities at the Hemerdon Mine may be subject to unforeseen cost increases and delays.	Although capital project budgets are prepared using management's best estimates, unexpected technical, commercial or operational challenges may increase costs, delay the commencement of revenues and adversely affect cash reserves and project returns.	Management and the Board regularly review project forecasts and monitor actual expenditure against approved budgets. Current forecasts indicate that the Project is expected to be completed on schedule and within budget. The Group has raised significant equity funding and has access to debt financing in excess of current forecast requirements.	The Project has progressed from the feasibility study stage into project delivery and is already generating production from the Fines Circuit. In addition, a significant proportion of forecast project expenditure has been secured through fixed-price agreements, reducing exposure to future cost escalation.
Safety and Wellbeing	There is an inherent risk in the mining industry that health, safety and wellbeing incidents may occur.	Such incidents may result in serious injury or loss of life, operational disruption, regulatory action and reputational damage.	Build awareness of health and safety throughout the business through regular health and safety training, communications and updates. Undertake rigorous risk assessments for all construction, processing and mining activities. Ensure all health and safety standards and procedures comply with the Health and Safety at Work etc. Act 1974, the Quarries Regulations and the Construction (Design and Management) Regulations.	Health and safety on a mine site is paramount due to the inherent risks associated with mining and construction activities. Maintaining a high level of health and safety awareness is essential to safeguarding employees, contractors and visitors. The Board recognises that the importance of this issue will not change and must remain at the forefront of the Group's operations as the Project progresses towards production.
Foreign Exchange (FX) Risk	The Group is exposed to foreign exchange risk as future tungsten and tin revenues are expected to be predominantly denominated in US dollars..	As the Group's operating costs and reporting currency are predominantly pound sterling, a weakening of the US dollar against pound sterling could adversely affect project returns. Fluctuations in exchange rates may also introduce volatility into the Group's financial results that is unrelated to the underlying operating performance of the business.	The Group has a Board-approved foreign exchange policy to manage its exposure. Funds in excess of those required for debt servicing will be regularly converted into pound sterling. The Group has borrowings denominated in US dollars.	Recent improvements in tungsten and tin market conditions have reduced the relative impact of foreign exchange movements on project economics. However, currency risk remains, as revenues are expected to be predominantly denominated in US dollars while a significant proportion of operating costs and the Group's reporting currency are in pound sterling.
Volatility of Commodity Prices	Fluctuations in tungsten, tin and aggregate prices are beyond the Group's control.	Offtake agreements are linked to prevailing market prices, which are subject to movements outside the Group's control. A decline in commodity prices could adversely affect revenues, margins and project returns.	The Board and management regularly monitor commodity markets and pricing trends to support decision-making and enable the timely adjustment of business plans where appropriate.	Improvements in tungsten and tin market conditions have reduced near-term commodity price risk. However, the Group remains exposed to commodity price fluctuations, which continue to present a risk to revenues, margins and project returns.

Area	Risk	Impact	Mitigation	Change	
Key Contractors and Suppliers	The Group relies on key contractors and suppliers for the delivery of project, operational and maintenance activities.	If the Group experiences difficulties in securing or retaining suitably qualified contractors and suppliers, this could have a material impact on project delivery, plant upgrades and future operations.	The Group is working with experienced contractors and suppliers, including a leading UK quarrying contractor engaged to construct the new front-end crushing circuit under an EPC contract and undertake additional works under an EPCM contract. The Group has adopted an owner-mining model and has recruited an experienced mining team to support the delivery of mining operations.	Key contractor and supplier agreements are in place for construction, mining, equipment and operational services, reducing the risk of project delays and supply disruptions.	↓
Environmental and Social Responsibilities	The Group's operations are subject to various laws and regulations relating to the protection of the environment and local communities. The Group is required to obtain and maintain relevant permits, licences and approvals, and there can be no guarantee that all applications or renewals will be successful. The Company is subject to strict low-frequency noise requirements. While modelling indicates that the plant is expected to comply with these requirements, compliance will ultimately need to be demonstrated during operations.	Any delay or failure to obtain, maintain or comply with the necessary environmental permits, approvals and social licences to operate could adversely affect the Group's revenues, profitability and development timetable.	The Group continues to enhance its communication and transparency regarding environmental and social responsibilities. This Annual Report includes the Group's Sustainability Report, which details its approach to ESG management and performance. The Group also maintains ongoing engagement with local authorities, regulators and communities. Strong ESG principles are embedded across the business and are regularly reviewed by the Board and ESG Manager.	Environmental and social responsibilities remain a core risk for the Group. Failure to maintain high standards could result in environmental harm, community opposition, reputational damage, regulatory action or legal liability. The Board considers this risk to remain unchanged during the construction and restart phase and continues to prioritise environmental compliance, responsible operational practices and effective community engagement.	↔
Data Security/ Market Abuse	Employees across the business have access to sensitive and potentially market-sensitive information. There is a risk that confidential information may be disclosed inappropriately, either intentionally or inadvertently, resulting in breaches of regulatory obligations, market abuse, reputational damage or financial penalties.	Failure to adequately protect confidential and market-sensitive information could result in regulatory sanctions, legal liability and reputational harm to the Group.	Keep sensitive information within appropriate management groups and restrict access on a need-to-know basis. Maintain appropriate physical and digital security controls to reduce the risk of unauthorised access to, or disclosure of, confidential information. Provide regular training and guidance to employees to promote awareness of market abuse regulations, information security and the handling of inside information.	Data security and market abuse risks have increased as the Group has grown and progressed from project development into project delivery and operational readiness activities. To mitigate these risks, the Group continues to strengthen access controls, employee training, physical and cyber security measures, and procedures for the identification, management and protection of inside information.	↑

Area	Risk	Impact	Mitigation	Change	
Plant Viability	There is a risk that the plant does not consistently achieve the product quality, recovery rates or production levels required by customers and project forecasts.	Failure to meet required product specifications or operational performance targets could result in reduced revenues, lower margins and adverse impacts on project returns.	The Group seeks to mitigate this risk by ensuring the availability of trained personnel, experienced technical specialists and an experienced process plant management team.	As with any plant restart, operational risk remains until the plant has demonstrated sustained production at the required quality, recovery and throughput levels.	↔
Operating Cost Risk	The Group may be exposed to inflationary pressures affecting key operating inputs, particularly energy, diesel, labour, spare parts and other consumables.	Combined energy and diesel costs account for approximately 15–20% of operating costs.	Management and employees are incentivised to minimise all-in sustaining costs and maintain a disciplined approach to cost control. The Group's operating model and equipment selection have prioritised efficiency and cost-effective operations.	The decision to adopt an owner-miner model is expected to reduce operating costs and improve operational flexibility compared with a contractor-mining model. In addition, expansion and optimisation initiatives are underway that are expected to further reduce all-in sustaining costs over time. Improved tungsten market conditions have reduced the relative impact of operating cost risk. However, inflationary pressures affecting energy, diesel, labour and consumables remain an area of ongoing focus for management and the Board.	↓
Reserve Estimates	The Group's reported mineral reserves and resources for tungsten, tin and aggregates are estimates and there can be no assurance that the estimated quantities will ultimately be mined or recovered economically.	Any material reduction in reserve or resource estimates could have an adverse effect on the Group's future profitability and project returns.	The mine's reserves and resources have been prepared by suitably qualified independent specialists in accordance with recognised industry standards. Future reserve and resource estimates will continue to be prepared and reviewed by qualified professionals.	The Board is not aware of any material changes to the reserve estimates since publication of the 2025 Feasibility Study.	↔

Governance

Board of Directors

Stephen Harrison

Chairman

Stephen Harrison is a non-executive Director of Castings plc, a leading iron casting and machining group based in the UK, supplying both the domestic and export heavy truck, wind power, agriculture, rail and material handling markets. He was Chair of Epwin Group plc, the leading UK manufacturer of PVC, glass reinforced plastic and aluminium building products, until October 2025 when Epwin was acquired by a German family business.

Stephen served as Chief Executive of Forterra plc, a leading UK manufacturer of essential clay and concrete building products, from April 2016 until May 2023. Having led the business since 2012, he successfully steered the Company through a divestment process from former owner Heidelberg Materials into private equity ownership in 2015 and led the IPO onto the London Stock Exchange in 2016.

Prior to this role, Stephen held a variety of senior management roles within the construction materials industry for a decade, supplying the infrastructure, commercial and residential construction markets. He has served as a Director of several key construction sector trade associations.

Stephen has a degree in Economics and a Masters in Business Administration from Cranfield School of Management.

Jeffery Court

Chief Executive Officer

Jeff is an experienced international mining executive with more than 30 years' experience in the mining and mineral resources sector. His career has encompassed project feasibility studies, mine start-ups, major EPC and EPCM projects, mineral processing operations, contract mining services, and both operational and business leadership roles.

Jeff began his career with Rio Tinto, where he was heavily involved in mine feasibility studies and long-term mine planning. He subsequently spent 15 years with Orica, holding several senior executive positions and leading strategic and organisational initiatives to improve business performance.

Jeff later joined FLSmidth, where he oversaw an industrial capital equipment division generating annual revenues of more than US$500 million. He then moved to Perenti Limited (formerly Ausdrill Ltd), where he was responsible for the operational and commercial management of the African Mining Services division, which generated annual revenues of approximately US$350 million across seven major mining operations in Senegal, Mali, Burkina Faso and Ghana.

More recently, as Chief Executive Officer – Mining and Chief Development Officer – Mining within Capital's drilling and mining services business, Jeff led the delivery of services ranging from exploration, grade control and production drilling through to load-and-haul contract mining. Collectively, his experience spans Australia, Asia, Europe, the Middle East, Africa and North America.

David Cather

Independent Non-Executive Director

David joined Tungsten West in Sep-tem-ber 2021 as a Non-Executive Director and went onto become Chairman in No-vember 2022.

He is an experienced mining engineer with over 40 years of mining experience. He has held CEO roles in Avocet Mining, the Abu Dhabi Capital Group Mining Divi-sion and was Chief Operating Officer for European Goldfields. He was a member of a London-based boutique fund management team and held various positions with Anglo American plc. Mr. Cather has participated in numerous acquisitions and IPOs of mining companies on various stock exchanges and has significant expertise in mine development.

He is currently Independent Director of AK Altynalmas JSC, a Kazakhstan mid-tier gold producer and formerly Chairman of Metals Exploration PLC, a London-listed Philippines gold producer where he re-mains a NED. He is also a NED for Galantas Gold Corporation with cop-per/gold assets in Chile and the UK.

Martin Wood

Senior Independent Non-Executive Director

Martin is the founder and Managing Director of Vicarage Capital, an FCA-registered, full-service brokerage firm that provides advisory services to junior and mid-cap resource companies. Martin established Vicarage Capital in 2003 and has advised numerous companies on AIM listings and long-term mining strategies.

Martin was Chief Executive Officer of ASX-listed Kogi Iron Limited between 2017 and 2019, where he secured a community development agreement with key stakeholders, arranged indicative offers for project debt financing, and oversaw a number of development milestones, including the completion of a Scoping Study and metallurgical testwork as part of the definitive feasibility study.

Martin is a Non-Executive Director of Royal Helium Limited, a Canadian-listed resource company currently pursuing a dual listing in London.

Between 1993 and 2003, Martin worked in corporate finance with N M Rothschild & Sons, Standard Bank and Benfield Advisory in London, providing advisory services to resource sector companies. Martin holds an MBA from the University of Exeter, awarded in 1993.

Martin is Chair of the Remuneration Committee

Richard (Rick) Maxey

Non-Executive Director

Richard joined the Company as a Non-Executive Director in December 2020 and informally represents the interests of the Company's shareholders, Henry Maxey and Eden Rock.

Richard began his career as an Associate Consultant in the Transaction Services Group at PricewaterhouseCoopers, specialising in commercial due diligence and strategy consulting across Europe.

Following his involvement in a number of corporate and private equity transactions, he joined Earlcrown Ltd, a private equity and property group with a diverse portfolio of investments, primarily in the consumer goods sector.

Richard subsequently worked for the South African family office Vasari Global Ltd as a Principal, managing a specialised private resources fund and gaining extensive experience in the natural resources sector through investments in public and private mining companies worldwide.

Richard currently acts as a consultant investment adviser to Eden Rock Group, an investment advisory firm that invests proprietary capital with a focus on venture capital and early-stage private equity opportunities across a range of sectors.

Richard holds a B.A. in Economics and Management from the University of Oxford and is a CFA charterholder.

Richard is Chair of the Audit and Risk Committee.

Kevin Ross	Guy Edwards	Adrian Bougourd	Philip Povey
Independent Non-Executive Director	**Independent Non-Executive Director**	**Non-Executive Director**	**Chief Financial Officer (Appointed December 2025)**
Mr. Ross is a European Engineer (Eur Ing) with an honours degree in Mining Engineering from the Royal School of Mines. Across the last 25 years, he has held numerous COO roles for operating and development companies in Greece, Australia and Canada. He has been part of the senior management teams of two acquired companies, Red Back Mining, which was acquired by Kinross, and Orca Gold, which was acquired by Perseus Mining. Until mid 2024, he was COO of Montage Gold Corp, which is now constructing a large-scale gold mine in Cote d'Ivoire. Kevin is Chair of the Technical Committee.	Guy joined Tungsten West in September 2023 as a Non-Executive Director, formerly CEO of Aggregate Industries UK and prior to that CEO of Aggregate Industries USA, with turnovers in excess of £1billion respectively. Guy's previous roles include Managing Director of Midland Quarry Products and twenty five years of senior management experience with Hanson PLC. He has participated in numerous acquisitions both in the UK and USA and has significant expertise in aggregates and business development. He is currently Integration Director of SigmaRoc PLC(AIM listed). Guy is a fellow of the Institute of Quarrying and has a Degree in Quarry Engineering from Leeds University.	Adrian is a member of the Developed Markets team at Lansdowne Partners (UK) LLP. Adrian joined Lansdowne Partners in November 2010, having previously worked as a European equity, credit and event-driven analyst at Perry Capital. Adrian is a highly experienced financial analyst who has spent much of the last 20 years analysing and advising companies in the industrial and cyclical sectors globally. At Perry Capital, Adrian was responsible for sourcing and analysing public and private European investment opportunities and assessing capital structures. Prior to joining Perry Capital in May 2006. Adrian worked at Merrill Lynch as an Assistant Vice President in the European Transport and Leisure and Capital Goods teams.	Philip brings 20 years of extensive experience in the mining and mining services industry, with deep expertise in commercial, financial, and operational leadership across Europe, Australia, Africa and Asia, His career has been marked by a strong focus on mining start-up projects, emphasising employee engagement and fostering positive community relations. Throughout his career, Philip has held senior positions at renowned organisations such as Macmahon, Perenti (African Mining Services), Orica, and Capital Limited. Philip holds a Bachelor of Commerce with First Class Honours from the University of Western Australia and is a Certified Practising Accountant (CPA).

Governance

Corporate Governance Statement

As Chairman, I am responsible for leadership of the Board, ensuring its overall effectiveness in the direction of the Company, and for setting the Company's values and standards. The Board has collective responsibility and oversight for the Group's activities including its strategy and objectives, the approval of major decisions and the overall system of corporate governance.

I am responsible for ensuring the Board operates effectively, that Directors receive accurate, timely and clear information, and that there is effective communication with shareholders. I lead the evaluation of the Board's performance and ensure that the Company maintains high standards of corporate governance throughout the organisation, in accordance with the QCA Corporate Governance Code, which the Board has adopted as appropriate for a Company of our size and stage of development.

The Board is satisfied that, through this framework of corporate governance, appropriate oversight of the Group's operations, risk management and internal controls has been maintained throughout the year.

Our Approach

Tungsten West recognises the importance of strong corporate governance and accountability to all stakeholders. Effective governance supports the management and mitigation of the principal risks and uncertainties set out on pages 14 to 18 and helps the Group deliver its strategic objectives. The Board therefore considers robust governance to be fundamental to the long-term success of the business.

On 21 October 2021, Tungsten West plc was admitted to trading on the Alternative Investment Market ("AIM") of the London Stock Exchange. AIM Rule 26 requires AIM companies to adopt a recognised corporate governance code. Accordingly, the Company has adopted the Quoted Companies Alliance ("QCA") Corporate Governance Code 2023 for Small and Mid-Sized Quoted Companies.

The Company continues to develop and enhance its governance framework, policies and procedures in line with the principles of the QCA Corporate Governance Code and the increasing scale of its operations as it progresses towards production.

The Company's disclosures against the QCA Corporate Governance Code are summarised in the table below.

Principle	Disclosure within this report	
Establish a purpose strategy and business model which promote long-term value for shareholders.	See Our Mission	**page 4**
Promote a corporate culture that is based on ethical values and behaviours	See Our Governance Structure	**page 20 - 23**
Seek to understand and meet shareholder needs and expectations.	See Our Governance Structure	**page 20 - 23**
Take into account wider stakeholder and social responsibilities and their implications for long-term success.	See ESG Report, Stakeholder Engagement and Our Governance Structure.	**page 4 - 10**
Embed effective risk management, considering both opportunities and threats, throughout the organisation.	See Principal Risk and Uncertainties	**page 13 – 171**
Maintain the Board as a well-functioning, balanced team led by the Chair.	See Board of directors	**page 18 to 19**
Maintain appropriate governance structures and ensure that, individually and collectively, directors have the necessary up-to-date experience, skills and capabilities	See Board Composition	**page 21**
Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement.	See Our Governance Structure	**page 23**
Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture	See Our Governance Structure	**page 22**
Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders.	See Our Governance Structure	**page 23**

Governance
Board Composition

The Board comprises individuals with a diverse range of skills, experience and backgrounds relevant to the Group's activities and strategic objectives. Collectively, the Directors bring significant expertise in mining, mineral processing, capital markets, project delivery, corporate finance, governance and risk management.

