



Annual Report and Accounts 2025 (LON:GCM)



GCM Resources plc

GCM Resources plc (“GCM” or the “Company”), the AIM listed mining and energy company, has identified a world class coal resource of 572 million tonnes (JORC 2004 compliant) at the Phulbari Coal and Power Project (“the Project”) in north-west Bangladesh. Utilising the latest highly energy efficient coal-power generating technology the Phulbari coal mine can support some 6,600MW. The Project site can also support over 2,000MW of Solar Power capacity throughout the Project life span. GCM requires approval from the Government of Bangladesh to develop the Project.

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Non-Executive Chairman's Statement

National Transition and Energy Realities

The Board presents the Company's Annual Report and Accounts for the year ended 30 June 2025, with this period being among the most momentous in Bangladesh's modern history. The unexpected eruption of student-led protests in mid-2024 catalysed the end of the fifteen-year Awami League government of Sheikh Hasina. Initially sparked by discontent over government job quotas, the protests quickly expanded into a nationwide movement demanding systemic reform and an end to long-standing political dominance. The rapid escalation, and the scale of public mobilisation, ultimately forced the Prime Minister to step down and leave the country in early August 2024.

In the aftermath, an Interim Government under the leadership of Nobel laureate Dr Muhammad Yunus was installed with the twin mandates of restoring stability and laying the groundwork for credible democratic elections. This administration has pursued institutional reform, re-establishment of rule of law, and re-evaluation of national economic priorities, including the future of domestic energy and resource development. The Coal Development Forum convened by the Interim Government on 27 February 2025 was a key milestone, reaching a clear consensus that Bangladesh must utilise its own coal resources to secure affordable and sustainable energy supply. The Forum recognised GCM's proposed Phulbari Coal and Power Project as the most advanced and immediately implementable opportunity to achieve this objective.

The Interim Government continued with initiatives to assist a democratically elected government move forward with domestic coal sector development with the posting of a Policy on Private Sector Participation in the Power Sector on the BPDB (Bangladesh Power

Development Board) website. This introduces several key proposals aimed at increasing private investment in power generation and signals a shift away from the traditional IPP (Independent Power Producer) model, where the government or BPDB is the sole buyer under a long-term Power Purchase Agreement (PPA). Significantly:

- The policy explicitly grants Merchant Power Plants the first right to develop a supporting coal mine, if the power plant is based on coal.
- Surplus Power can be sold directly to customers.
- Opens the possibility for surplus coal to also be sold to other power plants, as it is implied that the intent of the government is to reduce dependency on imported coal.
- Encourages foreign investors to participate without the need of a local partner.

Then on 27 August 2025, BIDA (Bangladesh Investment Development Authority) issued a press release regarding Foreign Direct Investment, citing energy diversification including local coal. It quoted the Energy Adviser as stating the country has coal reserves under the ground and that they are preparing a document that will allow the next government to proceed with coal extraction. It further stated that there must be energy diversification and that they needed to pursue the use of gas, coal, solar, and nuclear and also improve logistics to bring down import costs. An updated Integrated Master Plan is expected to be completed by December 2025 and it will provide a roadmap for the power and energy sector.

Economic Context and Energy Challenges

The transition period has inevitably brought economic headwinds. Growth has moderated as investor confidence and industrial output adjusted to the new political environment. The Bangladesh Taka has faced depreciation pressures, inflation has remained above 10 percent, and foreign-exchange reserves have come under strain due to the high cost of imported energy. The country's dependence on imported fuels especially coal has sharply increased power generation costs and created recurring shortages that have constrained industrial productivity and reduced public service reliability.

Bangladesh currently imports nearly all of its thermal coal requirements, primarily from Indonesia. This dependency exposes the power sector to global price fluctuations, freight costs, and hard-currency outflows estimated at several billion US dollars annually. These factors underline the strategic and economic necessity of developing a secure domestic coal supply, capable of underpinning the nation's 8 GW of installed and planned coal-fired power generation capacity.

The GCM Phulbari Coal and Power Project

Amid these challenges, GCM Resources Plc continues to position itself as the leading solution provider for Bangladesh's long-term energy security. The Company's integrated coal mine and power generation project at Phulbari is designed to produce over 15 million tonnes per annum of high-quality, high-energy thermal coal. This resource alone could supply up to 60 percent of the country's coal-fired power generation, equivalent to around 8,000 MW of modern HELE ultra-supercritical plants, representing an investment of US \$25 to 30 billion in national infrastructure.

Non-Executive Chairman's Statement (continued)

The Project offers compelling national benefits:

- Foreign exchange savings of several billion US dollars annually, by displacing imported coal.
- Fiscal returns exceeding US \$8 billion to the Government over a 35-year project life through taxes and royalties.
- Thousands of new jobs across mining, logistics, engineering, and support industries.
- Energy cost stability supporting industrial competitiveness and public amenity.
- Integration of 2 GW of solar power on the mine site from startup, enabling a Net-Zero emission mining operation.
- 30 percent reduction in greenhouse gas emissions compared with the use of imported coal, due to higher energy efficiency and shorter logistics chain.

Progress and Strategic Developments

Throughout the reporting period, GCM maintained strong operational and technical readiness while continuing its engagement with policymakers, stakeholders, and strategic partners. The Company completed a significant update to its Project Economic Model, confirming the financial robustness of the Project and reinforcing its attractiveness under current market conditions. The updated analysis demonstrates an Internal Rate of Return (IRR) of 20–30 percent, for the project equity reflecting improved capital efficiency and strong cash flow potential once operations commence.

A key advancement during the year was the adoption of a contract-

mining model, reducing initial capital expenditure and accelerating early production readiness. This structure provides operational flexibility while leveraging the expertise of major international mining contractors. In line with this strategy, GCM has executed an EPC contract with its development partner, PowerChina, covering mine infrastructure development and overburden removal to access coal seams. This partnership underscores the Project's technical credibility and its readiness for immediate mobilisation upon Government approval.

Other steps taken in Financial Year 2025 include:

- On 8 August 2024, the Company announced that its Chief Operating Officer remained with its staff in Dhaka during the country-wide student led protests and that with the appointment of the Interim Government, the situation in Bangladesh was calm and moving towards normality. It also noted that media reports over the past months confirmed that the Bangladesh Power and Energy Ministry has prepared a presentation promoting the immediate development of the country's domestic coal deposits (including Phulbari). It continues to be reported that Bangladesh must develop its own energy resources to off-set expensive imported energy products with their inherent supply and cost risks.
- On 15 November 2024, the Company announced it had received a notice of resignation from Zeus Capital Limited and that it had appointed Allenby Capital Limited as the Company's Nominated Adviser and Joint Broker with immediate effect.
- On 26 November 2024, the Company announced that Gary Lye had stepped down as an Executive Director of the Company

with immediate effect and that he would continue to focus on overseeing the Company's operations in Bangladesh in the capacity as GCM's non-board Chief Operating Officer and continue to act as Chief Executive Officer of GCM's subsidiary, Asia Energy Corporation (Bangladesh) Pty Ltd.

- On 13 December 2024, the Company announced that Power Construction Corporation of China, Ltd. ("PowerChina") had agreed to an extension of the memorandum of understanding ("MoU") for a period of a further 12 months from 6 December 2024 to 6 December 2025 on the same terms as the previous memorandum of understanding which is primarily focused on the Phulbari coal mine development. It is acknowledged that working under the MOU the parties have already taken a significant step towards developing the Phulbari coal mine. This is demonstrated by the signing of an EPC contract for "Phulbari Coal Mining Infrastructure Construction and Overburden Stripping", which was announced by the Company on 11 March 2024. The scope of work under this contract includes design, procurement, installation and commissioning of mine infrastructure and overburden removal, dewatering and drainage. It also includes selective mining and stockpiling of valuable industrial mineral co-products that occur in the overburden and are expected to deliver considerable cashflow for the Project ahead of any coal extraction. Importantly, the proposed mine development is now heading in the direction of contract mining which means that the mining is carried out by an experienced mining contractor utilising their own resources and mining equipment resulting in reduced technical risk and start-up capital expenditure requirement.

- On 8 January 2025, the Company announced that it has agreed a new consulting agreement with Dyani Corporation, Ltd. ("Dyani") (the "Dyani Agreement"), to maintain and develop the Company's relationship with our key partner, PowerChina, on similar terms as previously announced. The Dyani Agreement was most recently extended on 29 June 2020 and expired on 30 June 2022. Under the terms of this latest Dyani Agreement, which will expire on 31 December 2025, Dyani shall provide services to assist the Company to: Promote the Project; grow its relationship with its key development partner, PowerChina; facilitate PowerChina's assistance in achieving project approval from the Government of Bangladesh and securing finance necessary to take the Project to the stage of coal extraction with positive cashflow; and Identify additional project opportunities that represent business opportunities for GCM that could be developed as adjuncts to the Project.
- On 28 January 2025, the Company announced that it had agreed a new consulting agreement with DG Infratech Pte Ltd ("DGI"), a Bangladeshi controlled company, to help GCM obtain the consent of the Government of Bangladesh to develop the proposed Phulbari Coal and Power Project. The most recent extension of the DGI Agreement was announced on 22 August 2022 and subsequently expired on 31 December 2023. Under the terms of this latest Agreement which will expire on 31 December 2025, DGI shall continue to provide advisory, management, lobbying and consultancy services in relation to the affairs of the Company and in doing so will deliver approvals and the cooperation of necessary stakeholders to develop the

Project. In addition, the scope has now also been expanded to include an adjunct project, a Solar Power Park of up to 4,500MW ultimate capacity installed at the Project site.

- On 28 March 2025, the Company announced that it had conditionally raised approximately £1.0 million (before expenses) by way of a placing (the "Placing") of a total of 33,333,333 new ordinary shares of 1 pence each in the Company ("Ordinary Shares") at a price of 3.0 pence per new Ordinary Share (the "Issue Price"). The Issue Price represented a discount of approximately 16 per cent to the closing mid-market price of 3.60 pence per Ordinary Share on 27 March 2025. The net proceeds from the Placing are intended to be used by the Company for working capital.
- On 26 June 2025, the Company announced the Management had become aware that Polo Resources Ltd, a British Virgin Islands ("BVI") incorporated company, was dissolved on 5 September 2023 as the result of the resignation of its BVI agent. The Company has been informed that the officers of Polo are currently undertaking steps to restore its status as a registered company in the BVI including the appointment of a new BVI agent. This is expected to occur following, inter alia, the satisfactory completion of customary due diligence on Polo and its stakeholders by the new BVI agent, followed by a court order as required under the laws of the BVI. Notwithstanding this, there can be no certainty that Polo will be restored as a registered company in the BVI, nor as to the timing of any such restoration. As most recently announced on 31 March 2025, Polo has provided a £3.5 million loan facility to the Company of

which as at 31 December 2024, £300,000 remained undrawn. In light of this, the board of directors of GCM believes that the status of the Company's indebtedness to Polo is uncertain but given the expectation that the officers of Polo will restore Polo as a registered company in the BVI, the board is currently treating the loan which, at 30 June 2025 amounted to £6,198,000 (31 December 2024: £5,923,000) including loan interest, as unaffected.

Outlook and Engagement with Government

The Company enters the coming year with a renewed sense of purpose and confidence. The Interim Government's February 2025 Coal Development Forum set a clear policy direction that domestic coal extraction must proceed to ensure national energy resilience. GCM's Project, being fully studied, internationally benchmarked, and environmentally compliant, stands as the most advanced and deliverable domestic coal project in Bangladesh.

With national elections expected in early 2026, GCM's strategic focus is on constructive engagement with policymakers, energy planners, and development partners to secure the necessary approvals to move into implementation. The Company believes the newly elected administration will recognise the urgent imperative to reduce import dependency, stabilise the power sector, and revitalise industrial growth through the utilisation of Bangladesh's own natural resources.

Closing Remarks

In closing, I wish to acknowledge the unwavering support of our shareholders, partners, and dedicated team. Despite an extended period of political transition and market uncertainty, GCM Resources Plc has

Non-Executive Chairman's Statement (continued)

maintained its financial discipline, strengthened its project economics, and deepened its partnerships. The outlook for the Company and for Bangladesh's energy future is increasingly promising.

We remain confident that, with government approval and continued investor support, the Phulbari Coal and Power Project will become a cornerstone of Bangladesh's energy independence, industrial growth, and sustainable development for decades to come.

Paul Shackleton

Non-Executive Chairman
21 November 2025

Group Strategic Report

Strategy and Business Model

GCM is strategically positioned with a globally significant energy project at a pivotal time in Bangladesh's economic transformation. With strong fundamentals, updated economics, and aligned national policy, the Phulbari Project offers long-term value creation potential for investors.

The Company remains focused on securing government approval to advance the Phulbari Coal Project into a world-class, large-scale open-pit coal mine in northwest Bangladesh. Strategically designed to support up to 6,600MW of high-efficiency, low-emission Ultra-Supercritical (HELE) power generation, the Project positions GCM as a central player in meeting Bangladesh's long-term energy demand and industrial growth.

In response to macroeconomic pressures in Bangladesh, including currency devaluation and foreign reserve constraints, GCM has updated the Project's economic model to strengthen local market alignment and enhance resilience. The revised approach prioritises domestic sales of high-energy thermal coal in local currency, aligning revenues with a significant portion of project costs. Foreign exchange requirements are to be met through the export of Semi-Soft Coking Coal (SSCC), recovered via a coal wash plant that also produces a high-quality thermal product for the local market.

This updated model was developed in partnership with global consultancy SLR Consulting Limited, which integrated scenario-based flexibility and enhanced the Project's risk-adjusted economic attractiveness. Key variables such as mining method, product mix, transport logistics, and coal handling can now be dynamically assessed to optimise financial outcomes. SLR Consulting absorbed the consulting group that worked on the Project's feasibility study and have maintained the studies and model.

Complementing the coal operation is a major renewables initiative: a phased development of a 2,000MW solar power park, supplying power to both the mine and national grid. This dual-energy model supports the Project's ambition to be classified as a "Green Mine" with net-zero operational emissions, providing significant ESG appeal.

STRATEGIC PRIORITIES FOR VALUE CREATION

1. Government Approval & Development

Finalising government approval remains the near-term priority. GCM and its strategic partner, PowerChina, are positioned to develop, finance, and operate the full integrated project over its 35+ year life.

2. Domestic Energy Security

The Project offers a long-term, low-cost, secure domestic coal supply reducing Bangladesh's reliance on imports and insulating against global energy market volatility.

3. Partnership-Led Execution

To ensure efficient delivery and mitigate execution risk, GCM will establish Joint Ventures in key areas such as coal transport and mineral co-product recovery unlocking early-stage revenue and improving long-term project economics.

BUSINESS MODEL BUILT FOR RESILIENCE AND SCALE

GCM's model is structured around two core operating units and two strategic joint ventures:

1. Mining Company

- Develop and operate the Phulbari coal mine, with a focus on building a secure domestic market and maximising cash flow through product flexibility and local currency sales.

2. Power Company

- Develop and operate a proposed 4,000MW Ultra-Supercritical power station near the mine, in partnership with PowerChina, alongside the large-scale solar power park to reduce operating costs and carbon intensity.

3. Coal Transport JV

- Fund and manage infrastructure upgrades (rail, rolling stock, barges) to ensure cost-effective, scalable coal delivery to domestic and export markets.

4. Industrial Mineral JV

- Extract and monetise high-value mineral co-products from mine overburden (e.g. gravel, sands, clay), unlocking an estimated US\$10+ billion in early revenue and supporting local industry.

STRATEGIC IMPACT FOR INVESTORS

GCM's updated strategy is designed to deliver:

- **Robust Cash Flow:** Strong margins driven by low-cost domestic operations, diversified revenue (thermal coal, SSCC, minerals), and favourable foreign exchange alignment.
- **Scalable Growth:** Long-life resource supporting 35+ years of operations with integrated infrastructure and power development.
- **De-risked Execution:** Backed by technical and strategic partners including PowerChina and SLR Consulting, with flexible mine planning and phased investment optionality.
- **Sustainability Integration:** ESG-aligned design including renewable energy, domestic energy security, and low-emission HELE power.

