

COMPANY REGISTRATION NUMBER 04228788

ALL STAR MINERALS PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

ALL STAR MINERALS PLC

CONTENTS PAGE

FOR THE YEAR ENDED 31 DECEMBER 2021

| CONTENTS | PAGES |
|---|-------|
| Officers and professional advisors | 1 |
| Strategic report | 2 |
| Directors' report | 5 |
| Statement of Directors' responsibilities | 7 |
| Independent auditor's report | 8 |
| Statement of profit and loss and other comprehensive income | 12 |
| Statement of financial position | 13 |
| Statement of changes in equity | 14 |
| Statement of cash flows | 15 |
| Notes to the financial statements | 16 |

ALL STAR MINERALS PLC

OFFICERS AND PROFESSIONAL ADVISORS
FOR THE YEAR ENDED 31 DECEMBER 2021

| | |
|------------------------------------|---|
| Company registration number | 04228788 |
| The Board of Directors | <p>Mr Graham Mascal – Non-Executive Chairman – appointed 11 December 2020 / resigned 11 October 2021</p> <p>Mr Ian Harebottle – Non-Executive Director – appointed 17 August 2020</p> <p>Mr Richard Lloyd – Non-Executive Chairman (from 11 October 2021) – appointed 17 August 2020</p> <p>Mr David Bourne – Non-Executive Director – resigned 23 March 2022</p> <p>Mr Jason Brewer – CEO – appointed 23 March 2022</p> <p>Marc Nally – Non-Executive Director – appointed 30 March 2022</p> |
| Registered office | <p>C/O Memery Crystal LLP</p> <p>165 Fleet Street</p> <p>London</p> <p>EC4A 2DY</p> |
| Independent auditors | <p>Price Bailey LLP</p> <p>Price Bailey Chartered Accountants</p> <p>Tennyson House</p> <p>Cambridge Business Park</p> <p>Cambridge</p> <p>CB4 0WZ</p> |
| Bankers | <p>RBS</p> <p>Cambridge Branch</p> <p>82-88 Hills Road</p> <p>Cambridge</p> <p>CB2 1LG</p> |
| Solicitors | <p>Memery Crystal LLP</p> <p>165 Fleet Street</p> <p>London</p> <p>EC4A 2DY</p> |

ALL STAR MINERALS PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

REVIEW OF THE BUSINESS – Chairman's Statement

The past year has represented a period of rapid change for the Company; a change of strategy was required as the Gemstones opportunities, especially with equipment being in Russia, was going to prove to take considerable time and the restrictions imposed made this impossible. We have welcomed Jason as CEO, and Marc Nally as Director, both of whom I have known for some 30 years. With their combined drive and African knowledge, we have already identified a number of exciting near term producing assets which we will look to develop in 2022/23 creating early cashflow and a portfolio approach to the battery and energy metals space.

Considerable success has been achieved on a number of fronts in a short period of time since the formation of the new Board, and strong "on the ground" partnerships have been forged in Southern Africa.

As part of a capital restructuring process, we will be looking to consolidate the share base at c.100:1 to reduce the number of shares on issue to a more manageable number. Our ambition is also to graduate to a more senior exchange once the assets described below are further advanced. We will be looking to raise additional funds in the very near future and conversations with existing and new backers are progressing well, all shareholders will also be able to participate on the same terms.

Jason Brewer and Marc Nally formally joined the Board as CEO and Non-Executive Director respectively in March 2022, while Graham Mascall stepped down from his position as Non-Executive Chairman in November 2021. I was pleased to take over this role at the Annual General Meeting ("AGM") in November 2021 and look forward to working with the new Board and with refreshed strategy to realise the full potential of the Company and create value for all stakeholders. Mr David Bourne has also retired from the Board, and we thank him for his assistance in migrating to the new company set up and his historic financial support. Mr Ian Harebottle remains on the Board as a Non-Executive Director having stepped down from his role as Interim CEO.

With a weight of experience, the Board is now directing its focus on creating a solid operating structure from which to direct its future growth plans. These have included the implementation of robust operating procedures, policies and practices, numerous cost cutting exercises, Key Advisor reviews, and a detailed desktop and on site evaluations of a number of investment opportunities. The key Heads of Terms for the first two assets, Blesberg Lithium project in the Norther Cape, South Africa and Nkombwe Hill, Rare Earths project, in Zambia have already been announced and initial earn-in payments have been made.

Throughout the year, Directors have been mindful of their obligations under S172 of the Companies Act 2006. S172 sets out a number of principles the Board should refer to in promoting the success of the Company for the benefit of shareholders. The Board have complied with this requirement as follows:

| Principle | Company's actions |
|---|---|
| Have regard to the likely consequences of any decision in the long term | The Board has considerable experience in this regard, with clear processes and procedures in place, and with added input sought from key advisors when required |
| Have regard to the interests of the Company's employees | The Company does not currently have any employees |
| Have regard to the need to foster the Company's business relationships with suppliers, customers and others | The Company is currently in the evaluation phase of the investment process and its key relationships are currently with its suppliers, |

ALL STAR MINERALS PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

| | |
|--|--|
| | advisors and other service providers. The Company has always worked closely with stakeholder and sought to treat them fairly with due respect |
| Have regard to the impact of the Company's operations on the community and the environment | This is one of the Company's core values, however the Company's operations are currently limited and so too its impact on the community and environment |
| Have regard to the desirability of the Company maintaining a reputation for high standards of business conduct | As a Company listed on AQUIS Exchange, it is seeking opportunities to further its principal activity. The Company and Board maintain high standards when dealing with potential investment opportunities |
| Have regard to the need to act fairly between members of the Company | The Company has a diverse shareholder base and the Board ensure that no one member's interests take priority over another |

FINANCIAL OVERVIEW

The results for the 12-month period to 31 December 2021 shows a loss after taxation of £287,782 (2020: £213,771).