The Directors maintain and develop their knowledge through continuing professional development, engagement with industry developments and attendance at relevant conferences and forums. In accordance with the Company's Articles of Association, all Directors are subject to retirement and re-election at regular intervals.

The Board seeks to maintain an appropriate balance of skills, experience and independence to support effective decision-making and oversight. Through the combination of technical, operational, financial and commercial expertise, the Board is well positioned to oversee the development of the Group and respond to emerging opportunities and challenges.

The table below summarises the core competencies and experience of each Director relevant to the successful delivery of the Group's strategy.

Key Strengths

	Mining & Mineral Extraction	Project Execution	Financial, Risk & Control	Corporate Governance	ESG	Capital Markets
Jeffery Court	✓	✓	✓	-	✓	-
Stephen Harrison	-	✓	✓	✓	✓	✓
David Cather	✓	✓	✓	-	✓	✓
Martin Wood	✓	✓	✓	✓	-	✓
Richard Maxey	✓	✓	✓	✓	-	✓
Adrian Bougourd	-	-	✓	✓	-	✓
Guy Edwards	✓	✓	✓	✓	✓	-
Kevin John Ross	✓	✓	✓	-	✓	✓
Philip Povey (Appointed 5 December 2025)	✓	✓	✓	✓	✓	✓

The Board and Culture

To deliver the Group's strategy and create long-term value for shareholders, the Board believes it is essential to foster a culture based on integrity, accountability and high ethical standards. The Board is responsible for promoting these values throughout the organisation and ensuring they are embedded in decision-making and day-to-day activities across the business.

In addition to setting the Group's strategic direction, the Board is responsible for overseeing financial planning and approving the annual budget. The Board regularly reviews the Group's short- and medium-term liquidity requirements and monitors financial performance against approved plans. The Directors bring extensive experience in financial planning, forecasting and capital allocation, enabling effective challenge and oversight of management's assumptions and proposals.

The Board typically meets at least eight times each year. The Chief Executive Officer and Chief Financial Officer carry out their executive responsibilities from the Hemerdon Site, allowing them to remain closely engaged with project activities and respond promptly to risks and opportunities as they arise.

A total of fifteen Board meetings were held during the year. Given the specialised nature of the mine restart and processing plant development programme, senior technical, operational and project personnel are invited to attend Board meetings where appropriate to provide updates and support informed decision-making.

The Board considers that it maintains an appropriate balance of executive and non-executive representation, including independent non-executive directors, and that no individual or group of individuals dominates decision-making. The Group is committed to promoting diversity of skills, experience, background and perspective at Board level and throughout the organisation, recognising the value that a diverse workforce brings to effective governance and business performance.

Governance

Attendance at Board Meetings

The attendance of board and Committee members who served during the year at the scheduled meetings and calls is shown below:

	Board	Audit & Risk	Remuneration*
Jeffery Court	15/15	x	x
Stephen Harrison	15/15	x	x
David Cather	15/15	2/2	x
Martin Wood	10/15	x	x
Richard M Maxey	12/15	2/2	x
Adrian Bougourd	15/15	x	x
Guy Edwards	15/15	x	x
Kevin Ross	15/15	x	x
Phil Povey (Appointed December 2025)	9/9	2/2	x
Alistair Stobie (Resigned 22 September 2025)	3/3	x	x

***No meetings of the Remuneration Committee were held during the year. The Committee's terms of reference remained in place throughout the period and, following consideration by the Board, no matters arose that necessitated a formal meeting.**

Our Governance Structure

The Board is supported by three Committees: the Audit & Risk Committee, the Remuneration Committee and the Technical Committee.
Given the size and stage of development of the Company, the Board has not established a Nominations Committee. The Board as a whole is responsible for matters relating to Board composition, succession planning and appointments, and considers the relevant principles of the QCA Corporate Governance Code when addressing nomination and succession matters.

Our governance arrangements are summarised below:

Tungsten West plc Board

The board of Tungsten West is responsible for setting the vision and strategy for the Group to deliver value to all stakeholders by effectively putting in place its business model.

Audit & Risk Committee

The Audit and Risk Management Committee is chaired by Richard Maxey with Adrian Bougourd and David Cather.

The role of an audit and risk committee is to ensure the integrity of financial reporting and internal controls, and to monitor risk management systems.

Remuneration Committee

The Remuneration Committee is led by Martin Wood, who acts as Chair, David Cather and Richard Maxey.

The Remuneration Committee's main function includes formulating and agreeing with the board the framework for the remuneration of the Executive Directors and overseeing the remuneration of senior management. The Committee also approves awards under the Company's short and long-term incentive plans.

Technical Committee

The Technical Committee comprises Kevin Ross, who acts as Chair and David Cather and Guy Edwards.

The Technical Committee's main functions include reviewing and monitoring the standards and procedures adopted for its operations to ensure they meet legal requirements, under both local jurisdiction and international standards.

Board Changes

In December 2025, Philip Povey, CFO, joined the Board.

In September 2025, Alistair Stobie, CFO, resigned from the Board.

Governance

Evaluation Of Board Performance

The Chair is responsible for leading the evaluation of Board performance and effectiveness. The Remuneration Committee is responsible for reviewing executive remuneration arrangements to ensure they are aligned with the Group's strategic objectives, remain competitive within the market and support the attraction, retention and motivation of key personnel.

Support to Directors

The Board has the full support of the Company Secretary, who acts as secretary to the Board and its Committees. The Board also has access to external advisers who provide independent advice and support where required.

The Board receives regular and timely information on the Group's operational, technical and financial performance to enable it to discharge its responsibilities effectively. Relevant and detailed information is circulated to Directors in advance of Board and Committee meetings.

Shareholder Engagement

The Board seeks to maintain open, transparent and constructive engagement with the Company's shareholders. Engagement with institutional investors is primarily led by the Chief Executive Officer and Chief Financial Officer. The Board also considers feedback from the wider shareholder base through the Annual General Meeting and other investor engagement activities, while maintaining ongoing dialogue with local communities and other stakeholders through dedicated engagement programmes.

Approved and authorised by the Board on 2nd September 2026

Signed on their behalf by

Stephen Harrison
Chairman

Directors' Report

The Directors of Tungsten West plc present their report and the consolidated financial statements for the year ended 31 March 2026

Principal Activities

The principal activity of the Group (Tungsten West and its subsidiaries) is the mining of tungsten and tin and the processing of secondary aggregates at the Hemerdon Mine, Devon, UK.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

Richard

Alistair Stobie – resigned on 22 September 2025
David Cather
Martin Wood
Kevin Ross
Jeffery Court
Guy Edwards
Philip Povey – appointed 5 December 2025
Stephen Harrison
Adrian Bougourd

Review of Business

A review of the current and future development of the Group's business is given in the Strategic Report on page 6.

Financial Risk Management

The Group is exposed through its operations to the following financial risks:

- Commodity price risk
- Foreign currency risk
- Credit risk
- Interest rate risk
- Liquidity risk
- Inflation risk

The Group undertakes a range of policies and procedures designed to mitigate these risks where practicable, including purchasing foreign currency in advance when exchange rates are favourable, utilising creditworthy financial institutions and using short-term deposits to manage interest rate and liquidity risks.

As the Group progresses towards production, it will continue to review and enhance its risk management policies, taking into account potential exposure to commodity price fluctuations and increased foreign exchange risk.

The Group is also exposed to a range of financial risks arising from its operations. These risks, together with management's approach to financial risk management, are described in Note 3 to the financial statements.

Financial Review

Please refer to the Financial Review within the Strategic Report for a comprehensive review of the Group's financial performance and position.

Dividends

The Directors do not recommend payment of a dividend (2025: £nil).

Going Concern

The Directors have prepared the financial statements on a going concern basis, having given careful consideration to the Group's and Company's financial position, funding arrangements and future cash flow forecasts, covering a period of at least twelve months from the date of approval of these financial statements.

During the year, the Group converted its outstanding Convertible Loan Notes into equity and completed an equity fundraise of approximately £44 million (gross) in February 2026. Following the year end, the Group secured further funding from National Wealth Fund Limited ("NWF"), comprising an equity raise of approximately £36 million (excluding costs) and a new 366-day £25 million loan facility, with a £10 million uncommitted accordion. Together, these transactions secured the funding required for the Group's remaining project capital expenditure at Hemerdon.

The Directors have prepared detailed cash flow forecasts covering the going concern assessment period, based on the production, cost and pricing assumptions underpinning the Group's Feasibility Study, updated to reflect the phased restart plan, and the funding secured as described above. These forecasts have been sensitised for a range of downside scenarios, consistent with the sensitivity analysis performed as part of the

Feasibility Study and the value in use assessment described in note 2, including delays to the production ramp-up schedule, lower than forecast metal prices and recoveries, and unfavourable movements in foreign exchange rates.

The Directors have also modelled a downside scenario addressing the risk of delay to completion of the front-end crushing circuit.

Under this scenario, the Group would fall back on its existing mobile front-end crushing and in-pit crushing arrangements with a contractor - the process route already in use earlier in the year - pushing back the ramp-up of the permanent front-end by three months. This fallback route carries a higher per-tonne processing cost than the planned front-end/ore sorter route, increasing operating costs over the delay period by approximately £3 million. The Group has also modelled a corresponding pause to waste mining over the same period, which reduces drill and blast costs but is offset by increased haulage costs to the more distant processing facility under the fallback route; these two effects have been assessed as broadly offsetting.

Under each of the scenarios modelled, the Group retains sufficient liquidity throughout the going concern period, taking into account the £25 million NWF loan facility (with its £10 million uncommitted accordion) and the Group's cash resources.

The Directors have also considered the maturity of the NWF loan facility, which is repayable 366 days from drawdown, and have concluded that the Group's forecast operating cash flows from production, together with the accordion facility and the Group's ongoing relationship with NWF, provide a reasonable basis to expect that the facility can be refinanced or repaid as it falls due.

Having considered the matters set out above, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the going concern assessment period. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements.

Share Capital

Details of the authorised and issued share capital are shown in note 28.

Directors and Directors' Interests

The Directors who served during the year, together with their beneficial interest in shares of the Company as of 31 March are as follows:

	31 March 2026		31 March 2025	
	Shares	**Options**	Shares	Options
Richard M Maxey*	477,321	-	210,000	-
Kevin Ross	500,000	-	-	-
Stephen Harrison	222,222	-	-	-
David Cather	250,000	-	-	-
Guy Edwards	138,888	-	-	-
Jeffery Court	194,444	-	-	-
Philip Povey (Appointed December 2025)	3,562,649	-	-	-

* The director does not exercise significant influence or control over his brother's shareholding, the shares are accordingly not treated as connected for disclosure purposes.

Directors' Statement as to Disclosure of Information to Auditor

The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are individually aware, there is no relevant audit information of which the Company's auditor is unaware. Each Director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Directors' Indemnity Insurance

The Group maintained Directors' and Officers' liability insurance throughout the current and prior financial years.

Political Donations

There were no political donations made during the current or prior year.

Directors' Report

Strategic Report

In accordance with section 414C(11) of the Companies Act 2006, certain information required to be disclosed in the Directors' Report has instead been included within the Strategic Report. This includes information relating to the Group's principal activities, business review, principal risks and uncertainties, stakeholder engagement and environmental matters.

Future Developments

Following completion of the updated Feasibility Study and the funding secured during the year and post year end, the Company is progressing project delivery activities, including engineering works and the refurbishment and reconfiguration of the Mineral Processing Facility ("MPF"). Initial processing and commissioning activities have commenced, and the Company is targeting full plant commissioning during the first quarter of 2027.

Research and Development

The Group continues to undertake research and development activities in relation to operational optimisation.

Energy and Carbon Reporting

The Group is exempt from the energy and carbon reporting requirements under Part 7A of Schedule 7 to The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and, accordingly, the related disclosures have not been included in these financial statements.

Events after the Reporting Date

Mining Service Contract

Subsequent to the year end, the Group has agreed with Hargreaves Services plc ("Hargreaves") to terminate the existing mining service contract. As per the terms of the contract, the Company made payments to Hargreaves of £3.0 million in April 2026, after which they released security held over the mineral lease, and a further payment of £7.0 million by 15 May 2027.

LTIP grant to Directors

On 22 July 2026, subsequent to the balance sheet date, the Company granted options under its Long Term Incentive Plan (approved by shareholders on 30 January 2026 and 26 February 2026) to three Directors, as follows:

Director	Total Awards	Exercisable at 3p	Exercisable at 18p*
Stephen Harrison (Non-Executive Chairman)	30,260,695	30,260,695	-
Jeffery Court (CEO)	75,651,737	60,521,388	15,130,349
Philip Povey (CFO)	37,825,868	30,260,695	7,565,173

*Options subject to 'stretch' performance targets, representing performance significantly in excess of the Group's base case business plan.

The Awards are subject to performance conditions linked to commercial production and operational milestones, as assessed by the Remuneration Committee. Awards lapse on the fifteenth anniversary of grant unless they lapse earlier under their terms, and vesting accelerates on a change of control, subject to the LTIP rules and relevant option agreements.

This is a non-adjusting post balance sheet event under IAS 10, as the grant occurred, and the grant date (for IFRS 2 purposes) arose, after 31 March 2026. No liability or expense has been recognised in these financial statements in respect of these Awards. A share-based payment charge will be recognised prospectively over the relevant vesting period(s) in future reporting periods, based on the fair value of the Awards at grant date.

Funding

In August 2026, subsequent to the year end, the Group secured funding from National Wealth Fund Limited ("NWF"), comprising an equity raise of approximately £36 million (excluding expenses) and a new 366-day £25 million loan facility, with a £10 million uncommitted accordion. This funding secured the remaining capital required to complete the project to restart mining operations at Hemerdon.

Offtake

As part of the agreement with NWF, the Company granted the UK Government (or its nominee) a right, exercisable for a defined period of time from completion, to negotiate and enter into a definitive offtake agreement for the purchase of up to an aggregate maximum of 50% of the WO_3 contained in the feasibility study projected production from the Hemerdon Project, over a period of up to ten years. This right is exercisable for a defined period of time from completion, after which it will expire.

Directors' Report

Change in Auditor

During the year, there was a change in the Company's external auditors. The decision to replace the previous auditors, PKF Francis Clark LLP ("Francis Clark"), was made in accordance with the Company's policies and after careful consideration of a number of factors.

The term of engagement with Francis Clark had come to an end, and as part of our commitment to good corporate governance, the Board felt it was appropriate to seek a fresh perspective and appoint a new auditor.

Following a thorough selection process, we are pleased to announce that PKF Littlejohn LLP ("PKF") has been appointed as the Company's new external auditors. PKF has extensive experience auditing companies within our industry, and we are confident their expertise will support the continued integrity and accuracy of our financial reporting.

The transition has been carefully managed to ensure a smooth transfer of responsibilities. We have worked closely with both firms to facilitate the handover of audit files and do not anticipate any disruption to the timely completion of future audits.

The decision to change auditors was made in compliance with all applicable auditing standards, legal requirements, and corporate governance guidelines. We conducted a comprehensive and independent assessment of PKF's qualifications, independence, and capabilities to confirm they are well suited to meet the needs of the Company and its stakeholders.

On behalf of the Board of Directors, we extend our gratitude to our shareholders, employees, and other stakeholders for their continued support as we navigate this transition and strive for excellence in our financial reporting.

Approved and authorised by the Board on 2nd September 2026

Signed on their behalf by

Stephen Harrison
Chairman

Tungsten West plc

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company financial statements for each financial year. Under that law, they are required to prepare the Group financial statements in accordance with UK-adopted international accounting standards and applicable law and have elected to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accounting Practice, FRS 101 – "Reduced Disclosure Framework".

Under company law, the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of their profit or loss for that period.

In preparing each of the Group and Parent Company financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable, relevant, reliable and prudent;
- For the Group financial statements, state whether they have been prepared in accordance with UK-adopted international accounting standards;
- For the Parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Parent Company financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report and a Directors' Report that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TUNGSTEN WEST PLC

Opinion

We have audited the financial statements of Tungsten West Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2026 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated 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 financial statements is applicable law and UK-adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 101 *Reduced Disclosure Framework* (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2026 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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's responsibilities for the audit of the financial statements section of our report. We are independent of the group and 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 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.

Conclusions relating to going concern

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

- Obtaining an understanding of the business model, objectives, strategies and related business risk, the measurement and review of the entity's financial performance including forecasting and budgeting processes and the entity's risk assessment process;
- Assessing assumptions into the going concern model including the reliability of underlying data used to make the assumptions, whether assumptions and changes to assumptions from prior years are appropriate and consistent with each other;
- Challenging the business plans for future actions in relation to the going concern assessment including whether such plans are feasible in the circumstances;
- Evaluating the base case of the cash forecast prepared by the Directors and performing appropriate audit procedures such sensitivity analysis around the various scenarios to stress test the going concern forecast;
- Obtained and reviewed the funding facility agreements and subscription documentation, verified the receipt of related cash proceeds and drawdowns to bank statements, and assessed whether the Group had complied with the applicable conditions precedent before funds were drawn down;
- Performing a stress test of the budget and cash flow forecast;
- Evaluating the reasonableness of the proposed mitigations which includes the planned cost reduction measure and potential funding sources and Director's ability to implement them within 12 months from the date of approval of the financial statements; and
- Assessing adequacy and appropriateness of disclosures in the financial statements regarding the going concern assessment.