Group Strategic Report (continued)

- **Strategic Timing:** Positioned to meet rising coal-fired power demand in Bangladesh, where 8,000+ MW of capacity is installed or coming online, requiring up to 19 million tonnes of Phulbari-quality coal annually.

ALIGNMENT WITH BANGLADESH'S VISION 2041

The Project directly supports Bangladesh's national development plan "Vision 2041" which targets graduation from LDC to developing country status by 2026, upper-middle-income status by 2031, and developed nation status by 2041. Central to this ambition is energy security and affordability. GCM's Project aligns with these goals by supplying reliable domestic coal, offsetting imports, enabling industrial growth, and integrating renewable power.

Progress Aligned with Strategic Objectives

During FY2025, GCM continued to pursue its core strategic objective: securing government approval to advance the Phulbari Coal and Power Project, a large-scale open-pit coal mine capable of producing over 15 million tonnes per annum (Mtpa) yielding high-quality thermal coal and semi-soft coking coal saleable products. Once operational, the Project could supply approximately 60% of the coal required by Bangladesh's existing 8,000MW fleet of high-efficiency, low-emission (HELE) coal-fired power plants.

However, progress during the period was materially affected by the significant political disruption that began in mid-2024. Widespread student-led protests in July/August led to the dissolution of the Awami

League government, the departure of Prime Minister Sheikh Hasina, and the establishment of an Interim Government. The Interim Government was tasked with restoring stability, implementing reforms, and preparing for national elections now scheduled for February 2026.

This transitional political environment, coupled with continued bureaucratic reshuffling, introduced delays to the Company's engagement with government officials, including the Bureau of Mineral Development (BMD), the authority responsible for approving the Project's Feasibility Study and Scheme of Development. Nonetheless, GCM's Dhaka-based team maintained proactive dialogue with contacts within the Power and Energy Ministry, ensuring the Project's strategic importance remained visible to policymakers throughout this uncertain period.

Of note, momentum was regained in February 2025 with the government-hosted Coal Development Forum, chaired by the Energy Secretary with the Energy Adviser being Chief Guest, and attended by over 80 participants including government officials, academics, civil society representatives, and media. The Forum marked a pivotal moment, with the Phulbari Project acknowledged as Bangladesh's most advanced and immediately implementable domestic coal initiative. Crucially, concluding remarks from the Forum confirmed its aim to lay the groundwork for the *incoming elected government* to act on domestic coal extraction.

Despite the subdued business environment, GCM used this period to significantly strengthen its Project economics. Working with SLR Consulting, the Company completed a comprehensive update of the Project's Economic Model. This included revisions to capital and operating cost assumptions, revenue modelling, and

the integration of flexible scenarios covering mining methods (contract vs. owner-operated), coal product mix, delivery points (mine gate, rail, or port), and coal handling infrastructure.

The updated model demonstrates robust financial metrics: using a conservative coal price forecast (factoring the higher energy content of Phulbari coal relative to benchmark Hunter Valley coal), the Project is expected to deliver a project IRR of 20-30%, positioning it competitively among large-scale open-pit mining projects both regionally and globally. The model also suggests the Project's potential to generate over US\$8 billion in taxes and royalties for the Government of Bangladesh over its 35-year life.

In parallel, the Directors believe that macroeconomic signals are becoming increasingly favourable. Global coal markets are facing future supply constraints, with many high-output mines maturing and limited new capacity forecast to come online before the mid-2030s. This could lead to upward pressure on coal prices, supporting long-term revenue potential for Phulbari. Additionally, the evolving U.S. energy strategy boosting fossil-fuel-backed power infrastructure to meet rising AI and data centre energy demands is already influencing policy shifts across Asia. This may reduce regulatory resistance to coal and align with Bangladesh's urgent need for domestic energy solutions.

These trends strengthen the strategic case for Phulbari as Bangladesh seeks to lower its exposure to the volatility of imported coal and enhance its energy sovereignty. The Project remains uniquely positioned to meet these national objectives with bankable scale, economic resilience, and policy alignment.

Year in review

FY2025 was marked by heightened political and economic disruption in Bangladesh. Student-led protests in mid-2024 resulted in the collapse of the long-standing Awami League government and the appointment of an Interim Government tasked with restoring order and delivering democratic elections, now scheduled for February 2026.

Amid this uncertainty, several key developments reinforced momentum behind GCM's Phulbari Coal and Power Project:

- **27 February 2025 – Coal Development Forum**
The Interim Government convened a landmark forum on coal development, chaired by the Energy Secretary. The event brought together stakeholders from government, academia, civil society, and media. A consensus emerged that Bangladesh must utilise its domestic coal resources to ensure affordable, reliable, and secure energy. The Phulbari Project was identified as the most advanced and near-term viable solution.
- **8 May 2025 – Private Sector Policy Shift**
The Bangladesh Power Development Board (BPDB) published a new policy framework encouraging private investment in power generation. Notably, it:
 - Grants *merchant power plants* first rights to develop a supporting coal mine.
 - Permits direct power sales to customers beyond traditional PPA structures.
- Signals support for surplus coal sales to other plants, reducing reliance on imported coal.
- Encourages foreign investment without requiring a local partner.
- **27 August 2025 – BIDA Endorsement**
The Bangladesh Investment Development Authority (BIDA) issued a press release highlighting energy diversification—including local coal—as a national priority. The Energy Adviser confirmed that policy guidance is being drafted to enable the next elected government to act on coal extraction.
- **Expected December 2025 – Integrated Master Plan Update**
A revised national energy roadmap is expected by year-end, reinforcing the need for energy security through diversified sources, including coal, gas, solar, and nuclear.
- **8 January 2025** – New consulting agreement signed with Dyani Corporation Ltd. to support strategic engagement with PowerChina and facilitate project financing and approval.
- **28 January 2025** – Agreement with DG Infratech Pte signed to assist in securing formal government consent for the Project's development.
- **28 March 2025** – Successfully raised approximately £1.0 million (before expenses) via a share placement, for general working capital purposes.
- **26 June 2025** – Company became aware of Polo Resources Ltd (a BVI entity) being dissolved and noted that steps are being taken to restore its registered status.

LOOKING AHEAD

While the past year presented challenges, GCM has maintained strategic momentum, strengthened project fundamentals, and deepened government and stakeholder engagement. With national elections now in sight, the Company remains focused on securing the necessary government approvals and advancing the Project toward development readiness.

The Phulbari Project remains Bangladesh's most advanced domestic coal initiative with scale, infrastructure alignment, and strong economic returns. As the country approaches a democratic reset in 2026, GCM is well positioned to support Bangladesh's urgent need for energy security, industrial growth, and economic resilience.

CORPORATE AND OPERATIONAL MILESTONES

- **15 November 2024** – Allenby Capital Limited appointed as Nominated Adviser and Joint Broker, following the resignation of Zeus Capital.
- **26 November 2024** – Gary Lye stepped down from the Board to focus on operational oversight in Bangladesh as COO and CEO of Asia Energy Corporation (Bangladesh) Pty Ltd.
- **13 December 2024** – PowerChina extended its Memorandum of Understanding with GCM for another 12 months, reaffirming commitment to the Phulbari Project.

Group Strategic Report (continued)

Finance review

The Group recorded a loss of £2,149,000 during the year ended 30 June 2025 compared to a loss of £1,388,000 during the previous year. The loss increased from the comparative year principally due to the renewal of consultant contracts and one off fees paid thereto, from £90,000 in 2024 to £850,000 this year, but their continuing partnership allows the Group to continue its progress in-line with GCM's strategy of developing power generation as a new business stream, with no slow-down in pursuing and continuing with the Project.

The Group recorded a net decrease in cash at the end of the year to £1,310,000 (2024: £1,658,000 increase). Net cash used in operations for the year was £751,000 (2024: £763,000), cash used in investing activities was £521,000 (2024: £444,000), and cash inflow from financing was £924,000 (2024: £2,322,000).

The Group has continued its aim to maintain tight control of expenditure incurred during the year, world economic and inflationary factors contributed to the administrative expenses increasing by 4.9% to £847,000 for the year ended 30 June 2025 (2024: £807,000) which included £10,000 non-cash expenditure, and finance costs increased to £541,000 (2024: £494,000), in accordance with interest rate change to the Polo Loan Facility. Capitalised expenditure in relation to the mine proposal was £516,000 for the year ended 30 June 2025 compared to £443,000 in the previous year.

To finance its operations during the year, GCM completed a successful Placing raising Gross proceeds of £1,000,000 in March 2025 with Allenby Capital Ltd. In regard to the short-term loan facility with Polo Resources Limited ("Polo") (the "Polo Loan Facility"), of the full facility of

£3,500,000, £3,200,000 has currently been utilised, however the facility is not currently available, and no repayments can be requested whilst Polo remains a dissolved company, as detailed in the RNS of 26 June 2025. The terms of the loan facility were amended in March 2022 as part of the completed placing and subscriptions, such that the lender may request conversion by the issuance of new ordinary shares in the Company at 5.14 pence per share (being the Issue Price) subject to any necessary regulatory approvals. All other terms of the agreement remained unchanged. (See Note 12 for detailed terms).

As GCM does not yet generate any revenue, the Board expects that the Group's operations will continue to be funded by a combination of equity and debt financing.

Continuing for the foreseeable future, the Company's cash expenditure is not expected to increase and, as far as possible, obligations to key stakeholders will be primarily satisfied by the issue of new ordinary shares in the capital of the Company ("Ordinary Shares"), to both incentivise those stakeholders and preserve cash.

As at the date of this report, the Company currently has approximately £922,000 in available cash resources, which is sufficient to meet the Company's immediate cash requirements until June/July 2026, assuming the Company's currently forecast cash costs. The Company will further explore additional funding during the next six months.

Corporate Social Responsibility (CSR)

At GCM, our commitment to responsible development of the Phulbari Coal Project remains unwavering. While we await formal government approval to proceed (expected following national elections in February 2026) our focus on

community readiness, environmental stewardship, and global best practice continues.

We view CSR not as a box-ticking exercise, but as a long-term commitment to the people and environment of Phulbari. Building and maintaining a Social License to Operate (SLO) means active, ongoing engagement, not just before the first shovel hits the ground, but across the full life of the Project.

WORLD-CLASS STANDARDS, LOCALLY ROOTED

GCM is fully aligned with internationally recognised environmental and social frameworks, including:

- IFC Performance Standards (World Bank Group)
- The Equator Principles
- ADB Safeguard Policies
- National laws and regulatory frameworks of Bangladesh

As a signatory of the UN Global Compact, we are committed to upholding its ten universal principles in human rights, labour, environment, and anti-corruption.

ENGAGEMENT, INCLUSION, AND UPLIFTMENT

GCM's approach puts local communities at the heart of the Project. Our Resettlement Action Plan (RAP), based on extensive field surveys and updated demographic data ensures that those affected by development are not just relocated, but supported to thrive.

Key commitments under the RAP include:

- Fair and transparent resettlement with full compensation
- Improved housing and local infrastructure
- Livelihood restoration grants and skills training
- Prioritised employment for local residents
- Support for agriculture and land-based livelihoods

COMMUNITY PRESENCE, CONTINUOUS DIALOGUE

We maintain a dedicated, full-time presence within the Project Area, led by a locally grounded team and supported by 72 Community Liaison Assistants (CLAs) drawn directly from the community. This ensures we remain in close touch with local concerns, feedback, and aspirations, building trust and laying the foundation for a successful and inclusive development once final approval is secured.

Risks and uncertainties

The predominant risks and uncertainties faced by the Company are set out below:

Political and Economic Risks:

The political landscape has become dominated by the fall of the past Awami League government of former Prime Minister Sheikh Hasina on 5 August 2024 and the appointment of an Interim Government, on 8 August 2024. The Interim Government consists of Chief Adviser Dr Yunus (Nobel Laureate) and 24 Advisers covering key ministries. The student led protests that caused the government to fall had mobilised enormous support for eliminating corruption and undertaking political and economic reforms

and this has become the Interim Government's mandate.

The Interim Government has made notable progress on its July National Charter reform agenda, aimed at overhauling key institutions and preparing for a democratic transition. Six reform commissions submitted their reports by January 2025, covering areas such as constitutional reform, judicial independence, anti-corruption, and electoral systems. A National Consensus Commission (NCC) was formed to engage political parties and build support for the proposed reforms. By October 2025, a finalised Charter outlining over 80 structural reforms was formally shared with all major parties for endorsement, marking a significant milestone in the roadmap toward elections scheduled for early 2026.

However, the reform process remains a work in progress. While broad agreement has been reached on the principles, the Charter does not yet include a clear legal framework or implementation timeline. Some student-led and civil society groups have expressed scepticism, urging stronger guarantees and immediate action. The Interim Government has committed to initiating selected reforms, but major constitutional changes are expected to be taken up by the next elected government. For investors, this period presents both opportunity and uncertainty: although institutional reform could improve governance and regulatory clarity, the pace and durability of these changes will depend heavily on the outcome of the February 2026 elections and the political consensus that follows.

In short, the success of the February 2026 election will require actions to achieve inclusiveness, institution building, and reform delivery. For investors and project developers, the environment is improving but significant execution and political risks linger ahead of what is intended to be a landmark transition.

Strategic Risk:

There remains a risk that the strategic partnership with the Chinese state-owned enterprise, PowerChina, may not proceed, which would impact the Company's plan to position the Project as a secure, captive coal mine with dependable market outlets for its full production. This could threaten the economic viability of the mine. However, the signing of the Mine Construction and Overburden Stripping EPC contract with PowerChina in March 2024 and on-going communications suggest the risk of PowerChina not being involved with the Project is low.

Additionally, the Company continues its communication efforts with key personnel with the aim to ensure the benefits of moving quickly to develop the Phulbari Coal and Power Project are well understood.

Financing Risk:

There remains a risk that the Company may face challenges in raising the necessary working capital to sustain operations before submitting the Project Proposal to the government, as well as the additional funds required to guide the Project through government approvals and into the implementation stage. The first financing risk is mitigated by the Company's on-going strong track record of successfully raising capital through equity markets. The second financing risk is addressed through existing agreements with our Development Partner, PowerChina, who has expressed a willingness to support project financing in exchange for being awarded EPC (Engineering, Procurement, and Construction) contracts. The signing of the US\$1 billion Mine Construction and Overburden Stripping EPC contract with PowerChina in March 2024 is a demonstration of the commitment of both companies to move the Project forward.

Group Strategic Report (continued)

In addition, the move by the US to change its energy and power policies to promote expansion of fossil fuel-based power generation is likely to also remove headwinds for financing and developing new fossil fuel projects, including coal, in Asia.

Additionally, the Polo Loan facility can begin to be called in Cash repayments from March 2026 as per the terms of the agreement. However, whilst Polo Resources remains dissolved, no repayments can be requested. Should Polo Resources successfully be reinstated in the BVI, and any repayments requested, the Company would have to secure necessary funding to meet such obligations.

The Directors remain confident that the Company will secure the necessary funds when needed. For further details, refer to the Directors' Report.

Commercial Risk:

The primary commercial risk for the Project in Bangladesh stems from potential adverse movements in coal prices and associated cost factors. However, the ongoing global energy supply uncertainty, with increased coal and LNG prices has positively shifted the Project's viability outlook. Bangladesh is dependent on importing most of its energy and with a depreciated local currency, high inflation, diminished foreign exchange reserves and a shortage of US dollars, the country cannot afford to continue with its 'import all' strategy. The Interim Government recognises this and has taken initiatives to prepare a newly elected government to move on domestic coal development to largely remove the dependence on imported coal. Their stated aim is to reduce costs and improve reliability of supply.