The basic loss per share from continuing operations was 0.01p (2020: loss per share of 0.01p).

The Directors do not recommend the payment of a dividend.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE COMPANY

With the new strategy of the Company pursuing opportunities in the natural resources sector, especially in Africa, the Board regularly reviews the risks to which the Company is exposed and endeavours to minimise them as far as possible. The following summary, which is not exhaustive, outlines some of the risk and uncertainties facing the Company:

Inability to Fund Operations Post-Acquisition

The Company may be unable to fund the operations post acquisition of the target business if it does not obtain additional funding, however, it will ensure that appropriate funding measures are taken to ensure minimum commitments are met.

Risk Inherent in an Acquisition

Although the Company and the Directors will evaluate the risks inherent in a particular target, they cannot offer any further assurance that all of the significant risk factors can be identified or properly assessed. Furthermore, no assurance can be made that an investment in Ordinary Shares in the Company will ultimately prove to be more favourable to investors than a direct investment, if such an opportunity were available, in a target business.

KEY PERFORMANCE INDICATORS

Appropriate key performance indicators will be identified in due course as the new business strategy is implemented in pursuing opportunities in the natural resources sector, along with ensuring the availability of working capital for the Company, which was achieved during the year through the raising of net proceeds through the issue of ordinary shares of £314,965.

ALL STAR MINERALS PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

OUTLOOK

To rapidly grow the Company within the Battery and Energy metals sectors the Board has decided to focus its efforts on progressing to immediate production opportunities currently available within Southern Africa utilising their considerable collective experience in these commodity and geographical areas. The initial focus on Lithium / Tantalum in South Africa and Niobium / Tantalum / Rare Earths in Zambia will create early stage cashflow and project development.

The Company is evaluating opportunities that offer fast track development, attractive returns with minimal capital investment and low operating costs. Further opportunities are available and we are undertaking final due diligence on assets including Copper / Graphite and Tin projects that would provide a platform for future growth. Key to progressing these opportunities will be the ability to access further funding.

I would like to take this opportunity to thank my fellow Board members, all of whom have worked relentlessly at nil to limited reward, our loyal shareholders and our advisers for their continued support and patience.

The new focus on a battery and energy metals portfolio of producing, or near producing, assets has the potential to rapidly grow All Star Minerals (to be re-named Marula Mining) and realise significant value and return.



Richard Lloyd

FIMMM FGS

Chairman

30 June 2022

ALL STAR MINERALS PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The Directors present their report and financial statements for the year ended 31 December 2021.

RESULTS AND DIVIDENDS

The Company's loss for the year, after taxation, amounted to £287,782 (2020: loss of £213,711). The Directors do not recommend the payment of any dividend.

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity and strategy of the Company is to pursue investment opportunities within the natural resources sector, specifically in Africa, and with the objective of becoming a development and production company over time.

OUTLOOK

Referred to in the future developments section in the strategic report.

CREDITOR PAYMENT POLICY AND PRACTICE

It is the Company's policy that payments to suppliers are made in accordance with those terms and conditions agreed between the Company and its suppliers, provided that all trading terms and conditions have been complied with.

DIRECTORS

The Directors set out below have held office during the whole of the period from 1 January 2021 to the date of this report, unless otherwise stated.

Mr G Mascall – appointed 11 December 2020 – resigned 11 October 2021

Mr I Harebottle – appointed 17 August 2020

Mr R Lloyd – appointed 17 August 2020

Mr J Brewer – appointed 23 March 2022

Mr M Nally – appointed 30 March 2022

Mr D Bourne – resigned 23 March 2022

FINANCIAL INSTRUMENTS

Details of the Company's financial risk management objectives and policies, including the use of financial instruments, are included in note 10 to the financial statements.

EVENTS AFTER THE BALANCE SHEET DATE

The appointment of Mr Jason Brewer as director and CEO, the appointment of Mr Marc Nally as director along with the retirement of Mr David Bourne.

The Company entered into Heads of Agreement ("HoA") with Gathoni Muchai Investments Limited ("GMI") to acquire interests, secured by GMI, in the Blesberg Lithium and Tantalum Project in South Africa (the "Blesberg Project") and the Nkombwa Hill Tantalum, Rare Earth Elements and Phosphate Project in Zambia (the "Nkombwa Project") (together the "Projects"), and other mining and exploration projects introduced by GMI as part of the transaction (the "Transaction").