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

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures.

Overall materiality was set at £763,000 based on a benchmark of 1% of gross assets. Using our professional judgment, we have determined this to be the principal benchmark within the financial statements as the Company is a mining company so the ability of the group to generate future cash inflows are reliant on the ability of the group to utilise its mining properties. We also determine a level of performance materiality which we use to assess the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceed materiality for the financial statements as a whole. Performance materiality was set at $458,000, being 60% of overall materiality. A benchmark of 60% was applied as this is a first-year audit. Applying a benchmark at the lower end of the permitted range ensures increased audit coverage over key judgemental and estimation areas, including the valuation of Convertible Loan Notes, the restoration provision, and mining rights and properties. In addition, the entity has a relatively small finance function, resulting in limited segregation of duties and a less formalised control environment, this further supports the application of a lower performance materiality percentage.

Overall materiality for the parent company financial statements as whole was set £700,000. This was calculated based upon 1% of the parent company's gross assets and capped below the group materiality. Gross assets were chosen as the benchmark as the investments in the subsidiaries are the most significant balances within the parent company financial statements. Performance materiality was set at £400,000 based on the 60% capped below group materiality.

We have agreed with those charged with governance that we would report any individual audit difference in excess of £38,100 as well as differences below this threshold that, in our review, warranted reporting on qualitative grounds.

Remaining component in scope, were audited with the performance materiality of £251,000.

We applied the concept of materiality in planning and performing our audit and in evaluating the effects of misstatement. No significant changes have come to light during the audit which required a revision to our materiality for the financial statements as a whole.

Our approach to the audit

Our audit was risk based and designed to focus our effort on the areas at greatest risk of material misstatement, aspects subject to significant management judgement as well as greatest complexity, risk and size.

As part of designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain. These area of estimate and judgement included:

- Carrying value and valuation of mining rights, exploration and evaluation of assets
- Classification and valuation of goodwill
- Valuation and completeness of restoration provision
- Carrying value and valuation of the investments and intra-group receivables

We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Two components were in scope of performance audit procedures: the parent company, Tungsten West Plc, and Drakelands Restoration Limited., which holds the exploration and evaluation assets. Both components were subject to a full scope audit and were audit by the group audit team.

Key audit matters

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

Key Audit Matter	How our scope addressed this matter
Carrying value and valuation of mining rights and mining properties (Note 15 and 18)	
The Group holds mining rights and mining properties relating to its mining activities in South Devon. The Group has recognised significant property, plant and equipment associated with the development and operation of its mining activities based on the requirements of IAS 36. **The recoverability of these balances is dependent on the future economic performance of the mine. As the mine is not yet in full production, the assessment of recoverability and valuation involves a high degree of estimation uncertainty and management judgement.** **There is therefore a risk that the carrying value of the mining properties as at 31 March 2026 is overstated, either due to inappropriate capitalisation of costs or the use of unsuitable assumptions in impairment assessments, in accordance with IAS 36.** **Given the materiality of the balance and the significant level of judgement involved, the carrying value and valuation of mining properties is considered to be a key audit matter.**	Our work in this area included: • Considering any potential impairment indicators in accordance with the requirements of IAS 36, discussions with management, sensitivity analyses and review of external factors such as the commodity price and consideration of other sources; • Reviewing and challenging management's impairment review in accordance with IAS 36 and considering whether there have been any indicators of impairments, including consideration of the value-in-use calculations (where applicable). Reviewing the assumptions included in the models and performed sensitivity analysis on the key assumptions including the price, foreign exchange rates and cost of the production. We have challenged management's assumption by testing against contradictory third-party evidence and ensuring the model is robust to these changes (where applicable); • Reviewing the performance of the projects subsequent to the year end; • Assessing of the competency and independence of the preparer of the feasibility technical reports; • Reviewing licences relating to the mining activities; and • Ensuring that disclosures within the financial statements are accurate and that all estimates and judgements made by management are included therein
Valuation of convertible loan (Note 23)	
Last year, the Group entered into a convertible loan agreement, which was fully converted during the current year. The convertible loan notes (CLNs) are measured at fair value, and their accounting involves significant judgement, particularly in relation to valuation methodologies and key assumptions.	Our work in this area included the following: • Reviewing contract/agreements in place to ensure the accounting is in accordance with UK-Adopted IAS; • Reperforming the calculation;

During the year, a fair value movement of £167.3 million was recognised. There is a risk that the CLNs have not been appropriately valued in accordance with IAS 32 and IFRS 13. **Given the material nature of the transaction, the valuation of the CLNs is considered a key audit matter.**	• Challenging the reasonableness of underlying assumptions for the valuation of the convertible loan and involving the valuations team; • Assessing the quality of work, independent and judgements made by the management's expert; and • Reviewing the financial statement disclosures to ensure that they are complete, accurate, and compliant with the relevant requirements of IFRS, including appropriate disclosure of key judgements, assumptions, and the nature and terms of the instruments

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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 obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and industry research.
- We obtained an understanding and evaluated the design and implementation of controls that address fraud risks of the group and parent company through performing our own assessment;

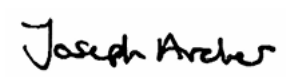
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from relevant mining and environmental regulations; regulatory requirements covering environmental permitting, waste and water management, noise control, health and safety, and long-term site restoration obligations; Companies Act 2006; UK-adopted IFRS; and AIM Rules for Companies.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
    - Enquiring of management regarding potential non-compliance;
    - Reviewing legal and professional fees to understand the nature of the costs and to identify the potential existence of any non-compliance with laws and regulations;
    - Reviewing minutes of meetings of those charged with governance and regulatory news announcements;
    - Reviewing accounting ledgers for any unusual journal entries which may indicate instances of non-compliance; and
    - Discussing with the Group's CFO regarding on-going legal cases and receipt of third party confirmation from their legal counsel on any pending lawsuits, recent investigations and any significant provisions recognised in the financial statements.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that the potential for management bias was identified in relation to the recoverability of the mining rights and mining properties and valuation of the convertible loan as described in the Key Audit Matters section above. These risks were addressed both at group and component level.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

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.



Joseph Archer (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

2nd September 2026

30 Churchill Place
London
E14 5RE

Consolidated Statement of Comprehensive Income
Year ended 31 March 2026

	Note	2026 £	2025 £ *Restated**
Revenue	5	601,550	-
Cost of sales		(152,053)	(244,174)
Gross profit / (loss)		449,497	(244,174)
Administrative expenses	8	(8,809,815)	(9,268,993)
Other operating income	6	420,000	6,235
Other gains/(losses)	7	35,000	(9,506,522)
Operating loss	8	(7,905,318)	(19,013,454)
Finance income	9	297,031	898,195
Finance costs	9	(167,972,454)	(6,842,326)
Net finance cost	9	(167,675,423)	(5,944,131)
Loss before tax		(175,580,741)	(24,957,585)
Income tax credit	13	134,470	264,572
Loss for the year		(175,446,271)	(24,693,013)
Total comprehensive loss		(175,446,271)	(24,693,013)
Loss attributable to:			
Owners of the Company		(175,446,271)	(24,693,013)
		£	£
Basic and diluted loss per share	14	(0.12)	(0.13)

The above results were derived from continuing operations.

The notes on pages 37 to 67 are an integral part of these financial statements.

*For details of restatement please refer to note 37

Consolidated Statement of Financial Position
Year ended 31 March 2026

	Note	31 March 2026 £	31 March 2025 £ *Restated**	1 April 2024 £ *Restated**
Assets				
Non-current assets				
Property, plant and equipment	15	14,640,161	9,455,736	19,266,279
Right-of-use assets	16	1,869,677	1,984,419	1,895,584
Intangible assets	17	8,850	64,760	138,832
Mining rights assets	18	2,272,784	2,306,715	4,189,431
Deferred tax assets	13	406,931	406,931	421,818
Escrow Cash	20	14,912,042	14,633,857	13,740,012
		34,110,445	28,852,418	39,651,956
Current assets				
Inventories	23	29,850	29,850	29,850
Trade and other receivables	21	12,574,406	2,986,872	2,809,893
Cash and cash equivalents	22	25,485,511	18,442	1,581,535
		38,089,767	3,035,164	4,421,278
Total assets		72,200,212	31,887,582	44,073,234
Equity and liabilities				
Equity				
Share capital	28	15,047,487	1,887,313	1,870,741
Share premium	29	277,030,598	51,949,078	51,949,078
Share option reserve	28	226,999	319,526	256,278
Retained earnings		(234,036,348)	(58,590,077)	(33,897,064)
Equity attributable to owners of the Company		58,268,736	(4,434,160)	20,179,033
Non-current liabilities				
Loans and borrowings	25	1,742,223	1,870,366	1,803,533
Provisions	26	7,029,253	6,703,821	8,221,081
Deferred tax liabilities	13	406,931	406,931	421,818
		9,178,407	8,981,118	10,446,432
Current liabilities				
Trade and other payables	24	4,648,342	2,570,049	1,754,903
Loans and borrowings	25	104,727	24,770,575	11,692,866
		4,753,069	27,340,624	13,447,769
Total liabilities		13,931,476	36,321,742	23,894,201
Total equity and liabilities		72,200,212	31,887,582	44,073,234

*For details of restatement please refer to note 37. The notes on pages 37 to 67 are an integral part of these financial statements.

The financial statements were approved by the Board on 2nd September 2026 and signed on its behalf by:

Stephen Harrison
Chairman
Company Registration Number: 11310159

Consolidated Statement of Changes in Equity
Year ended 31 March 2026

TUNGSTEN WEST

		Share capital £	Share premium £	Share option reserve £	Retained earnings £	Total £
At 31 March 2025 (restated*)		**1,887,313**	**51,949,078**	**319,526**	**(58,590,077)**	**(4,434,160)**
Loss for the year		-	-	-	(175,446,271)	(175,446,271)
Total comprehensive loss		-	-	-	(175,446,271)	(175,446,271)
Conversion of convertible loan notes	25	8,181,588	189,030,853			197,212,441
New share capital subscribed net of issue costs	28	4,978,586	36,050,667	-	-	41,029,253
Share options charge		-	-	(92,527)	-	(92,527)
At 31 March 2026		**15,047,487**	**277,030,598**	**226,999**	**(234,036,348)**	**58,268,736**

	Share capital £	Share premium £	Share option reserve £	Retained earnings £	Total £
At 01 April 2024 (as originally stated)	**1,870,741**	**51,949,078**	**256,278**	**(32,764,067)**	**21,312,030**
Prior year restatement				(1,132,997)	(1,132,997)
At 01 April 2024 (restated*)	1,870,741	51,949,078	256,278	(33,897,064)	20,179,033
Loss for the year (restated*)	-	-	-	(24,693,013)	(24,693,013)
Total comprehensive loss	-	-	-	(24,693,013)	(24,693,013)
New share capital subscribed	16,572	-	-	-	16,572
Share options charge	-	-	63,248	-	63,248
At 31 March 2025 (restated*)	**1,887,313**	**51,949,078**	**319,526**	**(58,590,077)**	**(4,434,160)**

The nature and purpose of each reserve is set out in Note 28. The notes on pages 37 to 67 are an integral part of these financial statements.

*For details of restatement please refer to note 37.

Consolidated Statement of Cash Flows
Year ended 31 March 2026

	Note	**2026** **£**	2025 £ Restated*
Cash flows from operating activities			
Loss for the year		(175,446,271)	(24,693,013)
Adjustments to cash flows from non-cash items			
Depreciation and amortisation	8	374,943	470,036
(Gain)/Loss on disposal of tangible fixed assets	8	(35,000)	5,181
Impairment of asset under construction	7	-	9,506,522
Finance income	9	(297,031)	(898,195)
Finance costs	9	167,972,454	6,842,326
share options charge’	10	(92,527)	63,248
Impact of foreign exchange	9	(25,746)	(12,734)
Income tax credit	13	(134,470)	(264,572)
		(7,683,648)	(8,981,201)
Working capital adjustments			
Decrease in trade and other receivables	21	(9,587,534)	(176,981)
Increase in trade and other payables	24	2,212,763	1,079,720
Net cash outflow from operating activities		(15,058,419)	(8,078,462)
Cash flows from investing activities			
Interest received	9	18,846	4,350
Acquisitions of property, plant and equipment	15	(5,633,715)	(19,885)
Proceeds from property, plant and equipment		280,000	-
Acquisitions of intangibles	17	-	(750)
Net cash outflows from investing activities		(5,334,869)	(16,285)
Cash flows from financing activities			
Interest paid	9	(155,154)	(5,766)
Proceeds from issue of ordinary shares, net of issue costs	28	41,029,253	16,572
Proceeds from the issue of convertible loan notes, net of issue costs	28	5,205,000	6,751,000
Proceeds from the issue of bridging loans, net of issues costs	25	2,000,000	-
Repayment of bridging loans	25	(2,000,000)	-
Payments to hire purchase		(6,397)	(31,873)
Payments to lease liabilities		(212,345)	(198,279)
Net cash inflows from financing activities		45,860,357	6,531,654
Net increase/(decrease) in cash and cash equivalents		25,467,069	(1,563,093)
Cash and cash equivalents at 1 April		18,442	1,581,535
Cash and cash equivalents at 31 March		25,485,511	18,442

*For details of restatement please refer to note 37

The notes on pages 37 to 67 are an integral part of these financial statements.

Major non-cash items

During the period, convertible loan notes with a carrying value of £197,212,441 immediately prior to conversion were converted into 584,831,728 ordinary shares and 490,402,989 B shares in the Company. This transaction did not involve the movement of cash and is therefore not reflected within financing activities in the Consolidated Statement of Cash Flows.

The conversion resulted in the derecognition of the convertible loan note liability of £197,212,441 and the recognition of share capital and share premium in respect of the ordinary shares and B shares issued.

1 General information

Tungsten West plc ('the Company') is a public limited company, incorporated in England and Wales and domiciled in the United Kingdom.

The address of its registered & principal place of business is:

Hemerdon Mine
Drakelands
Plympton
Devon
PL7 5BS
United Kingdom

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Application of new and revised UK adopted International Financial Reporting Standards (UK-adopted IFRS)

New and amended Standards and Interpretations applied

The following amendments are effective for the year beginning 1 January 2025:

- Amendments to IAS 21 - Lack of Exchangeability

The adoption of these new standards and amendments did not have a material impact on the Group.

New and revised Standards and Interpretations in issue but not yet effective

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

Standard or Interpretation	Effective for annual periods commencing on or after
Classification & Measurement of Financial Instruments (Amendments to IFRS 9 & IFRS 7)	1 January 2026
Annual Improvements – Volume 11 (IFRS 1, 7, 9, 10 & IAS 7)	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements-Basis for Conclusions	1 January 2027

The Group is assessing the impact of IFRS 18. The Directors do not currently expect the adoption of these standards and amendments to have a material impact on the Group's recognised assets, liabilities or profit, although additional presentation and disclosure requirements may arise.

Basis of preparation

The Group financial statements have been prepared in accordance with International Accounting Standards as adopted in the United Kingdom ('UK adopted IAS') and those parts of the Companies Act 2006 that are applicable to companies which apply UK adopted IAS.

The financial statements are presented in Sterling, which is the functional currency of the Group and Company.

Going Concern

The Group and Company financial statements have been prepared on a going concern basis, which the Directors consider to be appropriate for the reasons set out below, having given careful consideration to the Group's and Company's financial position, funding arrangements and future cash flow forecasts, covering a period of at least twelve months from the date of approval of these financial statements.

The Group's principal asset is the Hemerdon Mine (also known as Drakelands Mine), operated by Drakelands Restoration Limited. During the year ended 31 March 2026 the Group was a developer with low levels of production. A phased restart of commissioning commenced from July 2026 and will ramp up through the remainder of the calendar year and into 2027.

During the year, the Group significantly strengthened its funding position. In February 2026, the Company completed an equity fundraise of approximately £43 million (gross). Separately, the Group's outstanding Convertible Loan Notes converted into equity during the year and were accordingly extinguished, removing the Group's prior reliance on convertible loan note financing and associated short-term bridging finance. Following the year end, the Group secured further funding from National Wealth Fund Limited ("NWF"), comprising an equity raise of approximately £36 million (before expenses) and a new 366-day £25 million loan facility, with a £10 million uncommitted accordion. Together, these transactions secured the funding required for the Group's remaining project capital expenditure at Hemerdon. As at the date of these accounts, the £25 million loan facility had been drawn down in full.

Going concern (continued)

The Directors have prepared detailed cash flow forecasts covering the going concern assessment period, based on the production, cost and pricing assumptions underpinning the Group's Feasibility Study, updated to reflect the phased restart plan, and the funding secured as described above. These forecasts have been sensitised for a range of downside scenarios, consistent with the sensitivity analysis performed as part of the Feasibility Study and the value in use assessment described in note 2, including delays to the production ramp-up schedule, lower than forecast metal prices and recoveries, and unfavourable movements in foreign exchange rates.