Bangladesh is impacted by Climate Change and continues to push the developed countries to fund preparedness measures. Meanwhile, Bangladesh's role in global emissions

remains small and it maintains a 'business as usual' approach to energy and power as it confronts expanding its energy sector to support economic growth while also adapting to the global shift towards greener energy. The Interim Government has stated that Bangladesh must pursue a strategic energy diversification (including coal). The recent shift in US policies to promote fossil fuels for power generation will take some pressure off Bangladesh as it moves to develop its domestic coal resources to supply its 8000 MW coal-fired power generation.

Board engagement with stakeholders

This section serves as our section 172 statement and should be read in conjunction with the rest of the Strategic Report and the Company's Corporate Governance Statement.

Section 172 of the Companies Act 2006 requires a Director of a company to act in the way he or she considers, in good faith, and would be most likely to promote the success of the company for the benefit of its members as a whole. In doing this, section 172 requires a Director to have regard, among other matters, to: the likely consequences 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, governments, local communities, 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; and the need to act fairly with members of the company.

The Directors uses its Board meetings as a mechanism for giving careful consideration to the factors set out above in discharging their duties under section 172.

Stakeholder engagement

Key stakeholder groups we engage with are listed below, together with an explanation of why we focus on them and how we engage them.

Employees

The success of the Group is dependent upon the hard work and dedication of all our employees. The Board ensures a continuing investment in existing employees who are supported through professional, technical and on-the-job training relevant to their functional areas, as well as other relevant role-specific training. The Board directs executives and senior managers to keep staff informed of the progress and development of the Company on a regular basis through formal and informal meetings and regular communications. In addition, the Board ensures funds are provided for regular events to encourage employee participation in local community initiatives.

Government Agencies & Local Communities

The Group operates in the regulated mining sector in Bangladesh. The Board ensures the Company adopts a positive focus on maintaining productive relations with local communities and all levels of government. As a result, the Chief Executive Officer and Chief Operating Officer regularly conduct consultations with multi-levels of government agencies to ensure that all regulatory approvals and permits remain in good order. Development of local community improvement programmes are undertaken with consultation of local government and community representatives to maintain positive and productive relationships necessary to advance the Phulbari project.

As a mining exploration Group, the Board takes seriously its ethical responsibilities to the communities and environment in which it works.

Wherever possible, local communities are engaged in the geological operations and support functions required for field operations. The regions in which the Group operates have native title laws. The Company is respectful of native title rights and engages proactively with local communities. In addition, we are careful to manage the environmental obligations of our work, and undertake site rehabilitation programmes, and prepare mine management plans, in accordance with local laws and regulations. Our goal is to meet or exceed standards, to ensure we maintain our social licence to operate from the communities with which we interact.

Contractors & Suppliers

Our proposed Joint Venture associates, consultants and suppliers are key business partners, and the quality of goods and services we receive are essential to supporting operations and to enhance the project process with our goal to successfully submit our project proposal to the Bangladesh Government for approval.

During the year, the Board committed significant resources into fostering improved relationships with our key partners. As directed by the Board, management collaborates and continually works with our partners and the full supply chain, sharing best practice and seeking out synergies to improve.

Lender

On 26 June 2025, the Company announced the Company had become aware that Polo Resources Ltd, a British Virgin Islands ("BVI") incorporated company, was dissolved on 5 September 2023 as the result of the resignation of its BVI agent. The Company has been informed that the officers of Polo are currently undertaking steps to restore its status as a registered company in the BVI including the appointment of a new BVI agent. This is expected to occur

following, inter alia, the satisfactory completion of customary due diligence on Polo and its stakeholders by the new BVI agent, followed by a court order as required under the laws of the BVI. Notwithstanding this, there can be no certainty that Polo will be restored as a registered company in the BVI, nor as to the timing of any such restoration. As most recently announced on 31 March 2025, Polo has provided a £3.5 million loan facility to the Company of which as at 31 December 2024, £300,000 remained undrawn. In light of this, the board of directors of GCM believes that the status of the Company's indebtedness to Polo is uncertain but given the expectation that the officers of Polo will restore Polo as a registered company in the BVI, the board is currently treating the loan which, at 30 June 2025 amounted to £6,198,000 (31 December 2024: £5,923,000) including loan interest, as unaffected.

Investors

Investors are considered key stakeholders, and consequently investor relations are a focus area for Directors. Where possible the Board engages investors on Group performance following project updates and results announcements with face-to-face meetings or scheduled calls.

On behalf of the Board,

Datuk Michael Tang PJN

Chief Executive Officer
21 November 2025

Corporate Governance Report

Corporate Governance Statement

In November 2023 the Quoted Companies Alliance ('QCA') updated its Corporate Governance Code dated April 2018 (the 'QCA Code 2018'). The QCA's Corporate Governance Code 2023 (the 'QCA Code 2023') came into effect for accounting periods commencing on or after 01 April 2024.

The QCA Code 2018 and the QCA Code 2023 each take key elements of good governance and apply them in manners which are workable for the different needs of growing companies. The QCA Code 2018 and the QCA Code 2023 are each constructed around ten broad principles and sets of disclosures.

GCM Resources Plc's ('GCM' or 'the Company') directors recognise the importance of sound corporate governance, and in 2018 the Company adopted the QCA Code 2018 and applied its ten principles. On 26 June 2025 the Company adopted the QCA Code 2023 with immediate effect and has applied its ten principles, except as specifically noted below. The Company's compliance with the QCA Code 2023 is as described below which sets out the manner of compliance with the QCA Code 2023 or states that the manner of compliance is described in the information provided on the Company's website at www.gcmplc.com.

Corporate Governance Statement

As an independent non-executive director and chair (the 'Chair') of the board of directors of the Company (the 'Board' or the 'Board of Directors') it is my responsibility to ensure that the Company correctly implements and applies the ten principles of the QCA Code 2023 to support the Company in achieving its priority goal of obtaining approval for the development of the Phulbari Coal and Power Project (the 'Project') in north-west Bangladesh.

The Board believes that it applies the ten principles of the QCA Code 2023 but recognises the need to continue to review and develop governance practises and structures, to ensure they are in line with the growth and strategic plan of the Company.

The key governance related matter to have occurred during 2025 is the Company's decision to adopt the QCA's updated Corporate Governance Code, the QCA Code 2023, and apply its ten principles.

The Principles of the QCA Code 2023

Principle 1: Establish a purpose, strategy and business model which promote long-term value for shareholders

GCM has established a strategy and business model, the purpose of which is to promote long-term value for shareholders. The strategy and business model provides as follows:

- the principal activity of the Company and its subsidiaries (together the 'Group') is the development of the identified world class coal resource of 572 million tonnes (JORC 2004 compliant) at the Phulbari Coal and Power Project ("the Project") in north-west Bangladesh. Utilising the latest highly energy efficient coal-power generating technology the Phulbari coal mine can support some 6,600MW. The Project site can also support over 2,000MW of Solar Power capacity throughout the Project life span. GCM requires approval from the Government of Bangladesh to develop the Project.
- the strategy of the Company is obtaining approval from the Bangladesh Government for the comprehensive Project Proposal. With our Development Partner, PowerChina, GCM aims to finance, develop, and operate all project aspects over a 35+ year lifespan.

The business and operations of the Group are subject to a number of risk factors. These risk factors and the Group's comments and mitigating actions against them are set out in the 'Strategic Report – Risks and Uncertainties' section of the Annual Report(s).

The strategy and business model demonstrate that the delivery of long-term growth is underpinned by a clear set of values aimed at protecting the Company from unnecessary risk and securing its medium to long-term future, and to deliver shareholder value in the medium to long-term.

Principle 2: Promote a corporate culture that is based on ethical values and behaviours

The Board promotes a corporate culture that is based on ethical values and behaviours. The Board considers it an asset and source of competitive advantage to undertake its business and operations in an ethical manner. As such the Company has adopted a number of policies (including but not limited to the following):

- Code of Conduct: This includes matters such as: compliance with law; disclosure of information; accounting records and practises; fair dealing; conflicts of interest; corporate opportunities; use of company property; safety and environmental protection; fundamental rights; responsibility; where to seek clarification; and reporting breaches;
- Anti-Corruption and Anti-Bribery Policy: The government of the United Kingdom ('UK') has issued guidelines setting out appropriate procedures for companies to follow to ensure that they are compliant with the UK Bribery Act 2010. The Company has conducted a review into its operational procedures to consider the impact of the Bribery Act 2010 and the Board has adopted an anti-corruption and anti-bribery policy;
- Share Dealing Code: The Company has adopted a share dealing code for dealings in securities of the Company by directors and certain employees which is appropriate for a company whose shares are traded on AIM. The share dealing code is based on the model code developed by the QCA and the Institute of Chartered Secretaries and Administrators. This constitutes the Company's share dealing policy for the purpose of compliance with UK legislation including the Market Abuse Regulation and the relevant part of the AIM Rules for Companies. Furthermore, insider legislation set out in the UK Criminal Justice Act 1993, as well as the provisions relating to the market abuse, apply to the Company and dealings in its ordinary shares; and

- **Social Media Policy:** The Board has adopted a social media policy which is designed to minimise the risks to the Company's business arising from, and to assist directors and employees in making appropriate decisions about, the use of social media. In particular, the policy provides guidance that the disclosure on social media of commercially sensitive, price sensitive, private or confidential information relating to the Company is prohibited.

The policy set by the Board is evidenced by the actions and decisions of the chief executive officer and the rest of the management team. Our corporate values guide the objectives and strategy of the Company and drive the strategy and business model adopted by the Board.

The culture is visible in every aspect of the business, including recruitments, nominations, training and engagement. The Company's performance and reward systems endorse the desired ethical behaviours across all levels of the Company.

Principle 3: Seek to understand and meet shareholder needs and expectations

The Board seeks to understand and meet shareholder needs and expectations by discussing the overall development of the Company's strategy regularly at meetings of the Board. This issue will be a standing point of business at each Board meeting. The Board will also seek to develop a good understanding of the needs and expectations of all elements of the Company's shareholder base by asking the Company's registrar to keep the directors informed of the change in identity of any significant shareholders.

The Board will work alongside its Nominated Adviser and other advisers to manage shareholders' expectations in order to seek to understand the motivations behind shareholder voting decisions. The Board will take into account shareholder voting at any general meeting and any correspondence received by the Company from shareholders with respect to any matter relating to its business to further its understanding. Shareholders are encouraged to contact the Company – this can readily be done by email submission to info@gcmplc.com.

Principle 4: Take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success

The Board understands that the Company's long-term success relies upon good relations with a range of different stakeholder groups, both its internal workforce and its external suppliers, customers, regulators and others.

GCM has identified the following internal stakeholders:

- shareholder and loan note holders;
- the directors of the Company; and
- all members of the Company's and Subsidiaries' management teams (in compliance, administrative and field-based roles).

GCM has identified the following external stakeholders:

- suppliers of goods and equipment;
- securities regulators;
- local government (Bangladesh);
- ministerial departments responsible for administering mineral & resources exploration activities to take place; and
- local communities.

The Company will take into account wider stakeholder interests, including social and environmental responsibilities, and their implications for long-term success.

Given the business and operations of the Company, matters may arise that impact on society and the communities within which it operates or the environments which may have the potential to affect the Company's ability to deliver shareholder value over the medium to long-term.

Feedback from government agencies reflects the importance of making local communities active stakeholders who are incentivised to support the Project. This includes offering employment, access to education, and fair compensation for land and relocation needs. In response, GCM's Resettlement Action Plan (RAP) was developed as part of the comprehensive Environmental and Social Impact Assessment for the coal mine, and reflects the specific requirements identified through extensive community surveys within and adjacent to the Project Area. A demographic survey conducted in 2019 further updated population and household data to guide our approach.

Through the RAP, GCM is committed to uplifting the local community and will ensure the following:

- Fair, transparent, and fully compensated relocation;
- Enhanced living standards with improved town and village amenities;
- Financial grants to improve livelihoods;
- Training programs and preferential employment opportunities;
- Support for agricultural development to bolster local farming.

Principle 5: Embed effective risk management, internal controls and assurance activities, considering both opportunities and threats, throughout the organisation

As described above, the Company's business and operations are subject to certain risks. The Board receives monthly updates from management on operational, investor and public relations, finance and administrative matters. In addition, the Company's directors are

Corporate Governance Report (continued)

encouraged to liaise and meet with management on a regular basis to discuss matters of particular interest to each director. The Company's management has implemented effective risk management, considering both opportunities and threats, throughout the organisation.

The Board shall ensure that the Company's risk management framework, including internal controls and assurance activities, identifies and addresses all relevant risks in order to execute and deliver its strategy. The Company has considered its extended business, from key suppliers to end-customers in identifying and addressing risk. As the Company grows then the risk management framework, including internal controls and assurance activities, will develop accordingly.

The Board has developed a strategy to determine the extent of exposure to the identified risks that the Company is able to bear and willing to take.

Principle 6: Establish and maintain the board as a well-functioning, balanced team led by the chair

As a Board the directors have collective responsibility and legal obligation to promote the interests of the Company and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the Board. The Company holds Board meetings at least six times each complete financial year, and at other times as and when required.

The Board currently comprises four directors (see below), two of whom are deemed to be independent non-executive directors for the purpose of corporate governance (being Charlie Green and myself (Paul Shackleton)).

As at the date of this statement the Board consists of the following members:

Paul Shackleton, Non-Executive Director (Independent) & Chair of the Board of Directors

Mr Shackleton is an experienced London based corporate finance adviser and broker who, since 1996, has specialised in both domestic and international AIM traded companies, including advising companies in the role of Nominated Adviser. He brings a wealth of knowledge and experience, particularly in transactions, fund raising, Corporate Governance and Regulation. He is currently a Non-Executive Director of Rurelec Plc and Sutton Harbour Group plc.

Mr Shackleton chairs the Remuneration, and Nomination committees.

Mr Shackleton is deemed independent for the purpose of corporate governance by virtue of the Company considering him to be of independent character and judgement.

Datuk Michael Tang, Chief Executive Officer & Director

Mr Tang is Executive Chairman of the Company's largest shareholder, Polo Resources Limited and is the principal of Mettiz Capital Limited, an investment company with significant corporate and financial experience in natural resources, power generation, manufacturing and real estate. Mr. Tang qualified as a barrister at Lincoln's Inn and holds a Bachelor of Laws degree from the London School of Economics and Political Science. Mr Tang was conferred with the Distinguished Order for Meritorious Service ("Panglima Jasa Negara") which carries the honorific title of "Datuk" by His Majesty The King of Malaysia. The award was a recognition of his invaluable service and contribution to the nation.

Mr Tang is deemed non-independent for the purpose of corporate governance by virtue of being an executive officer of the Company.

Keith Fulton, Finance Director & Company Secretary

Mr Fulton has over 25 years accounting and finance experience and was a partner at the audit firm Chapman Davis for over thirteen years. He began his career at Badger Hakim, where he qualified as a Chartered Accountant, following which he held various financial advisory and leadership positions at a number of corporates, including Finance Director at IDG UK Holdings Ltd. Keith is a member of the Institute of Chartered Accountants in England and Wales.

Mr Fulton is deemed non-independent for the purpose of corporate governance by virtue of being an executive officer of the Company.

Charlie Green, Non-Executive Director

Mr Green is a chartered accountant and member of ICAEW (Institute of Chartered Accountants in England and Wales). Over his 47-year career, he has held senior positions in auditing and accounting, financial services within merchant banking and corporate recruitment services (headhunting). He is currently Director of corporate headhunting firm Emmet Green Associates Ltd.

After qualifying as a Chartered Accountant, he spent 11 years in an auditing role with Peat Marwick Mitchel & Co (now KPMG) and Reuters plc. He then worked for 10-years in investment banking taking senior financial services roles with Morgan Grenfell & Co Ltd, Merrill Lynch & Co and Credit Suisse First Boston.

He moved into the recruitment industry beginning with Austin Knight UK Ltd. (and TMP after it took over Austin Knight) and Odgers. After a 3-year period as an operations, financial and compliance consultant for a NOMAD boutique Investment Bank, he moved back into corporate headhunting where he has been Director of Emmet Green Associates Ltd for the past 25 years.