The key commercial terms of the Heads of Agreement are set out below:

- The Company has an option to acquire an initial 25% legal and beneficial interest through a staged cash investment of US\$150,000 over the Nkombwa Project and has now made its scheduled initial US\$25,000 investment; and

ALL STAR MINERALS PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

- An option to acquire an initial 30% interest in the Blesberg Project by issuing £337,500 in fully paid-up ordinary shares in the Company and providing a cash advance of £237,500 to the Blesberg Project shareholders. An initial £37,500 initial cash payment has now been made to the Blesberg Project shareholders, securing an initial 5% interest.

The Company issued 22,000,000 Ordinary Shares at a price of £0.00035 to GMI as payment of the exclusivity fee consideration in respect to HOA's on the Projects.

Additionally, the Company successfully raised £200,000 before costs through the issue of 1,000,000 Ordinary Shares at a price of £0.0002 per share. Attached to every two shares, one warrant has been issued at an exercise price of £0.0004 for a period of three years from Admission.

PROVISION OF INFORMATION TO AUDITORS

We, the Directors of the Company who held office at the date of approval of these financial statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the Company's auditors are unaware; and
- we have taken all the steps that we ought to have taken as Directors in order to make ourselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

INDEPENDENT AUDITORS

Price Bailey LLP have signified their willingness to continue in office and a resolution to re-appoint them as auditor will be proposed at the AGM.

Approved by the Board on
and signed on its behalf by



Jason Brewer

Director and CEO

30 June 2022

ALL STAR MINERALS PLC

STATEMENT OF DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 31 DECEMBER 2021

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with UK adopted International Financial Reporting Standards (IFRSs) and applicable law. 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 Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the Directors are also required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the Company has complied with applicable accounting standards, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

ALL STAR MINERALS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALL STAR MINERALS PLC FOR THE YEAR ENDED 31 DECEMBER 2021

Opinion

We have audited the financial statements of All Star Minerals plc (the 'Company') for the year ended 31 December 2021 which comprise the Statement of Profit or Loss and Other Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021, and of its loss for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- 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 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.

Our approach to the audit

Our audit was scoped by obtaining an understanding of the company and its environment. We determined materiality and assessed the risk of material misstatement in the financial statements. In particular we looked at where the directors had made subjective judgements within accounting estimates.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant addressed 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, we do not provide a separate opinion on these matters.

Except for the matter described in the Material uncertainty related to going concern section, we have determined that there are no other key audit matters to be communicated in our report.

Our application of materiality

We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonably knowledgeable users that are taken on the bases of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We based materiality on profit for the year of the company and concluded materiality to be £23,200, with performance materiality of £11,600. We consider that profit provides us with the most relevant

ALL STAR MINERALS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALL STAR MINERALS PLC
FOR THE YEAR ENDED 31 DECEMBER 2021

performance measure to stakeholders of the entity given the stage of the company's activity and growth.

We apply the concept of materiality both in the planning and performance of the audit, and in evaluating the effects of misstatements.

During the course of the audit we reassessed materiality from planning to reflect the final reported performance of the company. There was no change made to our planning materiality.

Material uncertainty related to going concern

We draw attention to note 2 in the financial statements, which indicates that the company will need to raise additional funds to maintain sufficient cash flows. As stated in note 2, these events or conditions, along with other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Given the uncertainties noted above we considered going concern to be a key audit matter. We have assessed management's forecasts and underlying assumptions. In doing so we considered factors such as historical operating expenditure and the company's ability to raise funding in the near future.

We found our results from the above and the disclosures in the financial statements in respect of the above to be appropriate.

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 entity's ability to continue to adopt the going concern basis of accounting included assessment of management's forecasts and underlying assumptions for a 12 month period. In doing so we considered factors such as historical operating expenditure and the company's ability to raise funding in the near future.

We evaluated the adequacy and appropriateness of the disclosures provided within the financial statements in note 2, review of forecasts covering at least 12 months after signing of the accounts, and the company's ability to raise funding in the near future.

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

ALL STAR MINERALS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALL STAR MINERALS PLC FOR THE YEAR ENDED 31 DECEMBER 2021

- 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the company and how it operates and considered the risk of the company not complying with the applicable laws and regulations including fraud, in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the company this included employment law and financial reporting.

ALL STAR MINERALS PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ALL STAR MINERALS PLC FOR THE YEAR ENDED 31 DECEMBER 2021

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: we reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.
- Review of key management estimates, including assessment of management bias.
- Retrospective review of estimates from prior periods.

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 is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.



Martin Clapson FCA (Senior Statutory Auditor)

For and on behalf of Price Bailey LLP

Chartered Accountants & Statutory Auditors

Tennyson House

Cambridge Business Park

Cambridge

CB4 0WZ

Date: 30 June 2022

ALL STAR MINERALS PLC**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

| | Notes | 2021 £ | 2020 £ |
|--|-------|------------------|------------------|
| Administrative expenses | | (287,792) | (213,801) |
| Finance income | 6 | 10 | 30 |
| (Loss) / profit before taxation | | (287,782) | (213,771) |
| Income tax expense | 7 | - | - |
| (Loss) / profit for the year | | (287,782) | (213,771) |
| Other comprehensive income | | | |
| <i>Items that will not be reflected to profit or loss in subsequent periods:</i> | | | |
| Other comprehensive losses | | - | - |
| Total comprehensive loss for the year | | (287,782) | (213,771) |
| (Loss) / profit per share expressed in pence per share | | | |
| Basic | 8 | (0.01) | (0.01) |
| Diluted | 8 | (0.01) | (0.01) |