The Directors have also modelled a downside scenario addressing the risk of delay to completion of the front-end crushing circuit. Under this scenario, the Group would fall back on its existing mobile front-end crushing and in-pit crushing arrangements with a contractor - the process route already in use earlier in the year - pushing back the ramp-up of the permanent front-end by three months. This fallback route carries a higher per-tonne processing cost than the planned front-end/ore sorter route, increasing operating costs over the delay period by approximately £3 million. The Group has also modelled a corresponding pause to waste mining over the same period, which reduces drill and blast costs but is offset by increased haulage costs to the more distant processing facility under the fallback route; these two effects have been assessed as broadly offsetting.

Under each of the scenarios modelled, the Group retains sufficient liquidity throughout the going concern period, taking into account the £25 million NWF loan facility (with its £10 million uncommitted accordion) and the Group's cash resources.

The Directors have also considered the maturity of the NWF loan facility, which is repayable 366 days from drawdown, and have concluded that the Group's forecast operating cash flows from production, together with the accordion facility and the Group's ongoing relationship with NWF, provide a reasonable basis to expect that the facility can be refinanced or repaid as it falls due.

Having considered the matters set out above, the Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the going concern assessment period. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements. This represents a change from the prior year, in which a material uncertainty relating to going concern was disclosed pending completion of the Group's longer-term funding arrangements.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and its subsidiary undertakings drawn up to 31 March 2026.

A subsidiary is an entity controlled by the Company. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

Business Combinations

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value at the acquisition date and comprises the fair value of the assets transferred, liabilities incurred to former owners of the acquiree and equity interests issued by the Group.

Identifiable assets acquired and liabilities assumed are recognised at their acquisition-date fair values, except where IFRS requires a different measurement basis.

Goodwill is measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest and, in a business combination achieved in stages, the fair value of the Group's previously held interest in the acquiree, over the net fair value of the identifiable assets acquired and liabilities assumed. Where the net fair value of the identifiable assets acquired and liabilities assumed exceeds the aggregate consideration transferred, the excess is recognised immediately in profit or loss as a bargain purchase gain.

Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Tungsten West PLC, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Potential ordinary shares are anti-dilutive when the Group reports a loss and are therefore excluded from the calculation of diluted loss per share.

Revenue recognition

Revenue comprises proceeds from the sale of tungsten and tin concentrate produced by the Group. The sale of concentrate represents a single performance obligation, which is satisfied at the point in time when control of the product transfers to the customer, typically on collection from site or on delivery, in accordance with the agreed shipping terms. Revenue is recognised at the transaction price, net of any applicable discounts, price adjustments, provisional pricing adjustments or selling fees.

Cost of sales

Cost of sales comprises all costs incurred in bringing tungsten and tin concentrate to its present location and condition and is recognised in the period in which the related revenue is recognised.

Cost of sales includes:

- Direct mining costs, including drilling, blasting, loading and hauling of ore;
- Processing costs, including crushing, milling, gravity separation and other beneficiation costs incurred in converting ore to saleable concentrate;
- Directly attributable labour costs, including on-site operational and supervisory salaries, wages and related on-costs;
- Consumables, reagents and maintenance spares consumed in mining and processing;
- Depreciation of mining and processing property, plant and equipment, on a units-of-production or straight-line basis as appropriate to the useful economic life of the asset;
- Site utilities, including power and water directly consumed in production.

In the prior year, the Group had not yet commenced production and generated no revenue. The costs recognised within cost of sales in that period represented the direct costs of maintaining the mine and processing facility in a state of readiness for production - principally care and maintenance of the site - which are of a comparable nature to, and precursor to, the direct production costs incurred once mining operations commenced. These costs were therefore presented on a consistent basis with the current year's cost of sales, notwithstanding the absence of revenue in that period.

Taxation

Income tax expense consists of the sum of current tax and deferred tax.

Current tax is based on taxable profit for the year. Taxable profit differs from profit as reported for accounting purposes because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. A provision is recognised for tax matters that are uncertain if it is considered probable that there will be a future outflow of funds to a tax authority. The provision is measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of management supported by the advice of tax professionals contracted by the company.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The Group recognises research and development tax credits when management considers that the claim is substantially agreed and there is no material uncertainty regarding its recovery. Generally this is considered to be upon receipt of cash.

Property, plant and equipment

Land and buildings are stated at cost less any depreciation or impairment losses subsequently accumulated (cost model). Land and buildings have been uplifted to fair value on consolidation.

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

The asset under construction relates to costs incurred to upgrade the mineral processing facility and, in accordance with IAS 16, costs have been capitalised if it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Depreciation on the mineral processing facility will be calculated using the units of production ("UOP") method, reflecting the pattern in which the economic benefits of the asset are consumed. Under this method, the depreciable amount of the asset is allocated based on the actual production achieved in the period as a proportion of the total estimated recoverable production over the asset's useful life, capped by the estimated life of the mine. Deprecation will commence when we have successfully commissioned the mineral processing facility.

Estimated recoverable units are based on proved and probable ore reserves, adjusted for expected process recovery rates, and are reviewed at

Property, plant and equipment (continued)

least annually or when there is an indication of significant change (e.g. reserve restatement, mine plan revision, or a change in processing recovery assumptions). Changes are accounted for prospectively as a change in accounting estimate under IAS 8. Depreciation commences when the asset is available for use in the manner intended by management. i.e. when commissioning is complete and the plant is capable of operating at a level consistent with commercial production.

Depreciation

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

Asset class	Depreciation method and rate
Land	None
Building	2% - 5% Straight Line
Furniture, fittings and equipment	5% - 20% Straight Line
Computer equipment	33% Straight Line
Motor vehicles	33% Straight Line
Other property, plant and equipment	5% – 33% Straight Line
Mineral Processing Facility	UOP

Intangible assets

Software is recognised as an intangible asset when it is probable that the expected future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Software is initially measured at cost, including directly attributable costs incurred in acquiring and preparing the asset for its intended use.

Following initial recognition, software is carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over the asset's estimated useful economic life of three years, reflecting the pattern in which the asset's future economic benefits are expected to be consumed. Software is amortised on a straight-line basis using a rate of 33%.

Mining Rights

The mining rights are subject to amortisation over the useful life of the mine which is 27 years (2025: 27 years). Amortisation will be charged from the date the mine is brought into use. Following full commissioning of the Mineral Processing Facility, the mining rights will be reclassified to property, plant and equipment, on the basis that they then form part of the broader mine asset from which future production is derived, and depletion will thereafter be charged on a units-of-production basis, consistent with the basis applied to depreciation of the Mineral Processing Facility.

Research and development activities

All research costs are expensed.

Current and non-current classification

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

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

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

Deferred tax assets and liabilities are always classified as non-current.

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.

Trade receivables

Trade and other receivables where payment is due within one year do not constitute a financing transaction and are recorded at the undiscounted amount expected to be received, less attributable transaction costs. Any subsequent impairment is recognised as an expense in profit or loss.

All trade and other receivables are subsequently measured at amortised cost, net of impairment.

Trade payables

Trade and other payables are initially recognised at fair value less attributable transaction costs. They are subsequently measured at amortised cost.

Convertible debt

Convertible loan notes issued by the Group are assessed at the date of issuance to determine whether they contain liability and/or equity components in accordance with IAS 32 Financial Instruments: Presentation.

Where the convertible loan notes' conversion feature does not meet the IAS 32 "fixed-for-fixed" test (variable conversion price, capped share allocation), the instrument is classified in full as a financial liability, with no separate equity component.

The convertible loan notes are designated at fair value through profit or loss (FVTPL) on initial recognition, avoiding separate bifurcation of the embedded conversion derivative. Fair value movements are recognised in profit or loss at each reporting date.

Fair value is estimated using a probability-weighted scenario model rather than an option-pricing model, as the conversion terms mean the payoff is not dependent on future share price movements. Two outcomes are modelled: conversion into equity, and cash redemption at maturity. Expected cash flows under each scenario are probability-weighted using Management's best estimate (based on financing and operational milestones) and discounted using a rate benchmarked to the internal rate of return implicit at issuance, itself derived using this same probability-weighted approach applied to the cash proceeds received.

At each reporting date the same approach is reapplied over the shorter remaining period to maturity. Immediately before conversion, the conversion probability is updated to 100% and the discount period is shortened to the actual date of conversion.

On conversion, the convertible loan note liability is derecognised. The consideration for derecognition is measured as the fair value of the ordinary shares issued, determined by reference to the quoted market price of the Group's shares at the conversion date. Any difference between the carrying value of the liability immediately before conversion and the fair value of shares issued is recognised as a gain or loss in profit or loss. This gain or loss principally reflects movement in the Group's quoted share price between the date the fair value model's conversion assumptions were set and the actual conversion date, rather than a change in the substantive terms of the instrument.

Provisions

A provision is recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that settlement will be required, and a reliable estimate can be made of the amount. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date, discounted to present value where the effect is material.

The Group recognises a provision for restoring and rehabilitating areas disturbed by its mining activities on a full life-of-mine basis, recognised when the disturbance giving rise to the obligation occurs. As the provision is measured on this basis at each reporting date, its balance moves principally through the unwinding of the discount and changes in the discount rate and inflation assumptions applied to an otherwise unchanged cost estimate; no corresponding restoration asset is recognised (see note 26 and note 37).

The underlying cost estimate is only expected to change where there is a genuine change in the scope of restoration required - for example, disturbance beyond that currently approved and estimated, a regulatory change in restoration requirements, or a cost category not contemplated in the original estimate. Management does not expect such a change in the near term, but recognises this may arise if the Group expands operations or exercises options beyond the currently approved plan.

The current mine life is 11 years, based on the mining permits currently held. Should the scope of restoration change, the corresponding cost would be capitalised within mining assets from the point the change is approved and depreciated over the mine's useful life as assessed at that time; useful life is reviewed at each reporting date and revised prospectively where a change in the approved mining plan, resource base, or permitted life extends or shortens it beyond the current 11-year estimate.

The unwinding of the discount is recognised as a finance cost. Expenditure incurred is charged against the provision when it is incurred.

Leases

At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group assesses whether it has the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct its use throughout the period of use.

As a lessee, the Group recognises a lease liability and a corresponding right-of-use asset at the lease commencement date, except for short-term leases and leases of low-value assets, for which the recognition exemptions available under IFRS 16 are applied.
The lease liability is initially measured at the present value of lease payments to be made over the lease term that are not paid at the commencement date. Lease payments included in the measurement of the lease liability comprise:

Leases (continued)

- fixed lease payments, less any lease incentives receivable;
- variable lease payments that depend on an index or rate;
- amounts expected to be payable under residual value guarantees;
- the exercise price of purchase options where the Group is reasonably certain to exercise such options; and
- payments of penalties for terminating the lease, where the lease term reflects the exercise of a termination option.

Lease payments are discounted using the interest rate implicit in the lease where that rate can be readily determined. Where this is not readily determinable, the Group applies its incremental borrowing rate, being the rate of interest that it would have to pay to borrow, over a similar term and with similar security, the funds necessary to obtain an asset of similar value in a similar economic environment.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. The carrying amount is increased to reflect interest accrued on the lease liability and reduced for lease payments made. The lease liability is remeasured when there is a change in future lease payments, a reassessment of a lease term, or a lease modification.

Right-of-use assets primarily comprise the lease relating to the Hemerdon Mine together with other property leases. Right-of-use assets are initially measured at cost, comprising:

- the amount of the initial lease liability;
- lease payments made at or before the commencement date less any lease incentives received;
- initial direct costs incurred in obtaining the lease; and
- an estimate of costs to dismantle, remove or restore the underlying asset or site on which it is located, where applicable.

Subsequently, right-of-use assets are measured at cost less accumulated depreciation and impairment losses and adjusted for certain remeasurements of the associated lease liabilities.

Right-of-use assets are depreciated on a straight-line basis from the commencement date over the shorter of the lease term and the useful life of the underlying asset. Where ownership of the underlying asset transfers to the Group at the end of the lease term, or the cost of the right-of-use asset reflects that a purchase option will be exercised, depreciation is charged over the useful life of the underlying asset.

The Group reviews right-of-use assets for impairment whenever events or changes in circumstances indicate that their carrying amount may not be recoverable.

Payments associated with short-term leases and leases of low-value assets are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Inventories

Inventories are stated at the lower of cost and net realisable value on a 'first in first out' basis. Cost comprises direct materials and delivery costs, direct labour, import duties and other taxes, an appropriate proportion of variable and fixed overhead expenditure based on normal operating capacity, and, where applicable, transfers from cash flow hedging reserves in equity. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Cost is determined on the following basis:
(a) Metal concentrate on hand is valued on an average total production cost method
(b) Ore stockpiles are valued at the average cost of mining and stockpiling the ore, including haulage
(c) A proportion of related depreciation and amortisation charge is included in the cost of inventory

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Impairment of non-current assets

Property, plant and equipment is assessed for impairment under IAS 36 at each reporting date, or when indicators of impairment exist. For this purpose, assets are grouped into cash-generating units (CGUs), being the smallest group of assets generating largely independent cash inflows. The Group has determined that the Hemerdon Mine, comprising the mining operations and mineral processing facility, is managed and generates cash flows as a single CGU, as mined ore has no realisable value independent of processing through the mineral processing facility. Where an indicator of impairment is identified, the recoverable amount of the CGU (the higher of fair value less costs of disposal and value in use) is compared to its carrying amount, with any shortfall recognised in profit or loss.

Share capital

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

Share options

Share options granted to shareholders classified as equity instruments are accounted for at the fair value of cash received or receivable. Share options granted to shareholders which represent a future obligation for the Company outside of its control are recognised as a financial liability at fair value through profit and loss.

Share options granted to employees are fair valued at the date of grant with the cost recognised over the vesting period. If the employee is employed in a subsidiary company, the cost is added to the investment value, in the financial statements of the parent, and the expense recognised in staff costs in the statements of the subsidiary.

Share options (continued)

Warrants issued in return for a service are classified as equity instruments and measured at the fair value of the service received. Where the service received relates to the issue of shares the cost is debited against the proceeds received in share premium.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which pension contributions are paid into a separate entity and the group 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 into 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.

Financial instruments

Initial recognition

Financial assets and financial liabilities comprise all assets and liabilities reflected in the statement of financial position, although excluding property, plant and equipment, intangible assets, right of use assets, inventories, deferred tax assets, prepayments, deferred tax liabilities and the mining restoration provision. The Group recognises financial assets and financial liabilities in the statement of financial position when, and only when, the Group becomes party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at fair value. For financial assets not measured at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset are added to the fair value on initial recognition.

Financial liabilities are initially recognised at fair value. For financial liabilities not measured at fair value through profit or loss, directly attributable transaction costs are deducted from the fair value of the liability on initial recognition.

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value (either through other comprehensive income or through profit or loss).

Derecognition

Financial assets
The Group derecognises a financial asset when:

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

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received is recognised as a gain or loss in the profit or loss.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

Significant accounting estimates and judgements

The preparation of the financial statements requires management to make estimates and judgements that affect the reported amounts of certain financial assets, liabilities, income and expenses.

The use of estimates and judgements is principally limited to the determination of provisions for impairment and the valuation of financial instruments as explained in more detail below:

Significant accounting judgements

Impairment of non-current assets

Cash-generating units ("CGUs") are defined in the accounting policies note, with the Hemerdon Mine, comprising the mining operations and mineral processing facility, determined to be a single CGU (see note 2).

Management makes regular checks on internal and external impairment indicators in respect of the Company's investment in subsidiary undertakings, mining rights and properties. During the year ended 31 March 2026 and as of the date of this report, management did not identify any internal or external indicators triggering a detailed impairment review. The group commenced phased commissioning at the Hemerdon Mine in August 2026, in line with management's phased restart plan, and the Group secured the funding required to complete its remaining project capital expenditure through the National Wealth Fund agreement entered into following the year end. Management is confident that the carrying amount of the Company's investment in subsidiaries continues to be fully recoverable, with no impairment of any assets being deemed necessary.

Founder options

The Directors consider the non-EMI portion of the founder options meet the definition of equity in the financial statements of the Group on the basis that the 'fixed for fixed' condition is met and that they were awarded to shareholders relating to investing in the share capital of the Group. The accounting treatment has been applied in accordance with IAS 32, which requires initial recognition at fair value of consideration paid less costs. As there was no consideration received at inception, the value of the options is £nil. When exercised the shares are recognised at option price. Please see note 30.

Key sources of estimation uncertainty

Restoration provision

The restoration provision is the contractual obligation to restore the mining site back to its original state once mining ceases. The provision represents the expected outflows required to settle that obligation, discounted to present value. As restoration work will predominantly be completed towards the end of the mine's useful life, the calculation is subject to a high degree of estimation uncertainty. The key assumptions that would lead to significant changes in the provision are the discount rate, the timing of restoration relative to the term of the Mineral Lease, and the estimated restoration cost (see note 26).

A 1% change in the discount rate applied to the Group's restoration estimate would result in an impact of £1.5 million to £2.0 million (2025: £1.5 million to £2.0 million) on the restoration provision. A 5% change in the estimated restoration cost would result in an impact of £0.4 million (2025: £0.3 million) on the provision for restoration. More information on the restoration provision is disclosed in note 26.