Mr Green chairs the Audit committee.

Mr Green is deemed independent for the purpose of corporate governance by virtue of the Company considering him to be of independent character and judgement.

Retirement by rotation

One third of directors are required to retire at every Annual General Meeting (AGM) of the Company by rotation and may be re-elected by ordinary resolution.

The Company has established properly constituted audit, remuneration and nominations committees of the Board with formally delegated duties and responsibilities, summaries of which are set out below:

The Audit Committee

The Audit Committee considers the Group's financial reporting (including accounting policies) and internal financial controls.

The Audit Committee is responsible for ensuring that the financial performance of the Group is properly monitored and reported on. Mr Charlie Green is Chair of the Audit Committee, along with Mr Paul Shackleton who is a member of the Committee, supported by Keith Fulton, the Finance Director and Company Secretary, and the full board who are not formally members of the committee. The membership of the committee will be reviewed annually and upon any changes to the composition of the Board. During the year the Audit Committee was active in assessing the adequacy of the interim and annual financial statements, including conducting meetings with the auditors of the Company.

The Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board of Directors' and senior executives' remuneration.

Non-Executive Directors' remuneration is considered by the Board. Financial packages for the Executive Directors are established by reference to those prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their job qualifications and skills. The Committee will also have regard to the terms which may be required to attract an equivalent experienced executive to join the Board from another Company. Mr Paul Shackleton is Chair of the Remuneration Committee, along with Mr Charlie Green who is a member of the committee, supported by Keith Fulton, the Finance Director and Company Secretary, and the full board who are not formally members of the committee. The membership of the committee will be reviewed annually and upon any changes to the composition of the Board. During the year the Remuneration Committee commenced a review of executive remuneration, including benchmarking to market with a view to making appropriate recommendations to the Board. This process is ongoing but nearing completion.

The Nominations Committee

The Nominations Committee makes recommendations to the Board for the recruitment of Directors and senior executives. Mr Paul Shackleton is Chair of the Nominations Committee, along with Mr Charlie Green who is a member of the committee, supported by Keith Fulton, the Finance Director and Company Secretary, and the full board who are not formally members of the committee. The membership of the committee will be reviewed annually and upon any changes to the composition of the Board. During the year the Nominations Committee has been involved in the assessment of prospective candidates for non-executive positions as requested by the Board.

Below is a table summarising the attendance record of each director at Board and committee meetings held during the year ended 30 June 2025:

	Board	Committee	
		Audit	Remuneration & nominations
Number of meetings held:	10	2	–
Record of attendance:			
Paul Shackleton	10 / 10	2 / 2	–
Datuk Michael Tang	10 / 10	–	–
Keith Fulton	10 / 10	2 / 2	–
Gary Lye <i>Resigned 26 November 2024 (*)</i>	10 / 10	–	–
Charlie Green	10 / 10	2 / 2	–

Paul as Chair of the Board of Directors "I believe I lead a well-functioning and balanced team on the Board".

(*) Gary Lye resigned from an Executive Position on the Board of Directors on 26 November but remains as the Chief Operating Officer of GCM and continues to attend Board Meetings by invitation.

Corporate Governance Report (continued)

Principle 7: Maintain appropriate governance structures and ensure that individually and collectively the directors have the necessary up-to-date experience, skills and capabilities

I believe the Company has adopted, and will maintain, governance structures and processes that are fit for purpose and support good decision-making by the Board. As noted above, the Company has audit, and remuneration & nominations committees. The Board believes these committees provide for governance structures and processes in line with its corporate culture and appropriate to its size and complexity; and capacity, appetite and tolerance for risk.

These governance structures may evolve over time in parallel with the Company's objectives, strategy, and business model and plan to reflect the development of the Company.

The biographical details of the directors are set out above. The biographies demonstrate that collectively the Board has an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of individual personal qualities and capabilities. The directors understand the need for diversity, including gender balance, as part of its composition and will keep this under review. Currently the Board, comprising four persons, has two independent non-executive directors, being Charlie Green and myself.

The Board understands that as companies evolve, the mix of skills and experience required on the Board will change, and Board composition will need to evolve to reflect this change. It is considered that at this stage there is no need to seek additional experience, skills and capabilities on the Board.

Principle 8: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Board has adopted a policy to evaluate the Board's performance based on clear and relevant objectives, seeking continuous improvement. The clear and relevant objectives that the Board has identified are as follows:

- suitability of experience and input to the Board;
- attendance at Board and committee meetings; and
- interaction with management in relevant areas of expertise to ensure insightful input into the Company's business.

The Board will review on a regular basis the effectiveness of its performances as a unit, as well as that of its committees and the individual directors, based against the criteria set out above.

The Board performance review will be carried out internally from time-to-time, and at least annually. The review should identify development or mentoring needs of individual directors or the wider senior management team.

As part of the performance review, the Board will consider whether the membership of the Board should be refreshed. The review will also identify any succession planning issues and put in place processes to provide for succession planning.

There has been no notable work of the remuneration & nominations committee undertaken during 2024/2025.

Principle 9: Establish a remuneration policy which is supportive of long-term value creation and the company's purpose, strategy and culture

The Board recognises that the remuneration of directors (both executive and non-executive) and senior management is of legitimate concern to shareholders and is committed to following current best practise. The Group operates within a competitive environment and its performance depends upon the individual contributions of the directors and senior management.

The objective of the Company's remuneration policy is to incentivise long-term growth and shareholder returns. The policy of the Board is to provide remuneration packages designed to attract, motivate and retain personnel of the calibre necessary to maintain the Group's position, and to reward them for enhancing shareholder value and returns. It aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary. Remuneration packages also reflect levels of responsibilities and contain incentives to deliver the Group's objectives, in line with the Company's purpose, strategy and culture.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other key stakeholders

The Company maintains a website at www.gcmplc.com which provides information about the Company's strategy and project information and provides updates on its operations and governance. In addition, the Company maintains a dialogue with shareholders and other key stakeholders by the issue of press releases as required by AIM.

The Company has adopted a communication and reporting structure which sets out the manner of open communication between the Board and all constituent parts of its shareholder base. From time-to-time the Company will participate in investor focused conferences and forums, and the Company will endeavour to make prior announcements of such engagements such that shareholders of the Company may wish to attend themselves and meet with those members of the Board and / or senior management who may be present. All members of the Board and senior management are encouraged to attend the Company's Annual General Meeting and other general meetings when shareholders will be encouraged to ask questions of the Board and the Company's senior management. This structure will assist in:

- the communication of shareholders' views to the Board; and
- the shareholders' understanding of the unique circumstances and constraints faced by the Company.

The 'Remuneration Report' section of the Annual Reports, sets out a number of matters including: the responsibilities and duties, and membership of the remuneration & nominations committee; remuneration of directors (both executive and non-executive) and

senior management; policy on remuneration; and notable work of the remuneration & nominations committee undertaken during the relevant period.

A separate 'Audit Committee Report' is included in the Annual Report if there are any material matters arising, otherwise on the grounds that there were no material matters arising either during the relevant period or subsequently this will be omitted.

Notable work undertaken during 2024-2025 by other Board committees includes:

- in September 2024 and November 2024, the audit committee met with the Company's independent auditor in connection with the audit of the consolidated financial statements of GCM for the year ended 30 June 2024, and it was noted that there were no material matters arising.

In conclusion, I am pleased to lead a Board and a Company that continues to strive to make improvements in all areas of its activities with a view to ultimately benefiting all of our stakeholders.

I hope that you embrace our philosophy and approach to conducting our business, as we continue to look forward to being able to report back to you on our developments.

Approved by the Board of Directors and signed on behalf of the Board of Directors on 21 November 2025.

Paul Shackleton

Non-Executive Chairman

21 November 2025

Remuneration Report

The Remuneration Report the year ended 30 June 2025 is below.

Remuneration & nominations committee

The remuneration & nominations committee of the board of directors of GCM resources Plc ('GCM' or 'the Company') is responsible for providing recommendations to the board of directors of the Company (the 'Board' or the 'Board of Directors') on matters including the composition of the Board and competencies of directors, the appointment of directors, the performance of the executive directors and senior management, and making recommendations to the Board on matters relating to their remuneration and terms of employment. The committee will also make recommendations to the Board on proposals for the granting of shares awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time-to-time. The remuneration & nominations committee should meet at least once a year.

During the year ended 30 June 2025 and as at the date of this report the members of the remuneration & nominations committee are Paul Shackleton (chair of the committee), and Charlie Green.

Remuneration

The Board recognises that the remuneration of directors (both executive and non-executive) and senior management is of legitimate concern to shareholders and is committed to following current best practise. GCM and its subsidiaries (together the 'Group') operates within a competitive environment, and its performance depends upon the individual contributions of the directors and senior management.

The payment of remuneration to directors and senior management is in accordance with Contracts for Services (in respect of non-executive directors) and Service Agreements (in respect of officers and senior management).

Policy on remuneration

The policy of the Board is to provide remuneration packages designed to attract, motivate and retain personnel of the calibre necessary to maintain the Group's position, and to reward them for enhancing shareholder value and return. It aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary. Remuneration packages also reflect levels of responsibilities and contain incentives to deliver the Group's objectives, in line with the Company's purpose, strategy and culture.

Save for the chair (the 'Chair') of the Board of Directors, GCM currently pays its other non-executive director a fee of GBP£27,500 per annum. The Chair of the Board of Directors is currently paid a fee of GBP£30,000 per annum. In addition to being paid fees, each of GCM's non-executive directors is eligible to be awarded share options in accordance with the Company's Share Option Scheme.

Amounts paid for services of Directors for the year ended 30 June 2025 were:

	Salary & fees £	Share based payments £	2025 Total £	2024 Total £
<i>Executive Directors</i>				
Datuk Michael Tang PJN (*)	303,600	–	303,600	303,600
Keith Fulton	90,000	10,000	100,000	105,000
Gary Lye (**)	55,750	–	55,750	133,800
<i>Non-Executive Directors</i>				
Paul Shackleton (appointed 22 March 2024)	30,000	–	30,000	8,192
Charlie Green (appointed 22 March 2024)	27,500	–	27,500	7,510
Mohd. Najib Abdul Aziz (resigned 11 October 2023)	–	–	–	1,700
Christian Taylor-Wilkinson (resigned 28 February 2024)	–	–	–	4,000
	506,850	10,000	516,850	563,802

(*) Michael Tang's remuneration remains partially unpaid as at 30 June 2025, see Note 20 also.

(**) Gary Lye resigned from the Board on 26 November 2024 but remains as Chief Operating Officer. Only includes his remuneration whilst a member of the Board.

The Directors who held office at 30 June 2025, or on date of resignation, had the following interests in the ordinary shares and options of the Group:

	2025 Shares	2025 Conditional shares ⁽¹⁾	2025 Options	2024 Shares	2024 Conditional shares	2024 Options
<i>Executive Directors</i>						
Datuk Michael Tang PJN	–	–	–	–	–	– ⁽²⁾
Keith Fulton	1,941,243	–	–	1,400,702	–	–
Gary Lye	2,000	170,000	–	2,000	170,000	– ⁽²⁾
<i>Non-Executive Directors</i>						
Paul Shackleton ⁽⁴⁾	–	–	–	–	–	–
Charlie Green ⁽⁴⁾	7,000	–	–	7,000	–	–
Mohd. Najib Abdul Aziz ⁽³⁾	–	–	–	–	–	–
Christian Taylor-Wilkinson ⁽³⁾	–	–	–	–	–	–

(1) Shares awarded in the event of key milestones being reached. Refer to Note 17 to the financial statements.

(2) Options with an exercise price of £0.11, vested on 1 January 2016 and an expiry date of 31 May 2020. On 29 May 2020, these options were extended on the same terms until 31 May 2024, and these options have now expired.

(3) Christian Taylor-Wilkinson resigned on 28 February 2024, and Mohd. Najib Abdul Aziz resigned on 11 October 2023.

(4) Paul Shackleton and Charlie Green were appointed on 22 March 2024.

Pensions

In compliance with the Pensions Act 2008 of the United Kingdom ('UK') GCM has established a Workplace Pension Scheme for its UK based directors and employees. All eligible directors and employees have individually elected to opt-out of such Workplace Pension Scheme and as such, GCM has not made any pension contributions on behalf of its directors and employees.

Nominations

There are no nominations in respect of additional directors to be appointed to the Board.

Notable work of the remuneration & nominations committee undertaken during 2024-2025

The remuneration & nominations committee reviews Board and senior management performance, and notes that:

- both senior management and non-executive directors make material contributions; and
- senior management perform well in terms of corporate administration, governance, and in delivering work programmes on tight budgets.

Paul Shackleton

Chair of the remuneration & nominations committee

21 November 2025

Directors' Report

The Directors present their annual report and the audited accounts for the year ended 30 June 2025.

Principal activities

GCM Resources plc (GCM) was incorporated as a Public Limited Company (Company register number 04913119) on 26 September 2003 and admitted to the London Stock Exchange Alternative Investment Market (AIM) on 19 April 2004.

The Company's principal activity, through its subsidiaries, is the development of the Phulbari Coal and Power Project in Bangladesh.

Business review

Phulbari Coal and Power Project

A detailed review of progress on the Phulbari Coal and Power Project is included in the Group Strategic Report.

Financial resources

As at 30 June 2025, GCM held £1,310,000 in cash (2024: £1,658,000 cash).

Corporate responsibility

GCM is committed to undertaking its activities in accordance with the highest international social, environmental and operational standards. For detailed information please refer to the Group Strategic Report.

Financial review

The Group recorded a loss after tax of £2,149,000 for the year ended 30 June 2025 (2024: loss after tax of £1,388,000). Non-cash expenses of £850,000 were incurred during the year (2024: £90,000).

Capitalised evaluation expenditure relating to the Phulbari Coal and Power Project was £516,000 for the year ended 30 June 2025 (2024: £443,000).

Events after the end of the reporting period

The events which took place subsequent to 30 June 2025, are fully disclosed in Note 21 to the Consolidated Financial Statements.

Dividends

The Directors do not recommend the payment of a dividend (2024: nil).

Going concern

As at 30 June 2025, the Group had £1,310,000 in cash and £6,244,000 of net current liabilities. The directors and management have prepared a cash flow forecast to December 2026, which shows that the Group will require further funds to cover operating costs to advance the Phulbari Coal and Power Project and meet its liabilities as and when they fall due. Based on current forecasts, additional funding will need to be either raised from third parties or the short-term loan facility with Polo Resources Limited ("Polo Loan Facility") increased and extended (if available) by the end of July 2026, in order to meet current operating cost projections. The Directors also note that, under the amended terms of the existing Polo Loan Facility, the lender agreed not to serve a repayment request in cash for 5 years from the date of amended terms, 26 March 2021, or alternatively convert to shares at 5.14 pence per share at the lender's option (as amended on 1 March 2022). The Company does not currently have secured funding arrangements in place to cover this loan or further potential expenditure which may be needed to advance the Project and, accordingly, should Polo request repayment of the Polo Loan Facility (under certain terms of the Loan Facility), GCM will need to raise funds in a short amount of time, which may not be available on terms acceptable to the Board or on a workable timeframe. It also needs to be noted that whilst Polo remains dissolved, the Loan Facility cannot be called in, nor any payments requested.

The Company currently has £922,000 cash at the date of this report, and based on projected future cash expenditure, this is not expected to be sufficient to support the Company's operations for the twelve months from the date of this report. At the current run rates, along with the Company's existing cash resources, this is only expected to provide sufficient capital for the next seven/eight months. The Company intends to explore alternative funding options over the next six months, with the aim to complete and secure the necessary third-party funding by the end of May 2026.

In forming the conclusion that it is appropriate to prepare the financial statements on a going concern basis the Directors have made the following assumptions that are relevant to the next twelve months:

- Sufficient additional funding can be obtained for working capital purposes; and
- In the event that operating expenditure increases significantly as a result of successful progress with regards to the Phulbari Coal and Power Project, sufficient funding can be obtained.