The notes on pages 16 to 28 form part of these financial statements

ALL STAR MINERALS PLCSTATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | 2021 £ | 2020 £ |
|-------------------------------------|-------|----------------|-----------------|
| CURRENT ASSETS | | | |
| Trade and other receivables | 11 | 20,106 | 6,380 |
| Cash and cash equivalents | 13 | 144,521 | 78,320 |
| | | <u>164,627</u> | <u>84,700</u> |
| TOTAL ASSETS | | <u>164,627</u> | <u>84,700</u> |
| EQUITY | | | |
| ISSUED CAPITAL AND RESERVES | | | |
| Issued share capital | 14 | 762,183 | 599,333 |
| Share premium | | 2,050,994 | 1,900,529 |
| Other Reserves | 15 | 774,131 | 772,481 |
| Accumulated losses | | (3,579,020) | (3,291,238) |
| TOTAL EQUITY | | <u>8,288</u> | <u>(18,895)</u> |
| CURRENT LIABILITIES | | | |
| Trade and other payables | 16 | 156,339 | 103,595 |
| | | <u>156,339</u> | <u>103,595</u> |
| TOTAL EQUITY AND LIABILITIES | | <u>164,627</u> | <u>84,700</u> |

Approved by the Board and signed on its behalf by



Jason Brewer – Executive Director

30 June 2022

Company registration number: 04228788

The notes on pages 16 to 28 form part of these financial statements

ALL STAR MINERALS PLCSTATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021

| | Issue Capital | Share Premium | Other Reserve | Accum- ulated Losses | Total Equity |
|---------------------------------------|------------------|------------------|------------------|----------------------------|-----------------|
| | £ | £ | £ | £ | £ |
| At 1 January 2020 | 428,433 | 1,773,610 | 720,452 | (3,077,467) | (154,972) |
| Profit for the year | - | - | - | (213,771) | (213,771) |
| Total comprehensive loss for the year | - | - | - | (213,771) | (213,771) |
| Shares issued during the year | 170,900 | 198,100 | - | - | 369,000 |
| Cost of issue of shares | - | (19,152) | - | - | (19,152) |
| Warrants issued | | (52,029) | 52,029 | | - |
| Total transaction with owners | 170,900 | 126,919 | 52,029 | - | 349,848 |
| Balance at 31 December 2020 | 599,333 | 1,900,529 | 772,481 | (3,291,238) | (18,895) |
| At 1 January 2021 | 599,333 | 1,900,529 | 772,481 | (3,291,238) | (18,895) |
| Profit for the year | - | - | - | (287,782) | (287,782) |
| Total comprehensive loss for the year | - | - | - | (287,782) | (287,782) |
| Shares issued during the year | 162,850 | 162,850 | - | - | 325,700 |
| Cost of issue of shares | - | (10,735) | - | - | (10,735) |
| Warrants issued | - | (1,650) | 1,650 | - | - |
| Total transaction with owners | 162,850 | 150,465 | 1,650 | - | 314,965 |
| Balance at 31 December 2021 | 762,183 | 2,050,994 | 774,131 | (3,579,020) | 8,288 |

The notes on pages 16 to 28 form part of these financial statements

ALL STAR MINERALS PLC

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

| | Notes | 2021 £ | 2020 £ |
|--|-----------|------------------|------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Total (loss) / profit | | (287,782) | (213,771) |
| <i>Changes in working capital:</i> | | | |
| (Increase) / decrease in trade and other receivables | | (13,726) | (6,380) |
| Increase / (decrease) in trade and other payables | | 52,744 | 37,864 |
| CASH FLOW USED IN OPERATING ACTIVITIES | | (248,764) | (182,287) |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of investments | | - | - |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | | - | - |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Net proceeds from issue of shares | | 314,965 | 260,848 |
| Repayment of convertible loan note | | - | (20,000) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | | 314,965 | 240,848 |
| Movement in cash for the year | | 66,201 | 58,559 |
| Cash and cash equivalents brought forward | | 78,320 | 19,761 |
| CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER | 13 | 144,521 | 78,320 |

The notes on pages 16 to 28 form part of these financial statements

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS

The Company's financial statements for the year were authorised for issue and the statement of financial position signed on the Board's behalf by Mr Richard Lloyd. All Star Minerals Plc is a public company limited by shares incorporated and domiciled in England & Wales, part of the United Kingdom. The nature of the Company's operations and its principal activities are set out in the Directors' Report. The Company's registered office is disclosed on page 1.

The principal activity of the Company is to pursue an investment strategy with a focus on exploration and development of minerals and investment in exploration and development companies.

These financial statements are presented in UK Sterling which is the functional currency of the primary economic environment in which the Company operates. Foreign currencies are accounted for in accordance with the policies set out in note 2. Monetary amounts presented in the financial statements are rounded to the nearest £.