Convertible loan notes

During the year, the convertible loan notes converted into equity shares. Immediately prior to conversion, the instrument was remeasured to fair value, with the conversion scenario weighted at 100% probability and the discount period shortened to the actual conversion date. The resulting shares were recognised in equity at fair value, determined by reference to the Company's quoted share price at the conversion date. As the notes have now converted, no liability remains at the balance sheet date and there is no ongoing estimation uncertainty associated with future settlement.

Prior to conversion, the notes were measured at fair value at each reporting date, with fair value calculated using a scenario pricing model. Management commissioned an external expert to calculate the fair value at the prior year end, with key assumptions being the probabilities assessed for each underlying scenario, the discount rate selected, and the expected dates of conversion or redemption.

Discount rates

The Group has had to assess reasonable discount rates based on market factors to use under IFRS. These discount rates have been used on the value in use model, right-of-use assets and the restoration provision.

The discount rate on the right-of-use asset is the rate for an equivalent debt instrument.

The restoration provision is discounted at the risk-free rate, being the yield on an equivalent maturity UK government bond matched to the expected date of restoration expenditure. Inflation on the underlying cost estimate is derived independently, using the difference between nominal and index-linked government bond yields at the same date, rather than being included as a separate risk premium. No further risk premium has been added to the discount rate, on the basis the original contingency allowance included within the cost estimate is considered to address the specific risks associated with this liability.

The discount rate applied to the value in use model reflects current market assessments of the time value of money and the risks specific to the Hemerdon Mine CGU that are not already reflected in the cash flow forecasts, being a post-tax discount rate derived by reference to a market participant's weighted average cost of capital.

3 Financial risk management

Group

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

Credit risk

In order to minimise credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties (banks and debtors) and it obtains sufficient collateral, where appropriate, to mitigate the risk of financial loss from defaults. The most significant credit risk relates to customers that may default in making payments for goods they have purchased.

To date the Group has only made a small number of sales and therefore the credit risk exposure has been low.

Liquidity risk

The Directors regularly monitor forecast and actual cash flows and to match the maturity profiles of financial assets and liabilities to ensure proper liquidity risk management for the day-to-day working capital requirements.

Financial risk management (continued)

In the view of the Directors, the key risk to liquidity, in the medium term, is raising the additional capital required to meet its estimated Capex spend. The Group's continued future operations depend on the ability to raise sufficient capital through the issue of debt. At present the Group does not have sufficient capital to fund its estimated Capex spend therefore there is a liquidity risk which would result in the Group having to pause its future operations were it to not raise the necessary capital. At present, the Group is in discussions with financing partners to provide this additional capital.

In the short term the key risk is raising sufficient finance to fund the operational costs of the business.

Market risk

Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest-bearing borrowings. The interest rates and terms of repayment are disclosed in note 23 to the financial statements. The Company's policy is to obtain the most favorable interest rates available for all liabilities. Except as outlined above, the Group has no significant interest-bearing assets and liabilities.

Foreign exchange risk

The Group in the future will also be exposed to exchange rate risk on the basis that tungsten prices are principally denominated in US Dollar. The Group will seek to manage this risk through the supply contracts it agrees with future customers.

The Group does not use any derivative instruments to reduce its economic exposure to changes in interest rates or foreign currency exchange rates at the current time.

Price risk

The Group is exposed to the price fluctuation of its primary products being tungsten and tin. Given the Group is currently in the development phase and is not yet producing any revenue, the costs of managing exposure to commodity price risk exceed any potential benefits. The Directors monitor this risk on an ongoing basis and will review this as the Group moves towards production.

Inflation risk

The Group is exposed to inflationary pressures that impact the core materials required for the operations, mainly being reagents, power and diesel costs. The Directors monitor this risk on an ongoing basis and will review this as the group moves towards production.

4 Operating segments

The Chief Economic Decision Maker of the Group is the Board of Directors which considers that the Group is comprised of one operating segment representing the Group's mining activities at the Hemerdon Mine. All operations and assets are located in the United Kingdom and all revenues are originated in the United Kingdom.

Revenue from customers accounting for 10% or more of Group revenue was as follows:

	2026 **£**	2025 £
Customer A	**601,550**	–

5 Revenue from contracts with customers

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

	2026 **£**	2025 £
Tungsten	**601,550**	–
Sale of goods	**601,550**	–

6 Other income

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

	2026 **£**	2025 £
Sale of scrap metal	**-**	3,600
Sublease rental income	**-**	2,635
Other contract income	**420,000**	-
	420,000	6,235

Other contract income of £420,000 (2025: £nil) was received during the year. The income represents consideration received under an agreement in connection with a contractor's mobilisation on site and the associated transfer of a crusher. The related gain on disposal of the crusher is presented separately within other gains and losses on disposal of assets. See note 6.

7 Other gains and losses

The analysis of the Group's other gains and losses for the year is as follows:

	2026 **£**	2025 £
Impairment on assets under construction (property, plant and equipment)	**-**	(9,506,522)
Gains on disposal of assets	**35,000**	-
Other gains and losses	**35,000**	(9,506,522)

8 Operating loss

Arrived at after charging/(crediting)

	2026 £	2025 £
Depreciation of property, plant and equipment	**204,290**	318,725
Depreciation of right-of-use assets	**114,743**	76,489
Loss on disposal of right-of-use asset	**-**	79,712
(Gain)/Loss on disposal of tangible fixed assets	**(35,000)**	5,181
Impairment of asset under construction assets and deposits	**-**	9,506,522
Amortisation of intangibles	**55,910**	74,822
Staff costs	**2,587,137**	2,481,436

9 Finance income and costs

	2026 £	2025 £
Finance income on financial instruments measured at amortised cost:		
Notional interest income on the escrow funds receivable	**278,185**	893,845
Other interest income	**18,846**	4,350
	297,031	898,195
Finance costs on financial instruments measured at amortised cost:		
Interest expense on other financing liabilities	**(107,849)**	(111,491)
Interest expense on bridging loan	**(150,000)**	-
Notional cost on the restoration provision	**(359,363)**	(365,456)
Bank charges	**(5,155)**	(5,766)
Foreign exchange losses	**(25,746)**	(12,734)
Finance costs on financial instruments measured at fair value through profit or loss:		
Fair value movement in convertible loan notes designated fair value through profit and loss	**(167,324,341)**	(6,346,879)
Total finance costs	**(167,972,454)**	(6,842,326)
Net finance costs	**(167,675,423)**	(5,944,131)

10 Staff costs

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

	2026 £	2025 £
Wages and salaries	**2,280,452**	2,074,586
Social security costs	**312,649**	253,935
Pension costs, defined contribution scheme	**86,563**	92,332
Share based payment	**-**	63,248
Forfeiture of share options	**(92,527)**	**-**
	2,587,137	2,484,101

10 Staff costs (continued)

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

	2026 No.	2025 No.
Project, maintenance, administration and support	**32**	26
Directors	**9**	6
	41	32

11 Directors' remuneration

The Directors' remuneration for the year was as follows:

	2026 £	2025 £
Remuneration	**770,949**	705,726
Pension contribution	**22,729**	22,541
Benefits in kind	**-**	1,489
Total cash remuneration	**793,678**	729,756
Total remuneration	**793,678**	729,756

Included in the remuneration above was £nil (2025: £nil) paid in shares rather than cash.

Remuneration by each Director is as follows:

	2026 Salary £	**2026 Pension £**	**2026 Total £**
Richard Maxey	29,333	-	**29,333**
Alistair Stobie	89,425	3,646	**93,071**
David Cather	29,333	-	**29,333**
Martin Wood	32,666	-	**32,666**
Kevin Ross	29,333	-	**29,333**
Jeffery Court**	350,000	17,500	**367,500**
Guy Edwards	65,333	-	**65,333**
Philip Povey	65,526	1,583	**67,109**
Stephen Harrison	80,000	-	**80,000**
	770,949	**22,729**	**793,678**

** Denotes the highest paid Director.

Alistair Stobie and Philip Povey were only partly employed as a director during the year. All directors salaries represent short term employment benefits whilst pension represents long term. There were no share option costs during the year attributable to the directors.

Directors' interests in share options and warrants are disclosed in the Directors' Report. Please see page 26.

11 Directors' remuneration (continued)

	2025 Salary £	2025 Pension £	2025 Benefits £	2025 Total £
Richard M Maxey	24,000	-	-	**24,000**
Alistair Stobie	175 916	8,046	-	**183,962**
David Cather	45,000	-	-	**45,000**
Martin Wood	29,000	-	-	**29,000**
Kevin Ross	24,000	-	-	**24,000**
Jeffery Court	171,410	4,375	-	**175,785**
Neil Gawthorpe**	202,400	10,120	1,489	**214,009**
Guy Edwards	24,000	-	-	**24,000**
Stephen Harrison	10,000	-	-	**10,000**
	705,726	**22,541**	**1,489**	**729,756**

** Denotes the highest paid Director.

Directors' interests in share options and warrants are disclosed in the Directors' Report.

12 Auditors' remuneration

	2026 £	2025 £
Audit of these financial statements (predecessor auditor)	**-**	71,000
Audit of these financial statements (current auditor)	**130,000**	-
Other fees to auditors		
Audit of subsidiary financial statements and other assurance services (previous auditor)	**-**	82,900
Total Auditors' Remuneration	**130,000**	153,900

13 Income tax

Tax charged/(credited) in the income statement:

	2026 £	2025 £
Current taxation		
Adjustments in respect of prior periods	**(134,470)**	(264,572)

13 Income tax (continued)

The tax on profit for the year is higher (2025: higher) than the standard rate of corporation tax in the UK of 25% (2025: 25%). The differences are reconciled below:

	2026 £	2025 £
Loss before tax	(175,580,741)	(24,957,585)
Corporation tax at standard rate	**(43,895,185)**	(6,239,396)
Fixed asset differences	**(10,178)**	2,433,186
Increase from effect of expenses not deductible in determining taxable profit (tax loss)	**42,159,453**	1,663,040
Other differences	**(27,355)**	750
Surrender of tax losses for R&D tax credit refund	**(107,416)**	(264,572)
Adjustments in respect of prior periods (deferred tax)	**7,744**	-
Decrease/(increase) from tax losses for which no deferred tax asset was recognised	**1,738,467**	2,142,420
Total tax credit	**(134,470)**	(264,572)

Deferred tax
Group

	2026 Intangibles £	2026 Tangibles £	2026 Losses £	2026 Total £
At 1 April 2025 restated*	-	406,931	(406,931)	-
Charged to profit and loss	-	-	-	-
At 31 March 2026	-	406,931	(406,931)	-

The net deferred tax of £nil is made up of a liability of £406,930 and asset of £406,930. The unrecognised deferred tax asset for carried forward losses at 31 March 2026 was £12,590,909

The rate used for the deferred tax is 25% (2025: 25%).

	2025 Intangibles £	2025 Tangibles £	2025 Losses £	2025 Total £
At 1 April 2024 restated*	-	421,818	(421,818)	-
Charged to profit and loss	-	(14,887)	14,887	-
At 31 March 2025 restated*	-	406,931	(406,931)	-

The net deferred tax of £nil is made up of a liability of £406,930 and asset of £406,930. The unrecognised deferred tax asset for carried forward losses at 31 March 2025 was £10,281,434.

The Group has assessed the potential impact of the OECD Pillar Two global minimum tax rules and the legislation enacted in the jurisdictions in which it operates. Based on this assessment, the Group does not expect Pillar Two legislation to have a material impact on its financial position, results of operations or cash flows. The Group has applied the temporary mandatory exception under IAS 12 from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes.

*For details of restatement please refer to note 37.

14 Earnings per share

Basic and diluted loss per share is calculated as follows:

	2026 £	2025 £ Restated*
Loss for the year	**(175,446,271)**	(24,693,013)
Weighted average number of shares in issue	**1,504,748,756**	188,731,307
Basic and diluted loss per share	**(0.12)**	(0.13)

The diluted loss per share calculations exclude the effects of share options, warrants and convertible debt on the basis that such future potential share transactions are anti-dilutive. Information on share options and warrants is disclosed in note 30.

*For details of restatement please refer to note 37.

15 Property, plant and equipment

See note 2 for accounting policy on property, plant and equipment.

Group	**Land and buildings £**	**Furniture, fittings and equipment £**	**Computer equipment £**	**Motor vehicles £**	**Other property, plant and equipment £**	**Asset under construction £**	**Total £**
Cost or valuation							
At 1 April 2024	5,189,361	114,762	312,363	141,500	251,181	16,411,032	22,420,199
Additions	-	-	-	-	-	19,885	19,885
Disposal	-	-	(23,478)	-	-	-	(23,478)
At 31 March 2025	**5,189,361**	**114,762**	**288,885**	**141,500**	**251,181**	**16,430,917**	**22,416,606**
Additions	-	1,021	28,068	-	-	5,604,626	5,633,715
Disposal	-	-	-	-	-	(245,000)	(245,000)
At 31 March 2026	**5,189,361**	**115,783**	**316,953**	**141,500**	**251,181**	**21,790,543**	**27,805,321**
Depreciation							
At 1 April 2024	445,117	35,298	183,574	82,130	140,931	2,266,870	3,153,920
Charge for the year	105,428	22,951	89,376	46,695	54,275	-	318,725
Disposal	-	-	(18,297)	-	-	-	(18,297)
Impairment	-	-	-	-	-	9,506,522	9,506,522
At 31 March 2025	**550,545**	**58,249**	**254,653**	**128,825**	**195,206**	**11,773,392**	**12,960,870**
Charge for the year	105,429	22,675	34,753	12,675	28,758	-	204,290
At 31 March 2026	**655,974**	**80,924**	**289,406**	**141,500**	**223,964**	**11,773,392**	**13,165,160**
Carrying amount							
At 31 March 2026	**4,533,387**	**34,859**	**27,547**	**-**	**27,217**	**10,017,151**	**14,640,161**
At 31 March 2025	4,638,816	56,513	34,232	12,675	55,975	4,657,525	9,455,736
At 31 March 2024	4,744,244	79,464	128,789	59,370	110,250	14,144,162	19,266,279

Impairment – Asset under construction
The amount of impairment loss included in profit and loss is £nil (2025: £9,506,522). The Group has previously capitalised all costs to Asset Under Construction that relate to the ongoing project to upgrade the processing plant and mine site. The impairment in 2025 principally related to consulting and design work for a new front-end crushing circuit undertaken in 2021/2022 and 2022/2023 which will not now be implemented.

16 Right-of-use assets

	Property £	Total £
Cost or valuation		
At 1 April 2024	2,334,763	2,334,763
Additions	165,324	165,324
Write off	(79,712)	(79,712)
At 31 March 2025	**2,420,375**	**2,420,375**
At 31 March 2026	**2,420,375**	**2,420,375**
Depreciation		
At 1 April 2024	439,179	439,179
Charge for the year	76,489	76,489
Write off	(79,713)	(79,713)
At 31 March 2025	**435,955**	**435,955**
Charge for the year	114,743	114,743
At 31 March 2026	**550,699**	**550,699**
Carrying amount		
At 31 March 2026	**1,869,677**	**1,869,677**
At 31 March 2025	**1,984,419**	**1,984,419**

Depreciation on right-of-use assets charged through the profit and loss totals £114,742 (2025: £76,489). Interest expense on lease liabilities charged through the profit and loss totals £107,849 (2025: £111,491). Certain assets held under right-of-use leases are secured by charges held in favour of Hargreaves (UK) Services Limited or the Trustees of Newnham Estate Trust.

17 Intangible assets

Group	Software £	Total £
Cost		
At 1 April 2024 (restated*)	**231,474**	**231,474**
Additions	750	**750**
At 31 March 2025 (restated*)	**232,224**	**232,224**
At 31 March 2026	**232,224**	**232,224**
Amortisation		
At 1 April 2024	**92,642**	**92,642**
Amortisation charged to the profit and loss	74,822	**74,822**
At 31 March 2025	**167,464**	**167,464**
Amortisation charged to the profit and loss	55,910	**55,910**
At 31 March 2026	**223,374**	**223,374**
Carrying amount		
At 31 March 2026	**8,850**	**8,850**
At 31 March 2025 (restated*)	64,760	64,760
At 31 March 2024 (restated*)	138,832	138,832

17 Intangible assets (continued)

Software amortisation of £55,910 (2025: £74,822) has been charged to the profit and loss presented in administrative expenses.

18 Mining rights assets

Group	Mining rights £	Total £
Cost & carrying amount		
At 1 April 2024 (restated*)	**4,189,431**	**4,189,431**
Additions	-	-
Decrease in restoration provision capitalised against mining rights	(1,882,716)	(1,882,716)
At 31 March 2025 (restated*)	**2,306,715**	**2,306,715**
Increase in restoration provision capitalised against mining rights	(33,931)	(33,931)
At 31 March 2026	**2,272,784**	**2,272,784**

The mining rights will begin to be amortised on a units-of-production basis over proved and probable reserves once mining operations restart. Following full commissioning of the Mineral Processing Facility, the mining rights will be reclassified from intangible assets to property, plant and equipment, on the basis that they then form part of the broader mine asset from which future production is derived. See note 2 for more details.

Recoverability of Mining Assets

Management makes regular checks on internal and external impairment indicators. During the year ended 31 March 2026 and as of this report date, Management did not note any internal or external indicators triggering a detailed impairment review. Management is confident on the carrying amounts of its subsidiaries being fully recoverable, with no impairment of any assets being deemed necessary.

*For details of restatement please refer to note 37.