While the Directors remain confident that necessary funds will be available as and when required, as at the date of this report these funding arrangements are not secured, the above conditions and events represent material uncertainties that may cast significant doubt over the Group's and Company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

Upon achieving approval of the Phulbari Coal and Power Project, significant additional financial resources will be required to proceed to development.

Future outlook

The Group is fully committed to the Phulbari Coal and Power Project and is directly engaging with the Government of Bangladesh and other stakeholders to move the Project forward. A detailed review of progress on the Phulbari Coal and Power Project is included in the Group Strategic Report.

Principal risks and uncertainties

Details of the Group's principal risks and uncertainties can be found within the Group Strategic Report.

Financial instruments

Details of the financial risk management objectives and policies of the Group and information on the Group's exposure to financial risks can be found in note 18 to the financial statements.

Directors

The Directors who served during the year:

	Appointed	Resigned
<i>Executive Directors</i>		
Datuk Michael Tang PJN	–	–
Keith Fulton	–	–
Gary Lye	–	26 November 2024
<i>Non-Executive Directors</i>		
Paul Shackleton	22 March 2024	–
Charlie Green	22 March 2024	–

Internal controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Group and to ensure the reliability of financial information for both internal use and external publication. Further reviews of internal controls will be undertaken as the Group develops to ensure that they remain adequate and effective.

Business risk

The Board regularly evaluates and reviews business risks when reviewing project timelines. The types of risks reviewed include (refer to Note 1 and the Strategic Report for further detailed information):

- Regulatory and compliance obligations
- Political and economic risks
- Environmental requirements
- Legal risks relating to contracts, licences and agreements
- Insurance risks – the Group holds insurance coverage for potential employee and liability claims
- Political risks arising from operating in Bangladesh
- Climate Change Risk

Risk management

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation and monitoring risks through regular reviews by senior management.

Treasury policy

The Group currently finances its operations through equity and debt financing and holds its cash to fund the obligations of the Group. Decisions regarding the management of these assets are approved by the Board. Refer to note 18 for liquidity risk.

Directors' Report (continued)

Capital management

Capital comprises of cash only. The Group holds a loan facility of £3,500,000 of which £3,200,000 had been fully utilised as at 30 June 2025. The Group does not hold other loans, financial leases, or other non-current finance obligations.

	2025 £000	2024 £000
Cash	1,310	1,658
Borrowing facilities undrawn (*)	–	300
Capital	1,310	1,958

(*) As announced in the RNS of 26 June 2025, Polo Resources Ltd is currently a dissolved company, and the remainder of the Loan facility is deemed unavailable, whilst that status remains.

Upon approval of the Phulbari Coal and Power Project, funding will be sought from a mix of equity and debt sources to finance development. The objective of the Group's capital management will be to manage gearing levels and capital ratios in order to support its business, maximise shareholder value and maintain a healthy capital position. The Group incurs expenditure in a number of currencies including UK Pounds, Bangladesh Taka, US Dollars and Australian dollars. The Group has a policy of not hedging currency exposures.

Qualifying third party indemnity provisions

The Company has put in place qualifying third party indemnity provisions for all of the directors of the Company which was in force at the date of approval of this report.

Political contributions

No payments to political parties have been made during the year (2024: nil).

Relations with shareholders

The Board attaches great importance to maintaining good relationships with its shareholders. The Group's activities are detailed in the Annual Report and Financial Statements, the Interim Report and market announcements. Market sensitive information is always released to all shareholders concurrently in accordance with stock exchange rules. The AGM provides an opportunity for all shareholders to communicate with and to question the Board on any aspect of the Group's activities. The Group maintains a corporate website where information on the Group is regularly updated and all announcements are posted.

Website disclosure

The Group has a website www.gcmplc.com on which statutory information, press releases and background information on the Group and its operations can be found.

Annual General Meeting (AGM)

Full details of the resolutions to be proposed at the Company's AGM will be included in the Notice of Meeting which will be distributed to shareholders along with the Annual Report.

Auditors

The auditors to the Group, PKF Littlejohn LLP, have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted at the AGM.

Directors' statement as to disclosure of information to auditors

All of the current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

Statement of Directors' responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare Group financial statements under UK-adopted international accounting standards. Under Company Law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that period.

The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies trading securities on AIM. In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;

- state whether they have been prepared in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent Company and enable them to ensure that the financial statements comply with the requirements of 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.

Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

On behalf of the Board,

Keith Fulton

Executive Director

21 November 2025

Independent Auditor's Report

Independent auditor's report to the members of GCM Resources Plc

Opinion

We have audited the financial statements of GCM Resources Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2025 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Balance Sheet, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated Cash Flow Statement 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 30 June 2025 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.

Material uncertainty related to going concern

We draw attention to note 1 in both the group and parent company financial statements, which indicates that the group's and the parent company's ability to continue as a going concern is dependent on the ability to secure additional funding through financing arrangements or the issue of equity. We also note that the loan from Polo Resources Ltd, amounting to £6,198k as at 30 June 2025, is scheduled for repayment in March 2026. If the loan were to be called upon at that time, the company is not forecasted to have sufficient funds available to meet the repayment obligation. As stated in note 1, these events or conditions, along with the other matters as set forth in note 1, indicate that a material uncertainty exists that may cast significant doubt on the group's and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

- Challenging the directors' forecasts prepared to assess the group's and parent company's ability to meet its financial obligations as they fall due for a period of at least 12 months from the date of approval of the financial statements.
- Reviewing the consistency of committed cash flows against contractual arrangements and compared general overheads to current run rates.
- Comparing actual results for the year to past budgets to assess the forecasting ability/accuracy of management.
- Verifying the latest post year end cash position in comparison to budget.
- Reviewing post year end information such as board meeting minutes and Regulatory News Service announcements (RNS's).
- Discussions with the directors on the strategies that they are pursuing to secure further funding if and when required.
- Reviewing the adequacy of the disclosures in respect of going concern including the uncertainty over the ability to raise additional funds.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we consider 1.5% of total assets (2024: 1.5% of total assets) to be the most significant determinant of the group's financial performance used by shareholders as the group continues to bring its mining assets through to development. Materiality of the parent company was based upon 5% of the loss before tax (2024: 5% of the loss before tax) in order to achieve sufficient coverage of expenditure in our testing.

Whilst materiality for the financial statements as a whole was £685,000 (2024: £682,000), each significant component of the group was audited to a lower level of materiality. The parent company materiality was £74,000 (2024: £66,000) with the other components being audited to a materiality of £239,500 (2024: £238,000). These materiality levels were used to determine the financial statement areas that are included within the scope of our audit work and the extent of sample sizes during the audit.

Performance materiality is the application of materiality at the individual account or balance level set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality. Performance materiality was set at 70% (2024: 70%) of the above materiality levels for both group and parent company, equating to £479,000 (2024: £477,400) and £74,000 (2024: £46,000) respectively, based upon our assessment of the risk of misstatement.

We agreed with management that we would report to the audit committee all individual audit differences identified during the course of our audit in excess of £34,000 (2024: £34,100) for the financial statements as a whole and £5,000 (2024: £3,300) for the parent company. We also agreed to report differences below these thresholds that, in our view warranted reporting on qualitative grounds.

Our approach to the audit

Our group audit scope focused on the group's principal operating location being Bangladesh which was subject to a specific scope audit together with the parent company, which was also subject to a full scope audit.

Entities subject to specific and full scope audits account for 99% (2024: 99%) of the total assets.

The remaining components of the group were not in scope.

The audits of each of the specific and full scope components were performed in the United Kingdom. All of the audits were conducted by PKF Littlejohn LLP.

Independent Auditor's Report (continued)

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.

Key Audit Matter	How our scope addressed this matter
Carrying value of intangible exploration and evaluation asset (Group) As disclosed in note 9 to the group financial Statements, the group's intangible asset represents capitalised exploration and evaluation expenditure on the Phulbari Coal Project. The balance is £44.3m as at 30 June 2025 (2024: £43.8m). The group has a contract with the Government of Bangladesh to explore, develop and mine on the Phulbari Coal licence area. In 2005 the Group submitted a feasibility study and mine development plan, in line with the terms of the contract, to obtain approval to move forward with development. To date the government has not provided the necessary approval. As a result, there is continued uncertainty regarding if such approval will be obtained. The parent company has received a legal opinion confirming that the group retains legal title to the asset despite the delays in approval, and that the contract with the Government of Bangladesh is enforceable under Bangladesh and International law. The directors consider that the delay in obtaining the approval does not represent an indicator of impairment under IFRS 6 Exploration for and Evaluation of Mineral Resources. As part of the impairment assessment the directors concluded that the value of the intangible asset and investment in subsidiary continues to be appropriately supported by the original definitive feasibility study submitted in 2005. As such, the carrying value is dependent upon the ultimate approval of the feasibility study and mine development plan. The directors remain satisfied that approval will ultimately be obtained and concluded that no impairment is required at 30 June 2025. The directors have disclosed their key judgements, together with the uncertainties in this regard, in note 1 to the financial statements. Given the level of judgement applied, and the ongoing delays in obtaining government approvals, we consider this to be a significant audit risk and a key audit matter.	Our work included: - Evaluating the Directors' assessment of the group's right to tenure over the Phulbari Coal licence area by reviewing historical agreements and the external legal opinion obtained by the group on the status of the overriding contract. We obtained legal opinions from the group's external solicitor and assessed the solicitor's competence and independence to give such opinions. A discussion was held with the lawyer providing those opinions. - Gaining an understanding of the strategy the directors are pursuing to progress the project given the continued delays in securing development approval and reviewing the partnership agreements the parent company has entered into historically and during the period. - Evaluating management's assessment of impairment indicators and underlying economic model against the original feasibility study submitted in 2005, including the approved coal reserves study. We critically challenged the key estimates and assumptions used including their continued appropriateness including assessment of the price inputs to market data and forecasts; re-calculation of discount rates; and review of the forecast costs. We performed our own sensitivity analysis over individual key inputs, together with a combination of sensitivities over such inputs. - Reviewed the political environment in Bangladesh and to corresponded with entity's legal counsel in regard to their view of political position as part of as part of assessment on carrying value of the asset - Reviewing the minutes of meeting of GCM's board and RNS announcements for indicators of a potential trigger for impairment. - Evaluating the disclosures given in the notes to the financial statements, including the judgments and the uncertainties regarding the ultimate approval by the Government of Bangladesh. Key observation: We draw attention to Note 1 in the financial statements, which describes the significant uncertainty related to the issuance of the relevant approval and license by the government of Bangladesh. The entity holds an exploration and evaluation asset valued at £44.3m, the value of which is linked to the receipt of this approval. As of the date of this report, the government has not yet provided the relevant approval, and there is no assurance that it will be granted. Should this approval not be granted, this would indicate that the exploration and evaluation asset may be impaired.

Key Audit Matter	How our scope addressed this matter
Carrying value of investment in subsidiaries (Parent Company) The parent company holds an investment in Asia Energy Corporation (Bangladesh) Pty Limited which is the entity that holds the underlying Phulbari asset. The value of the investment on the parent company balance sheet is £48.9m (2024: £48.5m), as disclosed in note 6 to the parent company financial statements. The recoverability of the investment in Asia Energy Corporation (Bangladesh) Pty Limited is reliant on the successful development of the Phulbari asset and is therefore subject to the same uncertainties regarding recoverability. Given the level of judgement applied, and the ongoing delays in obtaining government approvals, we consider this to be a significant audit risk and a key audit matter.	Our work included: - Obtaining evidence of ownership for all investments held within the group; - Obtaining the impairment review for all investments held from management and corroborating the assumptions made to third party evidence; and - Reviewing the value of the net investment in subsidiaries against the underlying assets and verifying and corroborating the judgements/estimates used by management to assess the recoverability of investments. Key observation: We note that carrying value of the investment is inherently linked to the Phulbari asset amounting to £44.3m, and any impairment on the asset would also give rise to an impairment in the value of the investment.

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 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.

Independent Auditor's Report (continued)

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 our experience of the resource exploration sector.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from
 - Companies Act 2006;
 - AIM listing rules
 - Quoted Companies Alliance Code; and
 - Local laws and regulations in Bangladesh where the group operates.
- 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:
 - Enquiries of management
 - Review of Board minutes
 - Review of legal expenses including inquiry of the group's legal representative
 - Review of RNS announcements
- 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 estimates, judgements and assumptions applied by management in the assessment of impairment of intangible assets, valuation of investments have the greatest potential for management bias. Refer to the Key audit matter section above.
- 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.

Nicholas Joel

(Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
21 November 2025

15 Westferry Circus
Canary Wharf
London E14 4HD

Consolidated Statement of Comprehensive Income

For year ended 30 June

Continuing operations	Notes	2025 £000	2024 £000
Operating expenses			
Pre-development expenditure	16	(850)	(90)
Exploration and evaluation costs		69	(2)
Administrative expenses		(847)	(807)
Operating loss	3	(1,628)	(899)
Finance revenue		20	5
Finance costs		(541)	(494)
Loss before tax		(2,149)	(1,388)
Taxation	6	–	–
Loss for the year		(2,149)	(1,388)
Other comprehensive income		–	–
Total comprehensive expense for the year		(2,149)	(1,388)
Loss per share			
Basic (pence per share)	7	(0.7p)	(0.6p)
Diluted (pence per share)	7	(0.7p)	(0.6p)

The notes on pages 33 to 47 form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For year ended 30 June

	Share capital £000	Share premium account £000	Other Reserves £000	Accumulated losses £000	Total £000
Balance at 1 July 2023	12,748	58,054	569	(33,952)	37,419
Total comprehensive loss	–	–	–	(1,388)	(1,388)
Share issuances	689	2,052	(180)	–	2,561
Share issuance costs	–	(228)	–	–	(228)
Shares to be issued	–	–	90	–	90
Share based payments	–	–	2	–	2
Balance at 30 June 2024	13,437	59,878	481	(35,340)	38,456
Total comprehensive loss	–	–	–	(2,149)	(2,149)
Share issuances	599	1,150	–	–	1,749
Share issuance costs	–	(76)	–	–	(76)
Shares to be issued	–	–	111	–	111
Share based payments	–	–	2	–	2
Balance at 30 June 2025	14,036	60,952	594	(37,489)	38,093

The notes on pages 33 to 47 form an integral part of these financial statements.

Consolidated Balance Sheet

As at 30 June

Company number 04913119

	Notes	2025 £000	2024 £000
Current assets			
Cash and cash equivalents		1,310	1,658
Other receivables	8	24	22
Total current assets		1,334	1,680
Non-current assets			
Right of use assets	13	15	21
Intangible assets	9	44,326	43,810
Total non-current assets		44,341	43,831
Total assets		45,675	45,511
Current liabilities			
Payables	11	(1,373)	(1,380)
Lease liabilities	13	(7)	(15)
Borrowings	12	(6,198)	–
Total current liabilities		(7,578)	(1,395)
Non-current liabilities			
Lease liabilities	13	(4)	(3)
Borrowings	12	–	(5,657)
Total non-current liabilities		(4)	(5,660)
Total liabilities		(7,582)	(7,055)
Net assets		38,093	38,456
Equity			
Share capital	14	14,036	13,437
Share premium account	14	60,952	59,878
Other reserves	14	594	481
Accumulated losses		(37,489)	(35,340)
Total equity		38,093	38,456

These financial statements were approved by the Board of Directors and were signed on their behalf by:

Keith Fulton

Executive Director

21 November 2025

The notes on pages 33 to 47 form an integral part of these financial statements.