The Company's financial statements have been prepared in accordance with UK adopted International Financial Reporting Standards (IFRSs) and as applied in accordance with the provisions of the Companies Act 2006. The principal accounting policies adopted by the Company are set out in note 2.

New Standards and Interpretations adopted with no effect on the financial statements

The following new and revised standards and interpretations have been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements:

- Amendments to IAS 1: Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (effective date not yet confirmed)*
- Amendments to IFRS 3: Business Combinations – Reference to Conceptual Framework (effective 1 January 2022)*
- Amendments to IAS 16: Property, Plant and Equipment (effective 1 January 2022)*
- Amendments to IAS 37: Provisions, Contingent Liabilities and Contingent Assets (effective 1 January 2022)*
- Annual Improvements to IFRS Standards 2018-2020 Cycle (effective 1 January 2022)*
- Amendments to IAS 8: Accounting Policies, Changes to Accounting Estimates and Errors (effective date not yet confirmed)*
- Amendments to IAS 12: Income Taxes – Deferred Tax arising from a Single Transaction (effective date not yet confirmed)* *subject to UK endorsement

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company

At the date of authorisation of these financial statements, certain new standards, amendments and "interpretations to existing standards have been published by the IASB but are not yet effective and have not been adopted early by the Company.

The Directors anticipate that all of the pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. Certain standards, amendments and interpretations that have been issued but are not expected to have a material impact on the Company's financial statements include:

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH IFRS (continued)

2. ACCOUNTING POLICIES

Going concern

The Directors have considered the cashflow requirements of the Company over the next 12 months and understand it will be necessary to raise additional funds which creates a material uncertainty that may cast significant doubt on the company's ability to continue as a going concern.

Subsequent to year end, the Company appointed Monecor (London) Ltd, trading as OvalX, as its Broker and successfully raised £200,000 before costs. The Directors expect to meet the funding requirements and therefore believe that the going concern basis is appropriate for the preparation of the financial statements.

Foreign currency exchange

The principal place of business of the Company is the United Kingdom with sterling being the functional currency.

Transactions in currencies other than the functional currency of the Company are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the statement of financial position date.

Gains and losses arising on retranslation are included in net profit or loss for the period, except for exchange differences arising on non-monetary assets and liabilities where the changes in fair value are recognised directly in equity.

Income tax

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

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income Statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Property, plant and equipment

Items of property, plant and equipment are stated at cost of acquisition or production cost less accumulated depreciation and impairment losses. Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method, on the following bases:

| | |
|---------------------|-------|
| Plant and equipment | - 20% |
|---------------------|-------|

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Deferred tax

Deferred tax is provided in full, using the statement of financial position liability method, on temporary differences arising between the tax bases of assets and liabilities and the carrying amounts in the financial statements.

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 future 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 goodwill or from the initial recognition (other than as a business combination) or other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is charged or credited to the Income Statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax is determined using the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

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

Deferred tax assets and liabilities are offset when they relate to income taxed levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Trade and other receivables

Trade and other receivables are measured at amortized cost, using the effective interest method, less any impairment loss. An allowance for impairment of trade and other receivables is established based on the twelve month expected credit losses unless the credit quality has deteriorated since inception, in which case it is based on lifetime losses.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits. Short term deposits are defined as deposits with an initial maturity of three months or less.

Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purposes of the Statement of Cash Flows.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Share based payments

The Company issues equity-settled share based payments to certain employees including Directors.

Equity-settled Share based payments are measured at fair value at the date of grant.

Fair value is measured using an appropriate options pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value determined at the grant date of the equity-settled Share based payments is expensed on a straight-line basis over the vesting period, together with a corresponding increase in equity, based upon the Company's estimate of the shares that will eventually vest.

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Where the terms of an equity-settled transaction are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in value of the transaction as a result of the modification, as measured at the date of the modification.

Where an equity-settled transaction is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the transaction is recognised immediately. However, if a new transaction is substituted for the cancelled transaction and designated as a replacement transaction on the date that it is granted, the cancelled and new transactions are treated as if they were a modification of the original transaction, as described in the previous paragraph.

Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the period and the amounts reported for assets and liabilities at the balance sheet date. However, the nature of estimation means that the actual outcomes could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. To date, there are no critical accounting judgements and key sources of estimation uncertainty affecting the Company.

Estimation of fair value of warrants issued in the year

The fair value of the warrants issued during the period have been calculated using a Black Scholes model which requires a number of assumptions and inputs, see Note 20 below.