19 Investments

Group subsidiaries
Details of the Group subsidiaries as at 31 March 2026 are as follows:

			Proportion of ownership interest and voting rights held	
Name of subsidiary	Principal activity	Registered office	**2026**	2025
Drakelands Restoration Limited* Company number 11854467	Mining of tungsten and tin	Hemerdon Mine. Drakelands, Plympton, Devon United Kingdom PL7 5BS England and Wales	**100%**	100%
Tungsten West Services Limited** Company number 12430582	Provision of services to the Group	Hemerdon Mine. Drakelands, Plympton, Devon United Kingdom PL7 5BS England and Wales	**100%**	100%
Aggregates West Limited** Company number 12575686	Sales of aggregates	Hemerdon Mine. Drakelands, Plympton, Devon United Kingdom PL7 5BS England and Wales	**100%**	100%

* Indicates direct investment of Tungsten West plc in the subsidiary.
** Tungsten West Services Limited and Aggregates West Limited are exempt from the Companies Act 2006 requirements relating to the audit of their individual accounts by virtue of Section 479A of the Act as Tungsten West plc has guaranteed the subsidiary company under Section 479C of the Act.

20 Escrow Cash

	31 March 2026 £	31 March 2025 £ Restated*
Non-current financial assets		
Escrow Cash (held in escrow)	**14,912,042**	14,633,857

The Group holds funds with an escrow agent held on trust in connection with the Group's restoration obligations in respect of the Hemerdon Mine. The funds are held partly in a fixed-term deposit account and partly in a current account and are not available for the Group's general corporate use.

The escrow balance is recognised as a financial asset under IFRS 9 and is measured at amortised cost, being the cash balance held by the escrow agent plus accrued interest income. As the balance represents actual cash deposits held on the Group's behalf rather than a long-term receivable subject to significant discounting, no separate discount unwind is recognised.

Interest income is recognised as it accrues on the underlying deposit.

21 Trade and other receivables

	31 March 2026 £	31 March 2025 £
Trade receivables	**346**	5,074
Deposits	**10,642,212**	2,765,284
Prepayments	**107,340**	145,317
Other receivables	**1,824,508**	71,197
	12,574,406	2,986,872

The increase in deposits and other receivables during the year primarily reflects deposits paid against capital expenditure purchase orders placed in connection with the plant rebuild, together with a corresponding increase in VAT recoverable as a result of the increased level of capital spend.

The average credit period on sales of goods is 30 days (2025: 30 days). No interest is charged on outstanding trade receivables. The carrying amount of trade and other receivables approximates the fair value.

As the Group is in the early phases of operation and making a few minor sales, expected credit losses are being considered on a customer-by-customer basis. At the year-end, trade receivables include a provision of £66,751 (2025: £66,751).

22 Cash and cash equivalents

	31 March 2026 £	31 March 2025 £
Cash at bank	**25,485,511**	18,442

23 Inventories

	31 March 2026 £	31 March 2025 £
Inventories	**29,850**	29,850

TUNGSTEN WEST

24 Trade and other payables

	31 March 2026 £	31 March 2025 £
Trade payables	**1,861,191**	1,177,693
Accrued expenses	**2,616,051**	1,089,820
Social security and other taxes	**155,255**	284,625
Outstanding defined contribution pension costs	**15,845**	17,744
Other payables	**-**	167
	4,648,342	2,570,049

Trade payables and accruals comprise amounts outstanding for trade purchases and ongoing costs. The average credit period for trade purchases is 45 days (2025: 45 days). No interest is charged on overdue amounts.

The carrying amount of trade and other payables approximates the fair value.

25 Loans and borrowings

	31 March 2026 £	31 March 2025 £
Non-current loans and borrowings		
Lease liabilities	**1,742,223**	1,863,807
Hire purchase	**-**	6,559
Total Non-current loans and borrowings	**1,742,223**	1,870,366

	31 March 2026 £	31 March 2025 £
Current loans and borrowings		
Lease liabilities	**79,477**	62,387
Hire purchase	**25,250**	25,088
Convertible loan notes	**-**	24,683,100
Total Current loans and borrowings	**104,727**	24,770,575

Lease liabilities

	2026 Future lease payments £	2026 Discount £	2026 Lease liability £
Within one year	184,309	(104,832)	79,477
In two to five years	405,080	(295,509)	109,571
In over five years	3,329,803	(1,697,151)	1,632,652
	3,919,193	**(2,097,493)**	**1,821,700**

	2025 Future lease payments £	2025 Discount £	2025 Lease liability £
Within one year	163,664	(101,277)	62,387
In two to five years	459,003	(276,523)	182,480
In over five years	2,908,135	(1,226,808)	1,681,327
	3,530,802	**(1,604,608)**	**1,926,194**

	2026 **£**	2025 £
Opening lease liability as at 1 April	**1,926,194**	1,852,083
Revaluation	**-**	165,324
Interest charged in statement of comprehensive income	**101,747**	107,066
Lease payments	**(206,241)**	(198,279)
Closing lease liability as at 31 March	**1,821,700**	1,926,194

The lease liabilities are presented as follows:

	31 March **2026** **£**	31 March 2025 £
Current liabilities	**79,477**	62,387
Non-current liabilities	**1,742,223**	1,863,807
	1,821,700	1,926,194

Convertible loan notes

Throughout the last three financial years the Group has issued 8 tranches of Convertible Loan Notes with a nominal value of £22,312,043 of which £5,205,000 was issued in the current year. The notes bore interest at 20% per annum and were secured by a charge over certain assets of the Group held by the security agent, Kroll Trustee Services Limited.

During July 2023 the Group notified Lansdowne Partners, the majority holder, of multiple breaches of the terms of the loan, arising from measures taken by management to conserve cash flow to match available sources of finance. The note holders agreed successive waivers of these breaches.

On 31 December 2025, the Company completed a partial conversion of the Notes at a price of 3 pence per ordinary share, issuing 584,831,728 new Ordinary Shares to noteholders. Any conversion that would have triggered an obligation under Rule 9 of the City Code on Takeovers and Mergers was restricted: Lansdowne Partners and the two key members of the Drakewood Concert Party were capped such that each held approximately 29.90% of the Company's issued share capital immediately following the conversion, with a Rule 9 waiver not being available in the circumstances.

The remaining £12.9 million of Notes held by these parties (including accrued interest, held by Lansdowne, Drakewood Investments Limited and Henry Maxey) was instead converted into 490,402,989 non-voting B-Shares, following shareholder approval of this new class of capital, extinguishing the Notes in full. See note 28 for details of B-shares.

Convertible loan notes (continued)

As the instrument was designated as a single instrument at fair value through profit or loss, comprising a host liability and an embedded derivative option, the liability continued to be fair valued through profit or loss up to the date of conversion. On conversion, the liability was derecognised and equity recognised at the same fair value, such that no separate gain or loss arose on conversion itself, distinct from the fair value movements recognised in the period up to that date.

Movement in liability

	31 March 2026 £	31 March 2025 £
Brought forward	**24,683,100**	11,587,221
Cash received (Convertible Loan Notes)	**5,205,000**	6,751,000
Fair value movement in year	**167,324,341**	6,346,879
Conversion	**(197,212,441)**	(2,000)
Carried forward	**-**	24,683,100

The fair value movement of £167,324,341 (2025: £6,346,879) in the year principally reflects the remeasurement of the Notes to fair value immediately prior to conversion, with the conversion scenario weighted at 100% probability, the discount period shortened to the actual conversion date, and fair value determined by reference to the Company's quoted share price at the conversion date. On conversion, the liability of £197,212,441 (2025: £2,000) was derecognised and equity recognised at the same fair value, such that no separate gain or loss arose on conversion itself, distinct from the fair value movements recognised in the period up to that date.

Bridge Facility

In order to provide sufficient working capital to secure the Project Financing commitments and continue to progress the Project's development, the Company agreed a bridge loan facility of up to £4.0 million with Lansdowne Partners (UK) Ltd, Drakewood Investments Limited and Henry Maxey, being the three largest noteholders (or affiliated entities) and, as such, related parties of the Company.

The facility was unsecured and accrued interest at 15% per annum, capitalising monthly (increasing by 2% in the event of default), and was repayable on the earlier of six months from drawdown or completion of any debt or equity raise equal to or greater than the facility balance, with any smaller equity raise applied as a prepayment. The facility was available in two tranches of £2.0 million each, the first available immediately and the second from 31 January 2026 subject to conditions including completion of the Conversion process of the Notes.

The Company drew down only the first tranche of £2.0 million ("Tranche 1"), which was used to fund project restart costs included within the Feasibility Study. Tranche 1, together with accrued interest, was repaid from the net proceeds of the fundraise.

26 Provisions

Group

	Restoration provision £	**Total £**
At 1 April 2025 (restated*)	**6,703,821**	**6,703,821**
Change in inflation and discount rate	(33,931)	(33,931)
Increase due to passage of time or unwinding of discount	359,363	359,363
At 31 March 2026	**7,029,253**	**7,029,253**
Non-current liabilities	**7,029,253**	**7,029,253**

	Restoration provision £	**Total £**
At 1 April 2024 (restated*)	**8,221,081**	**8,221,081**
Change in inflation and discount rate	(1,882,716)	(1,882,716)
Increase due to passage of time or unwinding of discount	365,456	365,456
At 31 March 2025 (restated*)	**6,703,821**	**6,703,821**
Non-current liabilities	**6,703,821**	**6,703,821**

26 Provisions (continued)

This provision is for the obligation to restore the mine to its original state once mining operations cease, discounted back to present value based on the term of the Mineral Lease. The Directors' cost estimate is based on the original technical assessment of restoration costs commissioned for the site, adjusted to remove the inflation and VAT embedded within that estimate: prior to inflation, this real cost base is £8,208,833 (2025: £8,208,833), comprising direct costs and a contingency allowance.

The provision has been discounted using a nominal discount rate that reflects current market assessments of the time value of money, being the yield on UK government bonds matched to the expected date of expenditure. Inflation on the cost base is derived independently, using the difference between nominal and index-linked UK government bond yields at the same date, rather than being included as a separate assumption. The ultimate costs to restore the mine remain uncertain, and cost estimates can vary in response to many factors, including the extent and cost of rehabilitation activities, technological and regulatory change, and cost increases outside of general inflation.

Management has considered these risks and concluded that the original contingency allowance included within the cost base continues to represent an appropriate allowance for this uncertainty, rather than applying a separate risk premium to the discount rate; this treatment will be kept under review. The discount rate used was 5.65% (2025: 5.4%), with inflation derived from market gilt yields at each reporting date rather than a fixed assumed range, and restoration expenditure is assumed to occur towards the end of the Mineral Lease's term, rather than by reference to an estimated mining period based on the site's original operator's business plan. At the reporting date, these assumptions represent management's best estimate of the present value of the future restoration costs.

27 Retirement benefits

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 £86,563 (2025: £92,332).

Contributions totaling £15,845 (2025: £17,744) were payable to the scheme at the end of the year and are included in creditors.

28 Share capital

Allotted, called up and fully paid shares

	31 March 2026		31 March 2025	
	No.	**£**	No.	£
Ordinary Shares of £0.01 each	**1,247,672,923**	**12,476,729**	188,731,307	1,887,313
B shares of £0.01 each	**257,075,833**	**2,570,758**	-	-

The holders of Ordinary Shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All Ordinary Shares rank equally with regard to the Company's residual assets.

Following the partial conversion of the Convertible Loan Notes on 31 December 2025, the Company issued 490,402,989 B Shares.

The B Shares carry the same economic rights as Ordinary Shares, including in respect of dividends, on a winding up, and in a takeover situation, and rank pari passu with the Ordinary Shares, but carry no right to vote at general meetings. They are transferable but are not listed or admitted to any trading facility.

B Shares convert into Ordinary Shares on a one-for-one basis at the holder's election, subject to the holder (together with any transferee and persons acting in concert) remaining below the mandatory offer threshold under Rule 9 of the City Code, or the Company ceasing to be subject to the Code; a holder may also elect to convert sufficient B Shares to exceed that threshold where it wishes to make a mandatory offer in compliance with the Code.

During the year, 233,327,156 B Shares were converted into Ordinary Shares leaving 257,075,833 B Shares in issue at 31 March 2026.

The B Shares, comprising the core settlement tranche and the Additional B Shares, have been classified as equity instruments in accordance with IAS 32, on the basis they carry no obligation to deliver cash, no mandatory redemption feature, and convert into Ordinary Shares on a fixed one-for-one basis.

A reconciliation of the number of shares outstanding at the end of each year is presented as follows:

	31 March 2026 Ordinary Shares	31 March 2026 B shares	31 March 2025 Ordinary Shares	31 March 2025 B Shares
Number of shares brought forward	**188,731,307**	**-**	187,074,111	-
Issue of ordinary shares, founder share incentives, on 22 May 2024 at £0.01 per share	**-**	**-**	1,657,196	-
Issue of ordinary shares, founder share incentives, on 24 December 2025 at £0.01 per share	**1,657,196**	**-**	-	-
Issue of ordinary shares in respect of convertible loan note conversion, on 06 January 2026	**584,831,728**	**-**	-	-
Issue of B shares in respect of convertible loan note conversion, on 03 February 2026	**-**	**490,402,989**	-	-
Issue of Ordinary shares, following the equity raise, on 11 February 2026	**100,000,000**	**-**	-	-
Issue of Ordinary shares, following the equity raise, on 27 February 2026	**139,125,536**	**-**	-	-
Issue or Ordinary shares, following the conversion of B shares, on 24 February 2026	**199,520,870**	**(199,520,870)**	-	-
Issue or Ordinary shares, following the conversion of B shares, on 17 March 2026	**33,806,286**	**(33,806,286)**	-	-
Number of shares carried forward	**1,247,672,923**	**257,075,833**	188,731,307	-

A reconciliation of the cash and non-cash movement of Share Capital is presented as follows

	31 March 2026 Ordinary Shares	**31 March 2026 B shares**	**31 March 2026 Cash**	**31 March 2026 Non Cash**
	Number	**Number**	**£**	**£**
Issue of ordinary shares, founder share incentives, on 24 December 2025 at £0.01 per share	**1,657,196**	**-**	**16,572**	**-**
Issue of ordinary shares in respect of convertible loan note conversion, on 06 January 2026	**584,831,728**	**-**	**-**	**67,255,649**
Issue of B shares in respect of convertible loan note conversion, on 03 February 2026	**-**	**490,402,989**	**-**	**129,956,792**
Issue of Ordinary shares, following the equity raise, on 11 February 2026	**100,000,000**	**-**	**18,000,000**	**-**
Issue of Ordinary shares, following the equity raise, on 27 February 2026	**139,125,536**	**-**	**25,042,596**	**-**
Issue costs from equity raise	**-**	-	**(2,029,915)**	**-**
Issue or Ordinary shares, following the conversion of B shares, on 24 February 2026	**199,520,870**	**(199,520,870)**		
Issue or Ordinary shares, following the conversion of B shares, on 17 March 2026	**33,806,286**	**(33,806,286)**	**-**	**-**
Total movement during the year	**1,058,941,616**	**257,075,833**	**41,029,253**	**197,212,441**

During the year the Company issued 1,058,941,616 Ordinary shares (2025: 1,657,196) and 490,402,989 B shares (2025: nil). The charge to share capital and premium comprised £41,029,253 cash and £197,212,441 non-cash on conversion of convertible loan notes.

Of the B shares issued, 33,806,286 were converted into Ordinary shares on 17 March 2026 for nil consideration. This represents a movement between share classes rather than a new issue of capital, and has been excluded from the cash and non-cash totals above. As a result, 257,075,833 B shares remained in issue at 31 March 2026.

29 Reserves

Share premium

Share premium represents the excess of consideration received over the nominal value of shares issued, net of issue costs.

Share option reserve

The share option reserve represents the cumulative fair value of share options granted by the Group that have been recognised in accordance with IFRS 2. The reserve increases as the related expense is recognised over the vesting period and is transferred within equity upon exercise, lapse or expiry of the awards.

Retained earnings

Retained earnings represents cumulative profits and losses recognised in the consolidated income statement, less dividends paid and other distributions to shareholders.

30 Share-based payments

Founder share incentives - Details and movements

The founder shareholders have a right to receive shares at a nominal value once certain milestones are hit.

The movements in the number of share options during the year were as follows:

	31 March 2026 No.	31 March 2025 No.
Outstanding, start of year	16,571,952	18,229,148
Exercised during the year	(1,657,196)	(1,657,196)
Outstanding, end of year	14,914,756	16,571,952

Upon admission to AIM, the original founder agreement was terminated and the Company granted replacement founder options to the founder shareholders with effect from admission.

The founder options meet the definition of equity in the financial statements of the Company on the basis that the 'fixed for fixed' condition is met. No consideration was received for the founder options at grant date, therefore no accounting for the issue of the equity instruments is required under IFRS. On exercise, the shares are recognised at the fair value of consideration received, being the option price of £0.01.

EMI share options - Details and movements

Share options have been issued to key employees as an incentive to stay with the Company. These options can be exercised within four years following the grant date once the option has vested.

The movements in the number of share options during the year were as follows:

	31 March 2026 No.	31 March 2025 No.
Outstanding, start of year	400,002	400,002
Outstanding, end of year	-	400,002

Share options have been valued using the Black Scholes model. Inputs to the pricing model were as follows:

Date of grant	2022
Share price at date of grant	£0.45 – £0.60
Exercise price	£0.01 – £0.45
Risk-free interest rate	1.5%
Expected life of options	1-4 years
Volatility	33%

30 Share-based payments (continued)

Volatility has been estimated based upon observable market volatilities of similar entities.