Consolidated Cash Flow Statement

For year ended 30 June

		2025 £000	2024 £000
Cash flows used in operating activities			
(Loss) before tax		(2,149)	(1,388)
Adjusted for:			
Pre-development expenditure	16	850	90
Finance costs	15	541	494
Other non-cash expenses		10	8
		(748)	(796)
Movements in working capital:			
(Increase)/decrease in operating receivables		(2)	2
(Decrease)/increase in operating payables		(1)	31
Cash used in operations		(751)	(763)
Net cash used in operating activities		(751)	(763)
Cash flows used in investing activities			
Payments for intangible assets		(521)	(444)
Net cash used in investing activities		(521)	(444)
Cash flows from financing activities			
Issue of ordinary share capital		1,000	2,550
Share issue costs		(76)	(228)
Net cash from financing activities		924	2,322
Total (decrease)/increase in cash and cash equivalents		(348)	1,115
Cash and cash equivalents at the start of the year		1,658	543
Cash and cash equivalents at the end of the year	15	1,310	1,658

The notes on pages 33 to 47 form an integral part of these financial statements.

Notes to the Consolidated Financial Statements

1. Accounting policies

GCM Resources plc is domiciled in England and Wales, was incorporated in England and Wales as a Public Limited Company on 26 September 2003 and admitted to the London Stock Exchange Alternative Investment Market ("AIM") on 19 April 2004.

The financial report was authorised for issue by the Directors on 21 November 2025, and the Consolidated Balance Sheet was signed on the Board's behalf by Keith Fulton.

Basis of preparation

The consolidated financial statements have been prepared in accordance with UK-adopted international accounting standards and applied in accordance with the Companies Act 2006. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 30 June 2025.

The consolidated financial statements have been prepared under the historical cost convention unless otherwise stated.

The functional and presentational currency of each of the entities in the Group is pounds sterling, and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

Political and economic risks – carrying value of intangible asset

The principal asset is in Bangladesh and accordingly subject to the political, judicial, fiscal, social and economic risks associated with operating in that country.

The Group's principal project relates to thermal coal and semi-soft coking coal, the markets for which are subject to international and regional supply and demand factors, and consequently future performance will be subject to variations in the prices for these products.

GCM, through its subsidiaries, is party to a Contract with the Government of Bangladesh which gives it the right to explore, develop and mine in respect of the licence areas. The Group holds a mining lease and exploration licences in the Phulbari area covering the prospective mine site. The mining lease has a 30-year term from 2004 and may be renewed for further periods of 10 years each, at GCM's option.

In accordance with the terms of the Contract, GCM submitted a combined Feasibility Study and Scheme of Development report on 2 October 2005 to the Government of Bangladesh. Approval of the Scheme of Development from the Government of Bangladesh is necessary to proceed with development of the mine. GCM continues to await approval.

The Group has received no notification from the Government of Bangladesh (the "Government") of any changes to the terms of the Contract. GCM has received legal opinion that the Contract is enforceable under Bangladesh and International law, and will consequently continue to endeavour to receive approval for development.

Accordingly, the Directors believe that the Phulbari Coal and Power Project (the "Project") will ultimately receive approval, although the timing of approval remains in the hands of the Government. To enhance the prospects of the Project, GCM has engaged in a strategy to align the Project with the needs and objectives of the Government. This includes the option to supply coal to both privately owned and the Government's own commissioned and in the pipeline power plants, which currently totals 8,175MW. The Government is seeking to grow its economy and deliver electricity at prices that will ensure competitiveness of its industries. The Group's strategy of developing the Phulbari coal deposit as a captive, large-scale, open pit mining operation supporting some 6,600MW of highly energy-efficient Ultra-Supercritical power generation will enable cheaper coal-fired electricity than imported coal options. This evolving strategy has been enhanced to include installation of a large-scale Solar Power Park (up to 2,000MW) within the Project area, to be installed within the first two years of gaining land access; operating the Phulbari coal mine as a "Net Zero Carbon" or "Green Mine"; and participation modalities for Government.

Until approval of the Scheme of Development from the Government of Bangladesh is received there is continued uncertainty over the recoverability of the intangible mining assets. The Directors consider that it is appropriate to continue to record the intangible mining assets at cost, however if for whatever reason the Scheme of Development is not ultimately approved the Group would impair all of its intangible mining assets, totalling £44,326,000 as at 30 June 2025.

Going concern

As at 30 June 2025, the Group had £1,310,000 in cash and £6,244,000 of net current liabilities. The directors and management have prepared a cash flow forecast to December 2026, which shows that the Group will require further funds to cover operating costs to advance the Phulbari Coal and Power Project and meet its liabilities as and when they fall due. Based on current forecasts, additional funding will need to be either raised from third parties or the short-term loan facility with Polo Resources Limited ("Polo Loan Facility") increased and extended (if available) by the end of July 2026, in order to meet current operating cost projections. The Directors also note that, under the amended terms of the existing Polo Loan Facility, the lender agreed not to serve a repayment request in cash for 5 years from the date of amended terms, 26 March 2021, or alternatively convert to shares at 5.14 pence per share at the lender's option (as amended on 1 March 2022). The Company does not currently have secured funding arrangements in place to cover this loan or further potential expenditure which may be needed to advance the Project and, accordingly, should Polo request repayment of the Polo Loan Facility (under certain terms of the Loan Facility), GCM will need to raise funds in a short amount of time, which may not be available on terms acceptable to the Board or on a workable timeframe. It also needs to be noted that whilst Polo remains dissolved, the Loan Facility cannot be called in, nor any payments requested.

The Group currently has £922,000 cash at the date of this report, and based on projected future cash expenditure, this is not expected to be sufficient to support the Company's operations for the twelve months from the date of this report. At the current run rates, along with the

Notes to the Consolidated Financial Statements (continued)

Company's existing cash resources, this is only expected to provide sufficient capital for the next seven/eight months. The Company intends to explore alternative funding options over the next six months, with the aim to complete and secure the necessary third-party funding by the end of May 2026.

In forming the conclusion that it is appropriate to prepare the financial statements on a going concern basis the Directors have made the following assumptions that are relevant to the next twelve months:

- Sufficient additional funding can be obtained for working capital purposes; and
- In the event that operating expenditure increases significantly as a result of successful progress with regards to the Phulbari Coal and Power Project, sufficient funding can be obtained.

While the Directors remain confident that necessary funds will be available as and when required, as at the date of this report these funding arrangements are not secured, the above conditions and events represent material uncertainties that may cast significant doubt over the Group's and Company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

Upon achieving approval of the Phulbari Coal and Power Project, significant additional financial resources will be required to proceed to development.

Use of judgements, estimates and assumptions

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Borrowings – Note 12

In assessing the indebtedness of the Group to Polo Resources Ltd ("Polo"), as a result of the dissolution of Polo (See Note 12), Management considered the likelihood of Polo successfully being restored as a registered Company in the BVI. The Management considered that as the restoration process was continuing it was prudent to continue to recognise the loan as a liability and continue to account in accordance with the terms of the Loan Facility. Management do however note the Loan cannot be called in whilst Polo remains dissolved. Management will consider the likelihood of the successful restoration of Polo at each reporting date whilst polo remains dissolved.

Intangibles – Note 9

In assessing the recoverability of intangible assets, if an impairment trigger under IFRS 6 is identified then intangibles are tested for impairment. Management have assessed various factors as impairment triggers including but not limited to, the delay in obtaining approval of the Scheme of Development, however have concluded that these do not meet the definition of an impairment indicator under IFRS 6. However, management have undertaken a further assessment to remain prudent to assess for recoverability, of which estimates are used to determine the expected net return on investment. The estimated return on investment takes into account estimated recoverable reserves, coal prices, development and production costs, capital investment requirements, discount rates and environmental and social costs among other things. Management has considered the estimated return on investment to be significantly higher than the current carrying value and therefore no impairment has been accounted for. The headroom in the value in use calculation compared to the carrying value is not sensitive to probable changes in the key underlying assumptions. Refer to "Political and economic risks – carrying value of intangible asset" section within Note 1 for further details in respect of the recoverability of intangible mining assets and the Board's judgement regarding the ultimate approval of the project being secured.

Power plant development costs

Power project expenditure is expensed as pre-development expenditure until it is probable that future economic benefits associated with the Project will flow to the Group and the costs can be measured reliably. To assess whether it is probable that future economic benefits will arise from the power plant development costs, management judgement was required and considered: objective evidence that the power plant is technically and economically feasible, and objective evidence that the appropriate authorities of the Government of Bangladesh have, or are likely to approve power plant development. All power project expenditure were accordingly expensed in the year.

Basis of consolidation

Where the Company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The consolidated financial statements present the results of the Company and its subsidiaries (the "Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full. The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's

identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Power project development costs

Power project expenditure is expensed as pre-development expenditure until it is probable that future economic benefits associated with the project will flow to the Group and the costs can be measured reliably. When it is probable that future economic benefits will flow to the Group, all costs associated with developing a power plant project are capitalised as power project expenditure within property, plant and equipment category of tangible non-current assets. The capitalised expenditure will include appropriate technical and administrative expenses but not general overheads. Power project assets are not depreciated until the asset is ready and available for use.

Intangible assets

Exploration and evaluation costs are capitalised as exploration and evaluation assets on an area of interest basis in accordance with IFRS 6. Costs such as geological and geophysical surveys, drilling and commercial appraisal costs, and other directly attributable costs of exploration and appraisal including technical and administrative costs, are capitalised as intangible exploration and evaluation assets.

Exploration and evaluation assets are only recognised if the rights of the area of interest are current and either:

- (i) the expenditures are expected to be recouped through successful development and mining of the area of interest, or by its sale; or
- (ii) activities in the area of interest have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves and active and significant operations in, or in relation to, the area of interest are continuing or planned for the future.

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the Group should test for impairment. In the event that there is an indicator of impairment, the Group performs an impairment test in accordance with its policy on impairment as stated below. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified from intangible assets to mining property and development assets within property, plant and equipment.

Impairment

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Financial Instruments

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instrument and are subsequently measured at amortised cost.

Classification and measurement of financial assets

The initial classification of a financial asset depends upon the Group's business model for managing its financial assets and the contractual terms of the cash flows. The Group's financial assets are measured at amortised costs and are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that represent solely payments of principal and interest.

The Group's cash and cash equivalents and other receivables are measured at amortised cost. Other receivables are initially measured at fair value. The Group holds other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

Notes to the Consolidated Financial Statements (continued)

Cash and cash equivalents

Cash includes cash on hand and demand deposits with any bank or other financial institution. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

Impairment of financial assets

The Group recognises loss allowances for expected credit losses ("ECL's") on its financial assets measured at amortised cost. Due to the nature of its financial assets, the Group measures loss allowances at an amount equal to the lifetime ECLs. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. ECLs are a probability-weighted estimate of credit losses.

Classification and measurement of financial liabilities

A financial liability is initially classified as measured at amortised cost or FVTPL. A financial liability is classified as measured at FVTPL if it is held-for-trading, a derivative or designated as FVTPL on initial recognition.

The Group's accounts payable, accrued liabilities and short-term debt are measured at amortised cost.

Accounts payable and accrued liabilities are initially measured at fair value and subsequently measured at amortised cost. Accounts payable and accrued liabilities are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Short-term debt is initially measured at fair value, net of transaction costs incurred. Subsequently they are measured at amortised cost using the effective interest rate method. Short-term debt is classified as current when payment is due within 12 months after the reporting period.

The Group has no financial liabilities measured at FVTPL.

Where there is a modification to a financial liability, the financial original liability is de-recognised and a new financial liability is recognised at fair value in accordance with the Group's policy.

Other loans and borrowings

All loans and borrowings which are financial instruments are initially recognised at the present value of cash payable to the lender (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method. The effective interest rate amortisation is included in finance costs in the income statement.

Income tax

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised outside profit and loss, in which case it is recognised in other comprehensive income or directly in equity as appropriate.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currency transactions

Transactions in currencies other than pounds sterling are recorded at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Share based payments

The cost of equity-settled transactions is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the recipients become fully entitled to the award. Fair value is determined using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other

than conditions linked to the price of the shares of the Company (market conditions) or to conditions not related to performance or service (non-vesting conditions).

Where equity settled share based payments are made to non-employees the cost of equity-settled transactions is measured by reference to fair value of the goods or services received and measured at the date the entity obtains the goods or the counterparty renders the service.

Where the fair value of the goods or services received cannot be estimated reliably, the entity measures the goods or services received, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders service.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions, number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition or non-vesting condition, be treated as vesting as described above. This includes any award where non-vesting conditions within the control of the Group or the employee are not met. Where the equity-settled share based payment is directly attributable to exploration and evaluation activities, the movement in cumulative expense since the previous balance sheet date is capitalised, with a corresponding entry in equity. Otherwise, the movement in cumulative expense is recognised in the income statement, with a corresponding entry in equity.

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the income statement for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the income statement.

New standards and interpretations applied

The Group has adopted all of the amended standards and interpretations during the year that are relevant to its operations, none of which had a material impact on the financial statements.

New standards and interpretations not applied

IASB and IFRIC have issued a number of new standards and interpretations with an effective date after the date of these financial statements. These will be adopted in the period that they become mandatory, unless otherwise indicated. Information on the new standards which could impact the Group is presented below

	Effective date	Adoption date
<i>International Accounting Standards (IAS / IFRSs)</i>		
Amendments to IAS 21 – Lack of Exchangeability	1 January 2025	1 January 2025
Amendment to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	1 January 2026	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027	1 January 2027

Based on the current and foreseeable operations, the adoption of the above standards and interpretations will not have a material impact on the Group's financial statements in the period of initial application.

2. Segment analysis

The Group operates in one segment being the exploration and evaluation of energy related projects. The only significant project within this segment is the Phulbari Coal and Power Project (the Project) in Bangladesh.

3. Operating loss

	2025 £000	2024 £000
The operating loss is stated after charging:		
Directors' remuneration	517	564
Other staff costs ⁽¹⁾	12	8
Operating lease rentals ⁽²⁾	2	19
Depreciation of property, plant and equipment ⁽³⁾	–	–

Notes to the Consolidated Financial Statements (continued)

- (1) Other staff costs for 2025 financial year were £258,000 of which £12,000 was expensed in administrative expenses, £nil expensed in exploration and evaluation costs and £246,000 capitalised (2024 £8,000 expensed in administrative expenses, £nil expensed in exploration and evaluation costs and £184,000 capitalised).
- (2) Operating lease rental costs for 2025 financial year were £6,000 of which £2,000 was expensed and £4,000 capitalised (2024: £23,000 of which £19,000 was expensed and £4,000 capitalised).
- (3) Total depreciation for 2025 was £nil which was capitalised to intangibles (2024: £nil capitalised).

During the year Phulbari-related exploration and evaluation costs amounting to £69,000, primarily related to Foreign Exchange losses were expensed in accordance with the Group's accounting policy on exploration and evaluation costs (2024: expensed £2,000).

4. Auditor's remuneration

The Group paid the following amounts to its auditors in respect of the audit of the financial statements and for other services provided to the Group.

	2025 £000	2024 £000
Audit of the group and company financial statements	44	43
Audit of subsidiaries	–	–
Total audit	44	43
Total fees	44	43

5. Amounts paid for Directors' services, and staff costs

	2025 £000	2024 £000
Amounts paid for Directors' services		
Amounts paid for Directors' services	517	564

The amounts paid for Directors' services during the year are disclosed in further detail in the Directors' Report. The aggregated remuneration of the highest paid director is £303,600 (2024: £303,600).

Staff costs

Wages and salaries ⁽¹⁾	246	184
Social security costs	12	8
	258	192

(1) Excludes amounts paid for Directors' services.

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Exploration and evaluation	11	12
Administration	3	3
	14	15

6. Taxation

Reconciliation of the tax charge in the income statement

	2025 £000	2024 £000
Loss on ordinary activities before tax	(2,149)	(1,388)
UK corporation tax @ 25% (2024:25%)	(537)	(347)
Unrecognised deferred tax assets during the year	539	331
Non-deductible expenditure	(2)	16
Total tax (credit)/expense reported in the income statement	–	–

Unrecognised deferred tax assets

	2025 £000	2024 £000
<i>Deferred tax asset</i>		
Tax losses carried forward	7,006	6,467
Impairment	1,173	1,173
Other	1	1
	8,180	7,641
Less: deferred tax assets de-recognised	(8,180)	(7,641)
	–	–

At 30 June 2025 tax losses for which a deferred tax asset was not recognised was estimated to be £28,026,000 (2024: £25,861,000). Deferred tax assets are only recognised at UK Corporation Tax Rate of 25% (2024: 25%) should it become more likely than not that taxable profit or timing differences, against which they may be deducted, will arise.