3. PROFIT/(LOSS)

Profit/(loss) is stated after charging the following:

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| Auditor's remuneration | | |
| - audit of the Company | (7,750) | (7,250) |
| Directors' remuneration | (156,000) | (148,170) |
| Stock exchange and regulatory expenses | (13,552) | (16,780) |
| Professional fees | (34,540) | (39,153) |
| Public / investor relation fees | (13,500) | - |
| Project due diligence and identification fees | (53,427) | - |
| Other expenses | (9,023) | (2,448) |
| | <u>(287,792)</u> | <u>(213,801)</u> |

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

4. EMPLOYEE NUMBERS

The average monthly number of employees during the year was made up as follows:

| | 2021 | 2020 |
|-------------------------|----------|----------|
| | Number | Number |
| Directors | 1 | 1 |
| Non-Executive Directors | 3 | 3 |
| | <u>4</u> | <u>4</u> |

5. KEY MANAGEMENT REMUNERATION (COMPENSATION) AND EMPLOYEE EXPENSES

| 2021 | Fees | Social security | Pension | Total |
|---------------|----------------|-----------------|----------|----------------|
| | £ | £ | £ | £ |
| Director fees | | | | |
| D Bourne | 24,000 | - | - | 24,000 |
| I Harebottle | 72,000 | - | - | 72,000 |
| R Lloyd | 24,000 | - | - | 24,000 |
| G Mascall | 36,000 | - | - | 36,000 |
| | <u>156,000</u> | <u>-</u> | <u>-</u> | <u>156,000</u> |

| 2020 | Fees | Social security | Pension | Total |
|--------------------|----------------|-----------------|----------|----------------|
| | £ | £ | £ | £ |
| Director fees | | | | |
| T Nugent | 69,970 | - | - | 69,970 |
| D Bourne | 8,000 | - | - | 8,000 |
| I Harebottle | 12,000 | - | - | 12,000 |
| R Lloyd | 8,000 | - | - | 8,000 |
| G Mascall | 2,000 | - | - | 2,000 |
| | <u>99,970</u> | <u>-</u> | <u>-</u> | <u>99,970</u> |
| Severance payments | | | | |
| T Nugent | 48,200 | - | - | 48,200 |
| | <u>148,170</u> | <u>-</u> | <u>-</u> | <u>148,170</u> |

As at year end, director fees owing was £95,000 (2020: £30,000).

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

| | 2021 Number | 2020 Number |
|---|----------------|----------------|
| During the year the following number of Directors exercised share options | - | - |

Key management only comprises statutory Directors which includes all the Directors.

6. FINANCE INCOME

| | 2021 £ | 2020 £ |
|--------------------------------|-----------|-----------|
| Interest income: Bank interest | 10 | 30 |

7. INCOME TAX

| Components of income tax expense | 2021 £ | 2020 £ |
|----------------------------------|-----------|-----------|
| Current income tax expense | | |
| Current income tax charge | - | - |

No liability to UK corporation tax arises on the ordinary activities for the year ended 31 December 2021, nor for the year ended 31 December 2020.

| Reconciliation of income tax charge to accounting profit / (loss) | 2021 £ | 2020 £ |
|---|-----------|-----------|
|---|-----------|-----------|

A reconciliation of the tax charge / credit appearing in the income statement to the tax that would result from applying the standard rate of tax to the results for the year is:

| | | |
|--|-----------|-----------|
| (Loss) / profit per accounts | (287,782) | (213,771) |
| Tax at the domestic income tax rate of 19.00% (2020: 19.00%) | (54,679) | (40,616) |
| Unrecognised tax losses | 54,679 | 40,616 |
| | - | - |

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

Factors which may affect future tax charge

The Company has estimated UK tax losses of £2,773,989 (2020: £2,486,207) to carry forward against future trading profits together with capital losses of £264,481 (2020: £209,802). A deferred tax asset has not been recognised in respect of these losses due to uncertainty over the timing of when these assets will be utilised.

The main rate of UK corporation tax is 19%. There is no effect on deferred tax as the Company has not recognised any deferred tax asset or liability.

8. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing net result for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period. No adjustments were made to the net result for the year when calculating basic earnings per share in either year. The weighted average number of shares outstanding for 2021 was 3,530,117,600 (2020: 2,057,351,455).

Diluted earnings per share amounts are calculated by dividing the net result attributable to ordinary equity holders after adjustments for instruments that dilute basic earnings per share by the weighted average of ordinary shares outstanding during the period (adjusted for the effects of dilutive instruments). For the year ended 31 December 2021, as the Company was loss making the effect of any share options is anti-dilutive such that the diluted EPS figure is equivalent to the basic EPS figure. For the year ended 31 December 2020, the effect of dilutive instruments does not affect the basic EPS figure.

9. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial assets and liabilities are summarised in note 10. The main types of risk are market risk, credit risk and liquidity risk.

The Company does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Company is exposed are described below.

Interest rate risk

The Company's borrowings had fixed interest rates limiting the exposure to cash flow interest rate risk. The Company's exposure to fair value interest rate risk was similarly limited as a result of the short duration of borrowings.

Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. Following the re-structuring of the Company's activities, its exposure to credit risk is minimal. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets at the reporting date (note 10).

The credit risk for cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings of A or better.

The Company does not have any receivables at 31 December 2021.

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

Liquidity risk

Liquidity risk is that the Company might be unable to meet its obligations.

The Company has given responsibility of liquidity risk management to the Board who have formulated liquidity management tools to service this requirement.

Management of liquidity risk is achieved by monitoring budgets and forecasts and actual cash flows.

As disclosed in the accounting policies (note 2) management expect to meet funding requirements through the raising of additional funds.

Market risk

Market risk is firstly the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holding in financial instruments. Secondly, it is the risk that cash flows from a financial instrument fluctuate in response to changes in market prices. Following the disposal of the Company's interest in NQ Minerals Plc the Company is no longer exposed to significant market risk.