The exercise price of share options outstanding at 31 March is £0.45 (2025: £0.45) and their remaining contractual life is estimated at 24 months (2025: 24 months).

	31 March 2026		31 March 2025	
	Average Exercise Price £	**Options**	Average Exercise Price £	Options
Outstanding, start of year	**0.45**	**400,002**	0.37	1,533,335
Lapsed during the year	**(0.45)**	**(400,002)**	(0.34)	(1,133,333)
Outstanding, end of year	**-**	**-**	0.45	400,002

CSOP share options - Details and movements

Share options have been issued to key employees as an incentive to stay with the Company. These options can be exercised within ten years following the grant date once the option has vested.

	31 March 2026 No.	31 March 2025 No.
Outstanding, start of year	**333,330**	333,330
Lapsed during the year	**(116,666)**	-
Outstanding, end of year	**216,664**	333,330

Share options have been valued using the Black Scholes model. Inputs to the pricing model were as follows:

Date of grant	2023
Share price at date of grant	£0.275
Exercise price	£0.275
Risk-free interest rate	3.5%
Expected life of options	3 years
Volatility	62%

Volatility has been estimated based upon observable market volatility of Tungsten West PLC.

The exercise price of share options outstanding at 31 March was £0.275 (2025: £0.275) and their remaining contractual life was 6 months (2025: 6 months). The options lapse after 7 years and 6 months from the balance sheet date (2025: 7 years and 6 months).

	31 March 2026		31 March 2025	
	Average Exercise Price £	**Options**	Average Exercise Price £	Options
Outstanding, start of year	**0.275**	333,330	0.275	333,330
Outstanding, end of year	**0.275**	**216,664**	0.275	333,330

The total amount recognised in profit or loss in respect of share-based payment arrangements was a net credit of £92,527 (2025: charge of £60,583), comprising a credit arising on the forfeiture of previously expensed share options during the year (2025: an expense recognised in respect of options vesting over the period).

31 Commitments

Capital commitments

As at 31 March 2026 the Group contracted to purchase plant and machinery amounting to £nil (2025: £1,178,774). Of this an amount of £nil (2025: £123,320) is dependent on the commencement of mining operations. As at 31 March 2026 the Group contracted to purchase buildings amounting to £2,550,000 (2025: £nil).

Other financial commitments

The total amount of other financial commitments not provided in the financial statements was £5,550,000 (2025: £8,329,000), comprising of:

£1,000,000 payable in respect of a prepaid royalty, conditional on the commencement of mining operations;
£1,000,000 further committed payment to the funds held in the Escrow Account under the Escrow Agreement;
£2,550,000 payable in respect of property transactions; and
£1,000,000 payable to the mining contractor under the Mining Services Contract.

Of the above, £nil (2025: £3,000,000) is payable between one and five years after mining operations commence, and £5,550,000 is payable within one year (2025: £5,329,000).

Subsequent to the year end, the prepaid royalty of £1,000,000 was paid as a condition of restarting mining operations; the restoration top-up of £1,000,000 remains committed, payable within 30 days of reaching financial close of the debt facility; of the £2,500,000 property commitment, £1,100,000 has completed, with £1,400,000 remaining under contractual negotiation; and the commitment to the mining contractor was settled following termination of the Mining Services Contract. See note 36 for more details.

Contingent liabilities

As at 31 March 2026 the Group had an obligation to dispose of waste materials found onsite. It is the intention of management to dispose of the waste through the onsite Mine Waste Facility. If external disposal is required, the Company would incur third party disposal fees estimated at £1,000,000 (2025: £700,000). As third-party costs were not deemed probable no provision is included in the financial statements but are considered to represent a contingent liability at the year end.

As at 31 March 2025, the Group was liable for payment of any withholding tax arising on the convertible loan notes then in issue, and had estimated the contingent liability, based on interest accrued to that year-end, at £1,000,000, on the basis that it considered the likelihood of a withholding tax liability arising as unlikely and accordingly made no provision. During the year, the convertible loan notes converted into equity, and as at 31 March 2026 the Group has no outstanding convertible loan notes and therefore no contingent withholding tax liability in respect of them (2025: £1,000,000).

32 Reconciliation of liabilities arising from financing activities

	At 1 April 2025 £	Interest Accrued £	Financing cash flows £	New finance £	Repayments £	Fair value movement (P&L) £	Other changes £	At 31 March 2026 £
Lease liabilities	1,957,841	-	(212,639)	-	-	-	101,748	1,846,950
Convertible loan notes	24,683,100	-	-	5,205,000	-	167,324,341	(197,212,441)	-
Bridging loan		250,000	(250,000)	2,000,000	(2,000,000)	-	-	-
	26,640,941	**250,000**	**(462,639)**	**7,205,000**	**(2,000,000)**	**167,324,341**	**(197,110,693)**	**1,846,950**

	At 1 April 2024 £	Financing cash flows £	New finance £	Other changes £	At 31 March 2025 £
Lease liabilities	1,909,178	(227,792)	-	276,455	1,957,841
Convertible loan notes	11,587,221	-	6,751,000	6,344,879	24,683,100
	13,496,399	(227,792)	6,751,000	6,621,334	26,640,941

33 Classification of financial and non-financial assets and liabilities

The classification of financial assets and liabilities for the year ending 31 March 2026 was as follows:

	2026 Financial assets at amortised cost £	2025 Financial assets at amortised cost £	**2026 Financial assets at FVTPL £**	2025 Financial assets at FVTPL £
Assets				
Non-current assets				
Escrow Cash	**14,912,042**	14,633,857	**-**	-
Current assets				
Trade and other receivables	**12,574,406**	2,986,872	**-**	-
Cash and cash equivalents	**25,485,511**	18,442	**-**	-
	52,971,959	17,639,171	**-**	-

	2026 Financial liabilities at amortised cost £	2025 Financial liabilities at amortised cost £	**2026 Financial liabilities at FVTPL £**	2025 Financial liabilities at FVTPL £
Liabilities				
Non-current liabilities				
Loans and borrowings	**(1,742,223)**	(1,870,366)	**-**	-
Current liabilities				
Trade and other payables	**(4,648,341)**	(2,570,049)	**-**	-
Loans and borrowings	**(104,727)**	(87,475)	**-**	-
Convertible loan notes			**-**	(24,683,100)
	(6,495,291)	(4,527,890)	**-**	(24,683,100)

Fair value of financial assets and financial liabilities that are measured at fair value on a recurring basis

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

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

The group's convertible loan notes are measured at fair value of £nil (2025: £24,683,100). These are classified as level 3. They are valued based on a scenario pricing model. A number of inputs such as the market value of shares are observable inputs but there are also significant unobservable inputs such as the discount rate and the probabilities assessed for each scenario.

34 Financial risk review

Group

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

Credit risk

In order to minimise credit risk, the Group has adopted a policy of dealing only with creditworthy counterparties (including banks and customers) and obtains sufficient collateral, where appropriate, to mitigate the risk of financial loss arising from default. The Group's most significant credit risk relates to customers that may default on payments for goods sold.

To date, the Group has made only a limited number of sales and, accordingly, its exposure to credit risk has been low.

Liquidity risk

The Directors regularly monitor forecast and actual cash flows and align the maturity profiles of financial assets and liabilities to ensure effective liquidity management and maintain adequate cash reserves and borrowing facilities. In the Directors' view, the principal liquidity risk relates to meeting short-term cash flow requirements. Further discussion of short-term liquidity risk is included in the going concern assessment in note 2.

Market risk

Other than the convertible loan notes, the Group has no significant interest-bearing financial assets or liabilities. In the future, the Group may also be exposed to foreign exchange risk, as tungsten prices are principally denominated in US dollars. The Group intends to manage this risk through the terms agreed in supply contracts with future customers.

The Group does not currently use derivative financial instruments to manage its exposure to changes in interest rates or foreign exchange rates.

The Group may require additional borrowings in the future to fund upgrades to its mineral processing facilities and, as a result, may be exposed to increases in interest rates.

35 Related party transactions

Convertible loan notes

During the year, the Group issued convertible loan notes of £5,205,000 (2025: £5,250,000) to entities connected with certain Directors of the Group. Interest of £nil (2025: £2,057,797) accrued on these convertible loan notes during the year.

Bridge loan facility

During the year, the Group agreed an unsecured bridge loan facility of up to £4.0 million with Lansdowne Partners (UK) Ltd, Drakewood Investments Limited and Henry Maxey, being the three largest noteholders (or affiliated entities) and, as such, related parties of the Group.

The facility accrued interest at 15% per annum, capitalising monthly (increasing by 2% in the event of default), and was repayable on the earlier of six months from drawdown or completion of any debt or equity raise equal to or greater than the facility balance, with any smaller equity raise applied as a prepayment.

The facility was available in two tranches of £2.0 million each: the first available immediately, and the second from 31 January 2026, subject to conditions including completion of the Conversion process of the Notes.

The Group drew down only the first tranche of £2.0 million ("Tranche 1"), which was used to fund project restart costs included within the Feasibility Study. Tranche 1, together with accrued interest, was repaid from the net proceeds of the fundraise.

Key management personnel

Key management personnel are deemed to be the Directors. Their remuneration can be seen in note 11.

36 Post balance sheet events

Mining Service Contract

Subsequent to the year end, the Group has agreed with Hargreaves Services plc ("Hargreaves") to terminate the existing mining service contract. As per the terms of the contract, the Company made payments to Hargreaves of £3.0 million in April 2026, after which they released security held over the mineral lease, and a further payment of £7.0 million by 15 May 2027.

36 Post balance sheet events (continued)

LTIP grant to Directors

On 22 July 2026, subsequent to the balance sheet date, the Company granted options under its Long Term Incentive Plan (approved by shareholders on 30 January 2026 and 26 February 2026) to three Directors, as follows:

Director	Total Awards	Exercisable at 3p	Exercisable at 18p*
Stephen Harrison (Non-Executive Chairman)	30,260,695	30,260,695	-
Jeffery Court (CEO)	75,651,737	60,521,388	15,130,349
Philip Povey (CFO)	37,825,868	30,260,695	7,565,173

*Options subject to 'stretch' performance targets, representing performance significantly in excess of the Group's base case business plan.

The Awards are subject to performance conditions linked to commercial production and operational milestones, as assessed by the Remuneration Committee. Awards lapse on the fifteenth anniversary of grant unless they lapse earlier under their terms, and vesting accelerates on a change of control, subject to the LTIP rules and relevant option agreements.

This is a non-adjusting post balance sheet event under IAS 10, as the grant occurred, and the grant date (for IFRS 2 purposes) arose, after 31 March 2026. No liability or expense has been recognised in these financial statements in respect of these Awards. A share-based payment charge will be recognised prospectively over the relevant vesting period(s) in future reporting periods, based on the fair value of the Awards at grant date.

Funding

Subsequent to the year end, in August 2026, the Group secured funding from National Wealth Fund Limited ("NWF"), comprising an equity raise of approximately £36 million and a new 366-day £25 million loan facility, with a £10 million accordion. This funding secured the amount required to complete the Group's remaining project capital expenditure at Hemerdon. As at the date of these accounts, the £25 million loan facility had been drawn down in full.

37 Prior year adjustments

Restoration Provision and Escrow Cash

Management reviewed the application of IAS 37 to the restoration obligation assumed by Drakelands Restoration Limited ("DRL") under the Mineral Lease at Hemerdon Mine, and to DRL's related entitlement to reimbursement from an Escrow Account.

A restoration provision and a corresponding escrow receivable had previously been recognised in the financial statements. A subsequent review identified errors in the assumptions, inputs and methodology applied in measuring both balances.

Restoration Provision

The restoration provision had been determined using the escrow balance as a proxy for the underlying restoration obligation, rather than being based on an independent estimate of expected restoration costs. In addition, the provision incorporated inflation and risk adjustments applied more than once, and included amounts relating to VAT, resulting in an overstatement of the liability.

Management has recalculated the restoration provision at £8,221,081 as at 31 March 2024, using the cost estimate obtained by the previous site operator, adjusted to exclude the inflation embedded within it and VAT, and independently inflated and discounted using market-observable gilt rates at the relevant valuation date, with drawdown timing aligned to the contractual term of the Mineral Lease. The resulting correction to the restoration provision as at 1 April 2024 has been recognised through opening retained earnings, as the corresponding adjustment relates to the correction of an error existing at that date rather than a change arising during a subsequent period.

The subsequent remeasurement of the restoration provision during the year ended 31 March 2025 has been recognised as an adjustment to the related mining rights asset, consistent with the Group's accounting policy under IFRIC 1, rather than through profit or loss or retained earnings, on the basis that this remeasurement reflects a change in the estimated timing or amount of the restoration obligation arising after initial recognition.

Escrow Cash

The escrow receivable had been measured as a discounted long-term receivable, rather than by reference to the underlying escrow cash balances. The corresponding credit arising on initial recognition had not been recognised through the income statement. As a result, both the asset and retained earnings were misstated.

DRL's entitlement under the Escrow Agreement has been reassessed as a financial asset under IFRS 9. The escrow funds are held by the escrow agent, partly in a fixed-term deposit account and partly in a current account, and are not available for the Group's general use. As the balance represents actual cash deposits held on the Group's behalf, rather than a long-dated receivable requiring separate discounting, it is measured at the underlying cash balance confirmed by the escrow agent, plus accrued interest income.

Consequently, the prior period statement of financial position has been restated in accordance with IAS 8. The restatement corrected the restoration provision to £8,221,081 and reclassified the escrow receivable from a discounted long-term receivable to £13,740,012, presented within cash and cash equivalents, being the escrow cash balance confirmed by the escrow agent, with the corresponding adjustments recognised through opening retained earnings.

Goodwill

On review of Goodwill, management identified that the purchase price allocation performed on acquisition of DRL, under the Group's previous GAAP (FRS 102), had not correctly identified and measured all separable identifiable assets acquired, including intangible assets such as mining rights, ahead of determining the residual goodwill balance. Drakelands Restoration Limited was acquired prior to the Group's date of transition to IFRS. On first-time adoption of IFRS, the Group elected to apply the exemption available under IFRS 1 and therefore did not restate business combinations that occurred before the transition date. Accordingly, the acquisition continued to be accounted for using the carrying amounts arising under the previous GAAP purchase price allocation as deemed cost at the date of transition.

The previous calculation did not correctly sequence this allocation, resulting in £1,075,520 being recognised as goodwill that should instead have been allocated to mining rights and the associated deferred tax balances. Management has recalculated the purchase price allocation applying the correct sequencing required under FRS 102, reallocating the goodwill balance of £1,075,520 in full, with £345,097 allocated to mining rights and the balance reflected through the associated deferred tax asset and liability. There was no impact on retained earnings

P&L Cost Classification

During the year, management identified that a mining service fee of £1.0m, previously classified within cost of sales in the year ended 31 March 2025 related to a period in which mining activities had not yet commenced and the site was under care and maintenance only. As the cost did not relate to production activity, it has been reclassified to administrative expenses as this better reflects its nature. This reclassification has no impact on reported profit, net assets or earnings per share for the prior year.

The combined impact of these restatements is set out below:

TUNGSTEN WEST

37 Prior period adjustments (continued)

Impact on Balance Sheet, Profit and Loss and Retained Earnings

Impact as at 31 March 2024

Restatement	As previously reported £	Adjustment £	As restated £
Restoration provision	(5,137,646)	(3,083,435)	(8,221,081)
Escrow reimbursement asset	11,059,151	2,680,861	13,740,012
Goodwill	1,075,520	(1,075,520)	-
Mining rights	3,844,334	345,097	4,189,431
Deferred tax asset	1,382,901	(961,083)	421,818
Deferred tax liability	(1,382,901)	961,083	(421,818)
Retained earnings (opening, cumulative impact)	(32,764,067)	(1,132,997)	(33,897,064)

Impact as at 31 March 2025

Restatement	As previously reported £	Adjustment £	As restated £
Restoration provision	(4,006,771)	(2,697,050)	(6,703,821)
Escrow reimbursement asset (capped, IFRIC 5.9)	13,237,420	1,396,437	14,633,857
Goodwill	1,075,520	(1,075,520)	0
Mining rights	3,844,334	(1,537,619)	2,306,715
Deferred tax asset	1,368,014	(961,083)	406,931
Deferred tax liability	(1,368,014)	961,083	(406,931)
Profit and loss	(21,912,258)	(2,780,755)	(24,693,013)
Retained earnings (cumulative impact)	(54,676,325)	(3,913,752)	(58,590,077)

Impact on Cashflow

The prior period restatements described above are all non-cash in nature, relating to the correction of the restoration provision, the associated escrow cash reclassification, and the goodwill and mining rights reallocation. As these adjustments do not represent cash inflows or outflows, they are reflected as reconciling items within the reconciliation of loss for the year to net operating cash flow, with no impact on the total net cash flows from operating, investing or financing activities as previously reported.