7. Loss per share

	2025 £000	2024 £000
(Loss) for the year	(2,149)	(1,388)
	Thousands	Thousands
<i>Weighted average number of shares</i>		
Basic and diluted weighted average number of shares	295,774	228,271
<i>(Loss) per share</i>		
Basic (pence per share)	(0.7p)	(0.6p)
Diluted (pence per share)	(0.7p)	(0.6p)

There are no potentially dilutive options or warrants, and the 210,000 potentially dilutive conditional shares to be issued at 30 June 2025 are not included in the calculation of diluted earnings per share because they were anti-dilutive for the period as their conversion to Ordinary Shares would decrease the loss per share.

8. Other Receivables

	2025 £000	2024 £000
<i>Current</i>		
Prepayments	22	18
Other receivables	2	4
	24	22

Notes to the Consolidated Financial Statements (continued)

9. Intangible assets

	Exploration & evaluation expenditure £000	Mineral rights £000	Total £000
At 1 July 2023	42,220	1,147	43,367
Additions – exploration & evaluation	443	–	443
At 30 June 2024	42,663	1,147	43,810
Additions – exploration & evaluation	516	–	516
Cost and net book value at 30 June 2025	43,179	1,147	44,326
Cost and net book value at 30 June 2024	42,663	1,147	43,810

The mineral rights will be amortised over the licence period (including extensions) once commercial production commences at the Phulbari Coal and Power Project.

The exploration and evaluation expenditure will have an indefinite useful life until approval is obtained for the Phulbari Coal and Power Project. At that time, the asset will be transferred to mining property and development assets within property, plant and equipment in accordance with accounting policy.

10. Investments

Principal undertakings

Investments in which the Group holds 20% or more of the nominal value of any class of share capital are as follows:

	Country of Incorporation	Ownership interest	
		2025	2024
<i>Subsidiaries</i>			
South African Coal Limited	England and Wales	100%	100%
Asia Energy Corporation Pty Limited	Australia	100%	100%
Asia Energy Corporation (Bangladesh) Pty Limited	Australia	100%	100%
Asia Energy (Bangladesh) Pvt Ltd	Bangladesh	100%	100%
<i>Fair Value Through Other Comprehensive Income</i>			
Peoples Telecommunication and Information Services Ltd (PeoplesTel)	Bangladesh	37%	37%

The investment in PeoplesTel has been accounted for as financial asset at Fair Value Through Other Comprehensive Income as GCM does not have significant influence. The investment was fully impaired during the year ended 30 June 2010.

11. Payables

	2025 £000	2024 £000
Trade payables	579	586
Related party accrued payable	794	794
	1,373	1,380

Refer to note 20 for details of the related party accrued payable.

12. Borrowings

	Current 2025 £000	Non- Current 2024 £000
<i>Loan from related party</i>		
Balance as at 1 July	5,657	5,163
Loan instalments drawn down	–	–
Interest charges	541	494
Balance as at 30 June	6,198	5,657

Refer to note 20 for details of the loan from related party.

The Company became aware on 26 June 2025, that Polo Resources Ltd (“Polo”), a British Virgin Islands (“BVI”) incorporated company, was dissolved on 5 September 2023 as the result of the resignation of its BVI agent. The Company has been informed that the officers of Polo are currently undertaking steps to restore its status as a registered company in the BVI including the appointment of a new BVI agent. This is expected to occur following, *inter alia*, the satisfactory completion of customary due diligence on Polo and its stakeholders by the new BVI agent, followed by a court order as required under the laws of the BVI. Notwithstanding this, there can be no certainty that Polo will be restored as a registered company in the BVI, nor as to the timing of any such restoration. The board of directors of GCM believe that the Company’s indebtedness to Polo which, at 30 June 2025 amounted to £6,198,000 including loan interest remains unaffected given the expectation that the officers of Polo will restore Polo’s status as a registered company in the BVI, which at the date of this report, Polo continues to remain dissolved, and cannot call in any Loan Repayments whilst their status remains as such.

As a result of the amendment in terms noted below, the interest rate on the loan facility increased from 15% to 16.5% effective 25 March 2024, and from 16.5% to 18% effective 25 March 2025.

The Company on 1 March 2022, as part of the completed placing and subscriptions, amended the terms of the loan facility, such that the lender may request conversion by the issuance of new ordinary shares in the Company at 5.14 pence per share (being the Issue Price) subject to any necessary regulatory approvals. All other terms of the agreement remained unchanged.

The Company on 26 March 2021, as part of the completed placing, extended and amended the terms of the loan facility provided by Polo Resources Limited (the “Facility”) of which, as was announced on 7 January 2021, there was at 30 June 2024, £300,000 of the initial £3.5 million facility remaining undrawn. The lender has agreed that it will not serve a repayment request on the company for 5 years from the date of the agreement replacing the previous provision that it was payable on demand with 90 days’ notice. The lender from 26 March 2026, may request the borrower repays all or part of the utilised portion of the loan, however as noted above whilst the Lender remains dissolved, they are unable to issue any repayment request. The Company and Polo Resources Limited have agreed an increase in the interest rate from 12% to 15% per annum rising by 1.5% on the third anniversary and by a subsequent 1.5% on each anniversary thereafter. Furthermore, the lender may request conversion by the issuance of new ordinary shares in the Company at 7.5 pence per share (being the Issue Price) subject to any necessary regulatory approvals. The Company may elect to repay all or part of the outstanding loan at any time giving 60 days’ notice and with the agreement of Polo Resources Limited. Any share issue to the Lender is conditional upon the Lender’s interest, together with the interest of any parties with which it is in concert, remaining below 30% of the Company’s issued capital. All other principal terms of the loan facility remain unchanged. Refer to the Group accounting policies for details of Management judgement used in accounting for the loan amendment.

13. Leases and Commitments

Right of use assets

The statement of financial position shows the following amounts relating to leases:

	2025 £000	2024 £000
Buildings	15	21
	15	21

Notes to the Consolidated Financial Statements (continued)

Lease liabilities

	2025 £000	2024 £000
<i>Classified as;</i>		
Current	7	15
Non-current	4	3
	11	18

The interest expense incurred on lease liabilities was £2,000 (2024: £2,000), and capitalised in accordance with the Group's policy on exploration and evaluation assets. Cash outflows in respect of right of use assets were £18,000 (2024: £24,000).

Other commitments

In addition, under the terms of the Prospecting License agreement with the Bangladesh authorities for contract licence areas B, G and H respectively, an annual fee of 500 Taka (£3.40 at year-end exchange rate) is payable for each hectare within the licence area. The Group currently leases 5,480 hectares within these licence areas. The licence has a 30 year term from 2004 and may be renewed for further periods of 10 years each, at GCM's option.

14. Issued share capital

	Ordinary Shares Thousands	Deferred A Shares Thousands	Total share capital £000
<i>Allotted, called up and fully paid:</i>			
At 1 July 2023	207,522	118,582	12,748
Shares issued	68,844	–	689
At 30 June 2024	276,366	118,582	13,437
Shares issued	59,926	–	599
At 30 June 2025	336,292	118,582	14,036

Share issues

On 2 February 2024, 30,303,040 subscription shares were issued on the completion of a successful fundraise at 1.65p per share, raising gross cash proceeds of £500,000.

On 11 March 2024, 606,060 shares were issued on exercising of warrants in accordance with the terms of the agreement at a price of 1.65p, for total cash consideration of £10,000.

On 11 March 2024, 4,740,995 shares were issued to consultants and a director in accordance with the terms of their agreements, at prices from 2.65p to 4.125p, for total non cash consideration of £190,000.

On 8 April 2024, 2,424,243 shares were issued on exercising of warrants in accordance with the terms of the agreement at a price of 1.65p, for total cash consideration of £40,000.

On 19 April 2024, 30,769,230 subscription shares were issued on the completion of a successful fund raise at 6.5p per share, raising gross cash proceeds of £2,000,000.

On 14 January 2025, 18,922,701 shares were issued to a consultant in accordance with the terms of their agreement, at prices from 1.8p to 8.63p, for total non-cash consideration of £484,492.

On 3 February 2025, 4,179,248 shares were issued to a consultant in accordance with the terms of their agreement, at prices from 1.89p to 8.63p, for total non-cash consideration of £144,000.

On 2 April 2025, 33,333,333 subscription shares were issued on the completion of a successful fund raise at 3p per share, raising gross cash proceeds of £1,000,000.

On 10 April 2025, 3,490,987 shares were issued to consultants and a director in accordance with the terms of their agreements, at prices from 1.85p to 3.76p, for total non cash consideration of £121,000.

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

The Deferred Shares have no voting rights and do not carry any entitlement to attend general meetings of the Company; nor will they be admitted to AIM or any other market. They carry only a priority right to participate in any return of capital to the extent of £1 in aggregate over the class. In addition, they carry only a priority right to participate in any dividend or other distribution to the extent of £1 in aggregate over the class. In each case a payment to any one holder of Deferred Shares shall satisfy the payment required. The Company will be authorised at any time to effect a transfer of the Deferred Shares without reference to the holders thereof and for no consideration pursuant to and in accordance with the Act. Accordingly, the Deferred Shares will, for all practical purposes, be valueless and it is the Board's Intention, at an appropriate time, to have the Deferred Shares cancelled, whether through an application to the Companies Court or otherwise in accordance with the Act.

Reserves

Share capital

The balance held in share capital relates to the nominal net proceeds on issue of the Company's equity share capital, comprising £0.01 ordinary shares, and £0.09 deferred A shares.

Share premium account

The share premium account represents the premium received over the nominal value of ordinary shares on issue of the Company's equity. The share premium account has been reduced by expenditure associated with issuing shares such as listing costs.

Other reserves

This reserve records the fair value of conditional shares awarded but not settled, and consultants service payments to be also settled by way of share issues.

	2025 £000	2024 £000
Share based payments not settled	594	481
	594	481

15. Notes supporting statement of cashflows

Cash and cash equivalents for the purposes of the statement of cash flows comprises:

	2025 £000	2024 £000
Cash at bank available on demand	1,310	1,658
	1,310	1,658

Notes to the Consolidated Financial Statements (continued)

Non-cash transactions from financing activities are shown in the reconciliation of liabilities from financing transactions:

	Current loans and borrowings £000	Total £000
Balance at 1 July 2023	5,163	5,163
Cash flows	–	–
Non-cash flows: Interest accrued	494	494
Balance at 30 June 2024	5,657	5,657
Balance at 1 July 2024	5,657	5,657
Cash flows	–	–
Non-cash flows: Interest accrued	541	541
Balance at 30 June 2025	6,198	6,198

16. Significant non-cash transactions

The significant non-cash transactions during the year were as follows:

- £850,000 of expenses were incurred by two consultants for their services. The consulting payments included £749,000 (26,052,395 shares issued at prices ranging from 1.8p to 8.63p per share) for consultant retainers and success fees. Retainer fee shares totalling £111,000 had not been issued but accrued to the consultants at year end have been included in other reserves for shares to be issued.

17. Share based payments

The charge/(credit) for share-based payments during the year is shown in the following table:

	2025 £000	2024 £000
<i>Charged/(credited) to intangibles</i>		
Conditional shares	2	2
	2	2

Share Warrants

During the year ended 30 June 2025, the Company granted nil warrants to subscribe for ordinary shares (2024: 3,030,303). Nil warrants were exercised and 30,000 warrants lapsed during the year (2024: 3,030,303 warrants were exercised and 672,333 warrants lapsed). As at 30 June 2025, nil warrants were in issue (2024: 30,000).

Options

The following table illustrates the number and weighted average exercise prices (WAEP) of, and movements in, share options during the year.

	2025 Options Thousands	2025 WAEP	2024 Options Thousands	2024 WAEP
At 1 July	–	–	9,300	£0.11
Expired during the year	–	–	(9,300)	(£0.11)
Outstanding at 30 June	–	–	–	–
Exercisable at 30 June	–	–	–	–

No options were issued, expired or exercised during the year to 30 June 2025 (2024: 9.3 million options expired).

Conditional shares scheme

GCM has a conditional share scheme for Directors, employees, associates, consultants and contractors. Ordinary shares will be issued for nil cash consideration, conditional upon the Group achieving milestones including approval by the Government of Bangladesh of the Scheme of Development for the Phulbari Coal and Power Project. The awards granted are classified as equity-settled, and therefore the fair value is determined by reference to the share price at the date of the grant, as required by IFRS 2.

Movement in non-vested conditional shares:

	2025 Thousands	2024 Thousands
At 1 July	210	210
Conditional shares lapsed	–	–
At 30 June	210	210

The grant details of the conditional shares outstanding as at 30 June 2025 are as follows:

	Share price at grant date £	Conditional shares Thousands
<i>Grant date</i>		
25 August 2005	£6.32	40
9 March 2006	£4.99	30
16 July 2009	£0.84	140
		210

The cumulative cost recognised in equity in relation to the conditional shares as at 30 June 2025 is £483,000 (2024: £481,000) after taking into account:

- Expected timeframe for milestones to be achieved
- Probability of successful completion of milestones
- The conditional shares awarded to employees are subject to their employment at the time milestones are reached

The increase in the cost of conditional shares of £2,000 for the year ended 30 June 2025 is directly attributable to the Phulbari Coal and Power Project, and accordingly capitalised to intangibles on this basis (2024: expensed £2,000).

18. Financial Instruments

The Group holds cash as a liquid resource to fund the obligations of the Group.

The Group's strategy for managing cash is to maximise interest income whilst ensuring its availability to match the profile of the Group's expenditure. This is achieved by regular monitoring of interest rates and periodic review of expenditure forecasts.

The Group has a policy of not hedging and therefore takes market rates in respect of foreign exchange risk; however it does review its currency exposures on a regular basis. The Group has no significant monetary assets or liabilities that are denominated in a foreign currency.

The financial liabilities of the Group include trade payables and a short-term loan from a related party. Trade payables are recognised at fair value on initial recognition and subsequently measured at amortised cost. The short-term loan was recognised based on the present value of cash payable to the lender. As the short-term loan is payable within 12 months, the present value of the cash payable was equal to the principal value of the loan.

Interest rate risk

The interest rate maturity profile of the financial assets of the Group is as follows:

	2025 £000	2024 £000
<i>Floating rate – within 1 year</i>		
Cash and cash equivalents	–	–

Notes to the Consolidated Financial Statements (continued)

Other interest bearing financial instruments which are subject to fixed rate interest charges are the Group's borrowings as disclosed in Note 12.

Other financial instruments of the Group which are non-interest bearing and are therefore not subject to interest rate risk, are, non-interest-bearing cash and cash equivalents as at 30 June 2025 was £1,310,000 (2024: £1,658,000).

Credit risk

The Group considers the credit ratings of banks in which it holds funds in order to manage exposure to credit risk and counterparty risk. Funds are held in banks with credit ratings ranging from AAA –AA. The maximum credit risk at 30 June 2025 was as follows:

	2025 £000	2024 £000
Cash and cash equivalents	1,310	1,658

Liquidity risk

The Group ensures that it has sufficient cash to meet all its commitments when required, through equity and short term loan funding, please refer to the accounting policies for further detail. The table below summarises the contractual maturity profile of the Group's financial liabilities as at 30 June 2025 and 2024.