Foreign currency risk

The Company does not enter into forward exchange contracts to mitigate the exposure to foreign currency risk.

Capital management

The Company's capital consists of both deferred and ordinary shares. The Board's policy is to preserve a strong capital base in order to maintain investor, creditor and market confidence and to safeguard the future development of the business, whilst balancing these objectives with the efficient use of capital.

10. FINANCIAL ASSETS AND LIABILITIES

A description of each category of financial assets and financial liabilities and the related accounting policies are disclosed in note 2. The carrying amount of financial assets and financial liabilities are as follows:

| | Financial assets at amortised cost | Financial liabilities at amortised cost | Total |
|--------------------------------|--|---|-----------|
| 2021 | | | |
| Financial assets / liabilities | £ | £ | £ |
| Trade and other receivables | 20,106 | - | 20,106 |
| Cash and cash equivalents | 144,521 | - | 144,521 |
| Trade and other payables | - | (156,339) | (156,339) |
| | 164,627 | (156,339) | 8,288 |

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

| | Financial assets at amortised cost | Financial liabilities at amortised cost | Total |
|--------------------------------|--|---|-----------|
| 2020 | | | |
| Financial assets / liabilities | £ | £ | £ |
| Trade and other receivables | 6,380 | - | 6,380 |
| Cash and cash equivalents | 78,320 | - | 78,320 |
| Trade and other payables | - | (103,595) | (103,595) |
| | 84,700 | (103,595) | (18,895) |

11. TRADE AND OTHER RECEIVABLES

| | 2021 | 2020 |
|-------------------|---------------|--------------|
| | £ | £ |
| Current | | |
| Other receivables | 20,106 | 6,380 |
| | <u>20,106</u> | <u>6,380</u> |

The carrying value of the Company's short-term receivables approximates to their fair values.

12. RELATED PARTY TRANSACTIONS

Key management compensation

| | 2021 | 2020 |
|-------------------|----------------|----------------|
| | £ | £ |
| Director fees | 156,000 | 99,970 |
| Severance payment | - | 48,200 |
| | <u>156,000</u> | <u>148,170</u> |

During the year, £15,000 (2020: £nil) of the director fees incurred by Ian Harbottle were settled to Harbottle and Associates Limited, an entity controlled by Ian Harbottle.

13. CASH AND CASH EQUIVALENTS

| | 2021 | 2020 |
|--------------|----------------|---------------|
| | £ | £ |
| Cash at bank | 144,521 | 78,320 |
| | <u>144,521</u> | <u>78,320</u> |

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

14. SHARE CAPITAL

| | 2021 | | 2020 | |
|---|----------------------|----------------|---------------|---------|
| | No. | £ | No. | £ |
| Ordinary shares at 1 January | 2,839,474,743 | 283,948 | 1,130,474,743 | 113,048 |
| New shares issued at 0.02p ¹ | - | - | 1,675,000,000 | 167,500 |
| New shares issued at 0.1p ² | - | - | 34,000,000 | 3,400 |
| New shares issued at 0.02p ³ | 1,628,500,000 | 162,850 | - | - |
| Ordinary shares carried forward | 4,467,974,743 | 446,798 | 2,839,474,743 | 283,948 |
| Deferred shares (0.09 pence) | 350,428,320 | 315,385 | 350,428,320 | 315,385 |
| | 4,818,403,063 | 762,183 | 3,189,903,063 | 599,333 |

¹ During the prior year, the Company issued 1,400,000,000 shares at a placing price of 0.02 pence to raise £280,000 before costs and issued a further 275,000,000 at 0.02 pence for the conversion of a loan to the value of £55,000. Both the placing and loan conversion had attached 1:2 warrants to be issued with an exercise price of 0.04p exercisable on or before 31 December 2022.

² During the prior year, the Company issued 34,000,000 at 0.1 pence to settle interest of £34,000 that had accrued on convertible loans.

³ During the year the Company issued a total of 1,628,500,000 shares at a price of 0.02 pence as broken out below:

- 1,283,500,000 shares at a placing price of 0.02 pence to raise £257,000 before costs, alongside;
- 270,000,000 in settlement of fees and remuneration to directors; and
- 75,000,000 to settle outstanding creditors.

The Company is authorised to issue a further 8,500,000,000 ordinary shares of 0.01 pence following the AGM held 5 November 2021.

The issued ordinary shares of 0.01 pence each are fully paid other than 20,000,000 ordinary shares of 0.01 pence each. Total amount owing (including share premium) is included in other receivables.

The deferred shares do not have any rights to income or voting rights and are entitled to receive their nominal value back on a winding up only after the ordinary shareholders have received £100,000 per share. There is no authorisation in place to issue further deferred shares. The deferred shares are fully paid.

All issued share capital is classified as equity.

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

15. OTHER RESERVES

| | Capital redemption reserve | Share scheme reserve | Total |
|--------------------------|----------------------------------|----------------------------|----------------|
| | £ | £ | £ |
| At 1 January 2020 | 572,786 | 147,666 | 720,452 |
| Movement during the year | - | 52,029 | 52,029 |
| At 31 December 2020 | 572,786 | 199,695 | 772,481 |
| Movement during the year | - | 1,650 | 1,650 |
| At 31 December 2021 | 572,786 | 201,345 | 774,131 |

The share scheme reserve includes the increase in equity resulting from accounting for the expense of issuing share options / warrants. The capital redemption reserve exists to maintain the Company's capital when shares are cancelled or repurchased.