Company Statement of Financial Position
Year ended 31 March 2026

	Note	**2026** **£**	2025 £
Non-current assets			
Tangible fixed assets	41	**26,985**	28,935
Investments in subsidiary undertakings	42	**4,190,460**	4,190,460
Receivables due after more than one year	43	**52,159,851**	35,941,304
		56,377,296	40,160,699
Current assets			
Receivables due within one year	43	**1,641,150**	167,076
Cash at bank and in hand	44	**24,806,505**	13,093
		26,447,654	180,169
Total Assets		**82,824,950**	40,340,868
Equity and liabilities			
Equity			
Share capital	47	**15,047,487**	1,887,313
Share premium		**277,030,598**	51,949,078
Share option reserve		**226,999**	319,526
Retained earnings		**(210,340,421)**	(39,398,958)
Equity attributable to owners of the Company		**81,964,663**	14,756,959
Current liabilities			
Trade and other payables	45	**860,287**	900,809
Convertible loan notes	46	**-**	24,683,100
Total liabilities		**860,287**	25,583,909
Total equity and liabilities		**82,824,950**	40,340,868

The Company has taken the exemption in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account. The Company made a loss for the financial year of £170,941,463 (2025: £10,601,728).

The notes on pages 70 to 76 are an integral part of these financial statements.

The Company accounts were approved by the Board on 2nd September 2026 and signed on its behalf by:

Philip Povey
Director

Company Registration Number: 11310159

Company Statement of Changes in Equity
Year ended 31 March 2026

	Share capital £	Share premium £	Share option reserve £	Retained earnings £	Total £
At 31 March 2024	**1,870,741**	**51,949,078**	**256,278**	**(28,797,230)**	**25,278,867**
Loss for the year	–	–	–	(10,601,728)	(10,601,728)
Total comprehensive income	–	–	–	(10,601,728)	(10,601,728)
New share capital subscribed	16,572	–	–	–	16,572
Share options charge	–	–	63,248	–	63,248
At 31 March 2025	**1,887,313**	**51,949,078**	**319,526**	**(39,398,958)**	**14,756,959**
Loss for the year	**-**	**-**	**-**	(170,941,463)	(170,941,463)
Total comprehensive income	**-**	-	**-**	**(170,941,463)**	**(170,941,463)**
Conversion of convertible loan notes	8,181,588	189,030,853	-	-	197,212,441
New share capital subscribed net of issue costs	4,978,586	36,050,667			41,029,253
Share options charge	-	-	(92,527)	-	(92,527)
At 31 March 2026	**15,047,487**	**277,030,598**	**226,999**	**(210,340,421)**	**81,964,663**

The nature and purpose of each reserve is set out in Note 49.

The notes on pages 70 to 76 are an integral part of these financial statements.

38 General information

Tungsten West plc ('the Company') is a public limited company, incorporated in England and Wales and domiciled in the United Kingdom.

The address of its registered office and principal place of business is:

Hemerdon Mine

Drakelands

Plympton

Devon

PL7 5BS

United Kingdom

39 Accounting policies

Basis of preparation

The Company financial statements have been prepared in accordance with FRS 101 Reduced Disclosure Framework ('FRS 101').

No profit and loss account is presented for Tungsten West plc, as permitted by section 408 of the Companies Act 2006.

The financial statements are presented in Sterling, which is the functional currency of the Company.

Reduced disclosures applied

In preparing the Company financial statements the Company has applied the following disclosure exemptions allowed under FRS 101, therefore the following are omitted:

- A Company statement of cash flows as required by IAS 1 and IAS 7.
- Financial instruments disclosures under IFRS 7.
- Fair value disclosure under IFRS 13.
- Related party disclosures with wholly owned subsidiaries of the Group.
- Reconciliations of share capital movements required by IAS 1.
- Comparative information for property, plant and equipment.
- Disclosing information on leases required by IFRS 16 in a single note.

The Group's financial statements are included within this document.

Going concern

The Company financial statements have been prepared on a going concern basis, which the Directors consider to be appropriate for the reasons set out below, having given careful consideration to the Company's financial position, funding arrangements and future cash flow forecasts, covering a period of at least twelve months from the date of approval of these financial statements.

The Company's principal asset is its investment in, and amounts due from, its subsidiary Drakelands Restoration Limited, which operates the Hemerdon Mine (also known as Drakelands Mine). During the year ended 31 March 2026, Drakelands Restoration Limited was a developer with low levels of production. A phased restart of commissioning commenced from July 2026 and will ramp up through the remainder of the calendar year and into 2027.

During the year, the Company significantly strengthened its funding position. In February 2026, the Company completed an equity fundraise of approximately £43 million (gross). Separately, the Company's outstanding Convertible Loan Notes converted into equity during the year and were accordingly extinguished, removing the Company's prior reliance on convertible loan note financing and associated short-term bridging finance. Following the year end, the Company secured further funding from National Wealth Fund Limited ("NWF"), comprising an equity raise of approximately £36 million and a new 366-day £25 million loan facility, with a £10 million uncommitted accordion. Together, these transactions secured the funding required for the remaining project capital expenditure at Hemerdon.

The Directors have prepared detailed cash flow forecasts covering the going concern assessment period, based on the production, cost and pricing assumptions underpinning the Feasibility Study for the Hemerdon Mine, updated to reflect the phased restart plan, and the funding secured as described above. These forecasts have been sensitised for a range of downside scenarios, consistent with the sensitivity analysis performed as part of the Feasibility Study and the value in use assessment described in note 2, including delays to the production ramp-up schedule, lower than forecast metal prices and recoveries, and unfavourable movements in foreign exchange rates.

The Directors have also modelled a downside scenario addressing the risk of delay to completion of the front-end crushing circuit. Under this scenario, Drakelands Restoration Limited would fall back on its existing mobile front-end crushing and in-pit crushing arrangements with a contractor - the process route already in use earlier in the year - pushing back the ramp-up of the permanent front-end by three months. This fallback route carries a higher per-tonne processing cost than the planned front-end/ore sorter route, increasing operating costs over the delay period by approximately £3 million. A corresponding pause to waste mining over the same period has also been modelled, reducing drill and blast costs but offset by increased haulage costs to the more distant processing facility under the fallback route; these two effects have been assessed as broadly offsetting.

Under each of the scenarios modelled, the Company retains sufficient liquidity throughout the going concern assessment period, taking into account the £25 million NWF loan facility (with its £10 million accordion) and the Company's cash resources.

The Directors have also considered the maturity of the NWF loan facility, which is repayable 366 days from drawdown, and have concluded that the Company's forecast operating cash flows, together with the accordion facility and the Company's ongoing relationship with NWF, provide a reasonable basis to expect that the facility can be refinanced or repaid as it falls due.

Having considered the matters set out above, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the going concern assessment period. Accordingly, the Directors continue to adopt the going concern basis in preparing these financial statements. This represents a change from the prior year, in which a material uncertainty relating to going concern was disclosed pending completion of the Company's longer-term funding arrangements.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below and are consistent with those of the Group, as set out in note 2 to the consolidated financial statements, except as set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

Investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Expected credit losses on inter-company loans

The Company has extended loans to its subsidiaries (inter-company loans) and calculates expected credit losses on these loans in accordance with IFRS 9 Financial Instruments.

The expected credit losses for inter-company loans are measured based on a forward-looking assessment of credit risk, taking into consideration both historical data and reasonable and supportable information about future events. The Company classifies inter-company loans and measures the corresponding expected credit losses using the following stages:

Stage 1 - loans with no significant increase in credit risk since initial recognition: a loss allowance equal to 12-month expected credit losses is recognised.
Stage 2 - loans with a significant increase in credit risk since initial recognition: a loss allowance equal to lifetime expected credit losses is recognised.
Stage 3 - loans that are credit-impaired, where there is evidence of a measurable decrease in estimated future cash flows since initial recognition: a loss allowance equal to lifetime expected credit losses is recognised.

The determination of expected credit losses involves assessing a range of possible outcomes and their respective probabilities, incorporating historical data, economic conditions, industry-specific information, and forward-looking information.

Key sources of estimation uncertainty - probability estimates in calculating expected credit losses

The calculation of expected credit losses involves the incorporation of probability estimates to reflect the likelihood of different credit events occurring. The most significant economic risk to the Company is lenders' appetite to invest long term in the Company. Management estimates the chance of success at 85%.

The expected credit loss provision at year-end is £25,085,361 (2025: £25,085,361), representing a 32% (2025: 41%) effective provision rate. This rate is higher than would be expected based on the overall probability of recovery estimate of 72%, due to the 100% provision held against the loan to Tungsten West Services Limited, as that company is not expected to generate future profits to repay the inter-company loan.

Sensitivity analysis

The Company has performed a sensitivity analysis to assess the impact of changes in the probability estimate on the expected credit loss provision. A 10% increase in the probability estimate would reduce the expected credit loss by £6.1 million (2025: £6.1 million). A 10% decrease would increase the expected credit loss by £6.1 million (2025: £6.1 million).

Based on this analysis, management believes the loss allowance recognised is appropriate given the current economic environment and the specific characteristics of the inter-company loans.

Significant accounting estimates and judgements

The preparation of the Company financial statements requires management to make estimates and judgements that affect the reported amounts of certain assets and liabilities. The use of estimates and judgements in the Company financial statements is principally limited to the following two areas:

Significant accounting judgements

Investments in subsidiary undertakings

Investments in subsidiary undertakings are carried at cost less accumulated impairment losses. At each reporting date, management assesses whether there are indicators of impairment, having regard to the trading performance, net asset position and future funding requirements of each subsidiary, in particular Drakelands Restoration Limited given the Group's continued pre-production status and reliance on external financing to complete the MPF rebuild.

The recoverable amount of the investment is assessed by reference to the value in use of the Hemerdon Mine cash-generating unit, as determined in note 2 to the consolidated financial statements, on the basis that the underlying value of the subsidiary is derived from that asset. Management has concluded that the carrying value of the Company's investment in subsidiaries of £4,190,460 (2025: £4,190,460) continues to be supported and that no impairment is required in the year (2025: £nil).

Key sources of estimation uncertainty

Recoverability of intercompany receivables

The Company has extended loans to its subsidiaries and assesses expected credit losses on these balances in accordance with IFRS 9. This requires management to estimate the probability of the Company's subsidiaries generating sufficient future profits, and of the Group securing the financing required to complete the mine restart, to enable repayment of the intercompany balances.

The most significant economic risk affecting recoverability is lenders' appetite to invest long term in the Company. Management estimates the chance of success at 85%.

The Company has recognised a loss allowance against its intercompany loans as follows:

Stage 1 (12-month expected credit losses): £nil
Stage 2 (lifetime expected credit losses): £0.1 million
Stage 3 (lifetime expected credit losses): £13.1 million

The total loss allowance for intercompany loans as of the reporting date is £13.2 million (2025: £25.1 million), representing an effective provision rate of 17% (2025: 41%). The reduction in the year reflects the significant progress made in securing funding, advancing the mine permitting process, and moving closer to sustained revenue generation, which has strengthened management's assessment of the recoverability of balances due from the majority of the Company's subsidiaries. Substantially the whole of the remaining provision relates to the loan to Tungsten West Services Limited, which is not expected to generate future profits to repay the intercompany loan, and against which a 100% provision continues to be held.

40 Company staff costs

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

	2026 **£**	2025 £
Wages and salaries	**255,998**	112,000
Social security costs	**36,020**	12,140
Share based payments	**(92,527)**	60,583
	199,491	184,723

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

	2026 **No.**	2025 No.
Management	**5**	5
Total	**5**	5

Remuneration of the Directors is disclosed in note 11 to the Consolidated Financial Statements.

41 Tangible fixed assets

	Furniture, fittings and equipment £	Other property, plant and equipment £	Total £
Cost			
At 1 April 2025	2,048	36,983	39,031
At 31 March 2026	2,048	36,983	39,031
Depreciation			
At 1 April 2025	1,947	8,149	10,096
Charge for the year	101	1,849	1,950
At 31 March 2026	**2,048**	**9,998**	**12,046**
Carrying amount			
At 31 March 2026	**-**	**26,985**	**26,985**
At 31 March 2025	101	28,834	28,935

42 Investment in subsidiary undertakings

Summary of the Company investments

	31 March 2026 £	31 March 2025 £
Investments in subsidiaries	**4,190,460**	4,190,460
Subsidiaries		
Cost		
Opening cost	**4,558,310**	4,555,646
Additions	**-**	2,664
Closing cost	**4,558,310**	4,558,310
Provision		
Opening provision	**(367,850)**	(367,850)
Closing provision	**(367,850)**	(367,850)
Valuation		
Opening Valuation	**4,190,460**	4,187,796
Carrying value as at 31 March 2025	**4,190,460**	4,190,460

Additions in the current year relate to further investment in subsidiaries as a result of share options in the Company granted to employees of those subsidiaries.

Management makes regular checks on internal and external impairment indicators in respect of the Company's investment in subsidiary undertakings. During the year ended 31 March 2026 and as of the date of this report, management did not identify any internal or external indicators triggering a detailed impairment review.

The group commenced phased commissioning at the Hemerdon Mine in July 2026, in line with management's phased restart plan, and the Group secured the funding required to complete its remaining project capital expenditure through the National Wealth Fund agreement entered into following the year end. Management is confident that the carrying amount of the Company's investment in subsidiaries continues to be fully recoverable, with no impairment of any assets being deemed necessary.

Information on the Company’s subsidiary undertakings is disclosed in note 19 to the Consolidated Financial Statements.

43 Receivables

	31 March 2026 £	31 March 2025 £
Net receivables from subsidiaries	**52,159,851**	35,941,304
Prepayments	**70,582**	129,491
Other receivables	**1,570,568**	37,585
	53,801,001	36,108,380
Less - amount due after more than one year	**(52,159,851)**	(35,941,304)
Amounts due within one year	**1,641,150**	167,076

The full balance within net receivables from subsidiaries is due on demand. It is unlikely that recovery of this balance will be made within one year of the balance sheet date and therefore the balance has been presented in amounts due after more than one year.

The average credit period on sales of goods is 30 days. No interest is charged on outstanding trade receivables. The carrying amount of trade and other receivables approximates the fair value.

As the company is in the early phases of operations and making a few minor sales, credit losses are being considered on a customer-by-customer basis. No credit losses against trade receivables were identified as at year end.

Loss allowance for inter-company loans

Amounts due from group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

As of the reporting date, the Company has assessed the expected credit losses on its inter-company loans and recognised a loss allowance as follows:

Stage 1: £nil representing the 12-month expected credit losses
Stage 2: £10.6 million representing the lifetime expected credit losses
Stage 3: £14.5 million representing the lifetime expected credit losses

The total loss allowance for inter-company loans as of the reporting date is £25.1 million (2025: 25.1m)

The overall credit loss of 41% allows for factors including restructuring of the group and non-recoverable balances from subsidiaries for which income is now no longer planned due to corporate restructuring activities and other internal factors.

	31 March 2026 £
At 1 April 2025	35,941,304
Increase during the year	16,218,547
Change in expected credit loss	-
At 31 March 2026	**52,159,851**
Gross receivables from subsidiaries	**77,245,210**
Overall credit loss	(25,085,359)
Net receivables from subsidiaries	**52,159,851**

44 Cash at bank and in hand

	31 March 2026 £	31 March 2025 £
Cash at bank	**24,806,505**	13,093

45 Trade and other payables

	31 March 2026 £	31 March 2025 £
Trade payables	**748,801**	700,669
Accrued expenses	**103,071**	189,548
Social security and other taxes	**8,415**	10,592
	860,287	900,809

Trade payables and accruals comprise amounts outstanding for trade purchases and ongoing costs. The average credit period for trade purchases is 45 days (2025: 45 days). No interest is charged on overdue amounts.

The carrying amount of trade and other payables approximates the fair value.

46 Convertible loan notes

Please refer to group note 25.

Movement in liability

	31 March 2026 £	31 March 2025 £
Brought forward	**24,683,100**	11,587,221
Cash received	**5,205,000**	6,751,000
Directly attributable costs incurred	**-**	(2,000)
Fair value movement in year	**167,324,341**	6,346,879
Conversion	**(197,212,441)**	-
Carried forward	**-**	24,683,100

47 Share capital

Please refer to group note 28.

48 Share-based payments

Information on share-based payments is disclosed in note 30 to the Consolidated Financial Statements.

49 Reserves

Share premium

Share premium represents the excess of consideration received over the nominal value of shares issued, net of issue costs.

Share option reserve

The share option reserve represents the cumulative fair value of share options granted by the Group that have been recognised in accordance with IFRS 2. The reserve increases as the related expense is recognised over the vesting period and is transferred within equity upon exercise, lapse or expiry of the awards.

Retained earnings

Retained earnings represents cumulative profits and losses recognised in the consolidated income statement, less dividends paid and other distributions to shareholders.

50 Commitments

During a previous financial year the Company signed a contract to pay £200,000 (2025: £200,000) compensation to a third party once mining operations commenced.

Contingent liabilities

As at 31 March 2025, the Company was liable for payment of any withholding tax arising on the convertible loan notes then in issue, and had estimated the contingent liability, based on interest accrued to that year-end, at £1,000,000, on the basis that it considered the likelihood of a withholding tax liability arising as unlikely and accordingly made no provision. During the year, the convertible loan notes converted into equity, and as at 31 March 2026 the Company has no outstanding convertible loan notes and therefore no contingent withholding tax liability in respect of them (2025: £1,000,000).

51 Related party transactions

Information on related party transactions is disclosed in note 35 to the Consolidated Financial Statements.

52 Post balance sheet events

Information on post balance sheet events is disclosed in note 36 to the Consolidated Financial Statements.

Company Information
Year ended 31 March 2026

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