16. TRADE AND OTHER PAYABLES

| | 2021 | 2020 |
|--------------------------|----------------|---------|
| | £ | £ |
| Trade and other payables | 53,589 | 66,345 |
| Accruals | 102,750 | 37,250 |
| | 156,339 | 103,595 |

The carrying value of the Company's short-term payables approximates to their fair values.

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

17. SHARE OPTIONS / WARRANTS

Equity settled

The Company has a share option programme that entitles the holders to purchase shares in the Company with the options exercisable at the price determined at the date of granting the option.

The terms and conditions of the grants are as follows; there are no vesting conditions to be met and all options are to be settled by the issue of shares. Total expense related to the issue of share based payments during the year was £1,650 (2020: £52,029).

Details of the number of share options and the weighted average exercise price (WAEP) outstanding and exercisable during the period are as follows:

| | 2021 | | 2020 | |
|------------------------|--------|---------------|-------|-------------|
| | WAEP | No. | WAEP | No. |
| Opening balance | 0.10p | 907,000,000 | 0.10p | 70,000,000 |
| Issued during the year | 0.04p | 814,250,000 | 0.04p | 837,000,000 |
| Issued during the year | 0.02p | 13,750,000 | - | - |
| Closing balance | 0.042p | 1,735,000,000 | 0.10p | 907,000,000 |

During the year, a total of 814,250,000 attached warrants were issued as part of the 1,628,500,000 shares issued on the placement during the year, whilst a further 13,750,000 advisor warrants were issued to the Company's broker.

The fair value assigned to the advisor warrants issued during the year were calculated using the Black Scholes pricing model as the fair value of the advisor's services could not be measured directly through other means. The inputs into the model were as follows:

| | |
|--|----------|
| Share price at date of issue of warrants | 0.02p |
| Exercise price | 0.02p |
| Expected volatility | 75% |
| Risk free interest rate | 0.20% |
| Fair value | £0.00012 |

In the prior year, a total of 700,000,000 attaching warrants were issued as part of the 1,400,000,000 shares issued on the placement during the year, whilst a further 137,500,000 warrants were issued following the issue of the 275,000,000 shares on the conversion of the £55,000 convertible loan.

The fair value assigned to the convertible loan settlement warrants and attaching warrants issued during the prior year were calculated using the Black Scholes pricing model and the inputs into the model were as follows:

| | |
|--|-------|
| Share price at date of issue of warrants | 0.02p |
| Exercise price | 0.04p |
| Expected volatility | 75% |
| Risk free interest rate | 0.20% |

Expected volatility was determined based on the historical volatility which is expected to remain consistent in future periods.

ALL STAR MINERALS PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

The share options outstanding at the end of the period have a weighted average remaining contractual life of 1.3 years (2020 – 3 years) and have the following exercise prices (EP) that expire on the following dates:

| | 2021 | | 2020 | |
|------------------|-------|-------------|-------|-------------|
| | EP | No. | EP | No. |
| 31 December 2022 | 0.04p | 837,000,000 | 0.04p | 837,000,000 |
| 31 December 2023 | 0.10p | 70,000,000 | 0.10p | 70,000,000 |
| 20 July 2023 | 0.04p | 814,250,000 | - | - |
| 20 July 2026 | 0.02p | 13,750,000 | - | - |

18. EVENTS AFTER THE BALANCE SHEET DATE

Subsequent to year end, Mr Jason Brewer was appointed as director and CEO, and Mr Marc Nally as director along with the retirement of Mr David Bourne.

The Company entered into Heads of Agreement ("HoA") with Gathoni Muchai Investments Limited ("GMI") to acquire interests, secured by GMI, in the Blesberg Lithium and Tantalum Project in South Africa (the "Blesberg Project") and the Nkombwa Hill Tantalum, Rare Earth Elements and Phosphate Project in Zambia (the "Nkombwa Project") (together the "Projects"), and other mining and exploration projects introduced by GMI as part of the transaction (the "Transaction").

The key commercial terms of the Heads of Agreement are set out below:-

- The Company has an option to acquire an initial 25% legal and beneficial interest through a staged cash investment of US\$150,000 over the Nkombwa Project and has now made its scheduled initial US\$25,000 investment; and
- An option to acquire an initial 30% interest in the Blesberg Project by issuing £337,500 in fully paid-up ordinary shares in the Company and providing a cash advance of £237,500 to the Blesberg Project shareholders. An initial £37,500 initial cash payment has now been made to the Blesberg Project shareholders, securing an initial 5% interest.

The Company issued 22,000,000 Ordinary Shares at a price of £0.00035 to GMI as payment of the exclusivity fee consideration in respect to HOA's on the Projects.

Additionally, the Company successfully raised £200,000 before costs through the issue of 1,000,000 Ordinary Shares at a price of £0.0002 per share. Attached to every two shares, one warrant has been issued at an exercise price of £0.0004 for a period of three years from Admission.