	Within 30 days £000	1 to 3 months £000	3 to 12 months £000	2 – 5 years £000	Total & Carrying value £000
2025					
Payables	1,291	2	112	–	1,373
Lease liabilities	1	1	5	4	11
Borrowings	6,198	–	–	–	6,198
	7,458	3	117	4	7,582
2024					
Payables	1,291	2	87	–	1,380
Lease liabilities	1	2	12	3	18
Borrowings	–	–	–	5,657	5,657
	1,292	4	99	5,660	7,055

Currency risk

The Group has no significant monetary assets or liabilities that are denominated in a foreign currency.

Fair values of financial assets and liabilities

		Financial instrument classification	Book value		Fair value	
			2025 £000	2024 £000	2025 £000	2024 £000
Financial assets						
Cash and cash equivalents	Amortised cost	1,310	1,658	1,310	1,658	
Receivables	Amortised cost	24	22	24	22	
Financial liabilities						
Creditors	Amortised cost	1,373	1,380	1,373	1,380	
Borrowings	Amortised cost	6,198	5,657	6,198	5,657	

Management have assessed that the fair value of cash, current receivables and current payables approximate their carrying amounts due to the short-term maturities of these instruments.

19. Contingent liabilities

Royalty

The Group is obliged to pay Deepgreen Minerals Corporation Pty Limited US\$1 per tonne of coal produced and sold from the Phulbari mine. The Directors are of the opinion that a provision is not required in respect of these matters, as coal has not yet been produced at Phulbari.

20. Related Party Transactions

Key management personnel

	2025 £000	2024 £000
Short-term benefits	671	658
Share based payments	12	12
	683	670

Related party loan

GCM is beneficiary to a £3.5 million loan facility from its largest shareholder, with a current interest rate of 18.0% per annum. As at 30 June 2025 the Group had utilised £3.2 million of the loan facility (2024: £3,200,000) and an interest accrual of £2,998,000 (2024: £2,457,000). The terms of the loan were amended in March 2022 & March 2021, refer to note 12 of the Company Financial Statements. Note Polo Resources Ltd is a related party by way of Michael Tang being a Director of both Companies as well as Polo Resources Limited being a substantial shareholder of the Company.

Management services company

As disclosed in the Directors' Report, for the year ended 30 June 2025, the remuneration for the services of Datuk Michael Tang PJN, Executive Chairman of the Company, was £303,600 (2024: £303,600), which comprises director's fees amounting to £6,000 (2024: £6,000) and management services of £297,600 paid to a management services company (2024: £297,600).

For the period September 2018 to March 2021 Datuk Michael Tang PJN offered to defer the payments due to his management services company until further notice in order to assist the Company. The total debt as a result of the deferment of £769,000 has not been paid and is being accrued accordingly.

As at 30 June 2025 the amount owing to the management services company of Datuk Michael Tang PJN was £793,600 (2024: £793,600).

21. Events after the end of the reporting period

There are no Events after the end of the reporting period to disclose.

GCM Resources plc

Company Financial Statements 2025

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 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 Company. In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Website publication

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Company Statement of Changes in Equity

For the year ended 30 June

	Share capital £000	Share premium account £000	Other Reserves £000	Accumulated losses £000	Total £000
Balance at 1 July 2023	12,748	58,054	569	(29,258)	42,113
Total comprehensive loss	–	–	–	(1,326)	(1,326)
Share issuances	689	2,052	(180)	–	2,561
Share issue costs	–	(228)	–	–	(228)
Shares to be issued	–	–	90	–	90
Share based payments	–	–	2	–	2
Balance at 30 June 2024	13,437	59,878	481	(30,584)	43,212
Total comprehensive loss	–	–	–	(2,159)	(2,159)
Share issuances	599	1,150	–	–	1,749
Share issue costs	–	(76)	–	–	(76)
Shares to be issued	–	–	111	–	111
Share based payments	–	–	2	–	2
Balance at 30 June 2025	14,036	60,952	594	(32,743)	42,839

The notes on pages 52 to 59 form an integral part of these financial statements.

Company Balance Sheet

For the year ended 30 June

	Notes	2025 £000	2024 £000
Current assets			
Cash and cash equivalents		1,303	1,636
Other receivables	5	22	19
Security deposit		–	2
Total current assets		1,325	1,657
Non-current assets			
Investments	6	48,949	48,450
Total non-current assets		48,949	48,450
Total assets		50,274	50,107
Current liabilities			
Payables	7	(1,237)	(1,238)
Borrowings	8	(6,198)	–
Total current liabilities		(7,435)	(1,238)
Non-current liabilities			
Borrowings	8	–	(5,657)
Total non-current liabilities		–	(5,657)
Total liabilities		(7,435)	(6,895)
Net assets		42,839	43,212
Equity			
Share capital	10	14,036	13,437
Share premium account	10	60,952	59,878
Other reserves	10	594	481
Accumulated losses		(32,743)	(30,584)
Total equity		42,839	43,212

These financial statements were approved by the Board of Directors and were signed on their behalf by:

Keith Fulton

Executive Director
21 November 2025

No profit and loss account is presented for GCM Resources plc as permitted by section 408 of the Companies Act 2006. The Parent Company recorded a loss of £2,159,000 for the year ended 30 June 2025 (2024: loss of £1,326,000).

The notes on pages 52 to 59 form an integral part of these financial statements.

Notes to the Company Financial Statements

1. Accounting policies

GCM Resources plc was incorporated as a Public Limited Company on 26 September 2003 and admitted to the London Stock Exchange Alternative Investment Market (AIM) on 19 April 2004.

The financial report was authorised for issue by the Directors on 21 November 2025.

Basis of preparation of financial statements

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). The financial statements are prepared under the historical cost convention.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to a statement of cash flow, share-based payment, financial instruments, fair value measurements, capital management, presentation of comparative information in respect of certain assets, standards not yet effective and impairment of assets.

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

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 30 June 2025. The financial statements are prepared in Sterling and are rounded to the nearest thousand pounds (£000).

Political and economic risks – carrying value of investments in subsidiaries

The Company's wholly owned subsidiary, Asia Energy Corporation (Bangladesh) Pty Limited (AECB), controls the Phulbari Coal and Power Project (the "Project"), the principal asset of the Company and its subsidiaries (the Group). The Project is in Bangladesh and accordingly subject to the political, judicial, fiscal, social and economic risks associated with operating in that country.

The Project relates to thermal coal and semi-soft coking coal, which are subject to international and regional supply and demand factors, and consequently future performance will be subject to variations in the prices for these products.

AECB is party to a Contract with the Government of Bangladesh (the "Government") which gives it the right to explore, develop and mine in respect of the licence areas. The Group holds a mining lease and exploration licences in the Phulbari area covering the prospective mine site. The mining lease has a 30 year term from 2004 and may be renewed for further periods of 10 years each, at AECB's option.

In accordance with the terms of the Contract, AECB submitted a combined Feasibility Study and Scheme of Development report on 2 October 2005 to the Government. Approval of the Scheme of Development from the Government of Bangladesh is necessary to proceed with development of the mine. AECB continues to await approval.

No notification has been received from the Government of any changes to the terms of the Contract. GCM has received legal opinion that the Contract is enforceable under Bangladesh and International law, and will consequently continue to endeavour to receive approval for development.

Accordingly, the Directors believe that the Phulbari Coal and Power Project (the "Project") will ultimately receive approval, although the timing of approval remains in the hands of the Government. To enhance the prospects of the Project, GCM has engaged in a strategy to align the Project with the needs and objectives of the Government. This includes the option to supply coal to both privately owned and the Government's own commissioned and in the pipeline power plants, which currently totals 8,175MW. The Government is seeking to grow its economy and deliver electricity at prices that will ensure competitiveness of its industries. The Group's strategy of developing the Phulbari coal deposit as a captive, large-scale, open pit mining operation supporting some 6,600MW of highly energy-efficient Ultra-Supercritical power generation will enable cheaper coal-fired electricity than imported coal options. This evolving strategy has been enhanced to include installation of a large-scale Solar Power Park (up to 2,000MW) within the Project area, to be installed within the first two years of gaining land access; operating the Phulbari coal mine as a "Net Zero Carbon" or "Green Mine"; and participation modalities for Government.

Until approval of the Scheme of Development from the Government of Bangladesh is received there is continued uncertainty over the recoverability of the assets relating to the Project. The Directors consider that it is appropriate to continue to record the investment in Asia Energy Corporation (Bangladesh) Pty Limited and related inter-company balances at cost. However if for whatever reason the Scheme of Development is not ultimately approved the Company would be required to impair its investment totalling £48,949,000 at 30 June 2025.

Going concern

As at 30 June 2025, the Company had £1,303,000 in cash and £6,110,000 of net current liabilities. The directors and management have prepared a cash flow forecast to December 2026, which shows that the Group will require further funds to cover operating costs to advance the Phulbari Coal and Power Project and meet its liabilities as and when they fall due. Based on current forecasts, additional funding will need to be either raised from third parties or the short-term loan facility with Polo Resources Limited ("Polo Loan Facility") increased and extended (if available) by the end of July 2026, in order to meet current operating cost projections. The Directors also note that, under the amended terms of the existing Polo Loan Facility, the lender agreed not to serve a repayment request in cash for 5 years from the date of amended terms, 26 March 2021, or alternatively convert to shares at 5.14 pence per share at the lender's option (as amended on 1 March 2022). The Company does not currently have secured funding arrangements in place to cover this loan or further potential expenditure which may be needed to advance the Project and, accordingly, should Polo request repayment of the Polo Loan Facility (under certain terms of the Loan Facility), GCM will need to raise funds in a short amount of time, which may not be available on terms acceptable to the Board or on a workable timeframe. It also needs to be noted that whilst Polo remains dissolved, the Loan Facility cannot be called in, nor any payments requested.

The Company currently has £922,000 cash at the date of this report, and based on projected future cash expenditure, this is not expected to be sufficient to support the Company's operations for the twelve months from the date of this report. At the current run rates, along with the Company's existing cash resources, this is only expected to provide sufficient capital for the next seven/eight months. The Company intends to explore alternative funding options over the next six months, with the aim to complete and secure the necessary third-party funding by the end of May 2026.

In forming the conclusion that it is appropriate to prepare the financial statements on a going concern basis the Directors have made the following assumptions that are relevant to the next twelve months:

- Sufficient additional funding can be obtained for working capital purposes; and
- In the event that operating expenditure increases significantly as a result of successful progress with regards to the Phulbari Coal and Power Project, sufficient funding can be obtained.

While the Directors remain confident that necessary funds will be available as and when required, as at the date of this report these funding arrangements are not secured, the above conditions and events represent material uncertainties that may cast significant doubt over the Group's and Company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis. The financial statements do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

Upon achieving approval of the Phulbari Coal and Power Project, significant additional financial resources will be required to proceed to development.

Use of judgements, estimates and assumptions

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

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods.

Investments in subsidiaries – Note 6

Investment in subsidiaries comprises of the cost of acquiring the shares in subsidiaries along with subsequent funding contributions by the Parent Company to those subsidiaries. If an impairment trigger is identified and investments in subsidiaries are tested for impairment, estimates are used to determine the expected net return on investment. The estimated return on investment takes into account the underlying economic factors in the business of the Company's subsidiaries including estimated recoverable reserves, coal prices, development and production costs, capital investment requirements, discount rates and environmental and social costs among other things. Refer to "Political and economic risks – carrying value of investments in subsidiaries" Note 6 for further details in respect of the recoverability of the investment in subsidiaries.

Borrowings – Note 8

In assessing the indebtedness of the Group to Polo Resources Ltd ("Polo"), as a result of the dissolution of Polo (See Note 8), Management considered the likelihood of Polo successfully being restored as a registered Company in the BVI. The Management considered that as the restoration process was continuing it was prudent to continue to recognise the loan as a liability and continue to account in accordance with the terms of the Loan Facility. Management do however note the Loan cannot be called in whilst Polo remains dissolved. Management will consider the likelihood of the successful restoration of Polo at each reporting date whilst polo remains dissolved.

Power plant development costs

Power project expenditure is expensed as pre-development expenditure until it is probable that future economic benefits associated with the project will flow to the Group and the costs can be measured reliably. To assess whether it is probable that future economic benefits will arise from the power plant development costs, management judgement was required and considered: objective evidence that the power plant is technically and economically feasible, and objective evidence that the appropriate authorities of the Government of Bangladesh have, or are likely to approve power plant development. All power project expenditure were accordingly expensed in the year.

Cash and cash equivalents

Cash and short-term deposits in the balance sheet comprise cash at banks and in hand.

Financial assets

Financial assets are classified in accordance with FRS101. The Company determines the classification of its financial assets at initial recognition and re-evaluates this designation at each financial year-end. When financial assets are recognised initially, they are measured at fair value, being the transaction price plus directly attributable transaction costs.

The measurement of financial assets depends on their classification, as follows:

Classification and measurement of financial assets

The initial classification of a financial asset depends upon the Company's business model for managing its financial assets and the contractual terms of the cash flows. The Company's financial assets are measured at amortised costs and are held within a business model

Notes to the Company

Financial Statements (continued)

whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that represent solely payments of principal and interest.

The Company's cash and cash equivalents and other receivables are measured at amortised cost. Other receivables are initially measured at fair value. The Company holds other receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

Cash and cash equivalents

Cash includes cash on hand and demand deposits with any bank or other financial institution. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value.

Impairment of financial assets

The Company recognises loss allowances for expected credit losses ('ECL's) on its financial assets measured at amortised cost. Due to the nature of its financial assets, the Company measures loss allowances at an amount equal to the lifetime ECLs. Lifetime ECLs are the anticipated ECLs that result from all possible default events over the expected life of a financial asset. ECLs are a probability-weighted estimate of credit losses.

Classification and measurement of financial liabilities

A financial liability is initially classified as measured at amortised cost or FVTPL. A financial liability is classified as measured at FVTPL if it is held-for-trading, a derivative or designated as FVTPL on initial recognition. The Company's accounts payable, accrued liabilities and short-term debt are measured at amortised cost.

Accounts payable and accrued liabilities are initially measured at fair value and subsequently measured at amortised cost. Accounts payable and accrued liabilities are presented as current liabilities unless payment is not due within 12 months after the reporting period.

Short-term debt is initially measured at fair value, net of transaction costs incurred. Subsequently they are measured at amortised cost using the effective interest rate method. Short-term debt is classified as current when payment is due within 12 months after the reporting period. The Company has no financial liabilities measured at FVTPL. Where there is a modification to a financial liability, the financial original liability is de-recognised and a new financial liability is recognised at fair value in accordance with the Company's policy.

Other loans and borrowings

All loans and borrowings which are financial instruments are initially recognised at the present value of cash payable to the lender (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method. The effective interest rate amortisation is included in finance costs in the income statement.

Power project costs

Power project expenditure is expensed as pre-development expenditure until it is probable that future economic benefits associated with the project will flow to the Group and the cost of the project can be measured reliably. When it is probable that future economic benefits will flow to the Group, all costs associated with developing a power plant project are capitalised as power project expenditure within property, plant and equipment category of tangible non-current assets. The capitalised expenditure will include appropriate technical and administrative expenses but not general overheads. Power project assets are not depreciated until the asset is ready and available for use.

Deferred tax

The tax charge is based on the profit for the period and takes into account taxation deferred due to timing differences between the treatment of certain items for taxation purposes and accounting purposes. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less tax in the future. In particular:

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

Foreign currency transactions

Transactions in currencies other than pounds sterling are recorded at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Share based payments

The cost of equity-settled transactions is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the recipients become fully entitled to the award. Fair value is determined using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the Company (market conditions) or to conditions not related to performance or service (non-vesting conditions).

Where equity settled share based payments are made to non-employees the cost of equity-settled transactions is measured by reference to fair value of the goods or services received and measured at the date the entity obtains the goods or the counterparty renders the service.

Where the fair value of the goods or services received cannot be estimated reliably, the entity measures the goods or services received, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders service.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market or non-vesting conditions, number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. This includes any award where non-vesting conditions within the control of the Group or the employee are not met. Where the equity-settled share based payment is directly attributable to exploration and evaluation activities, the movement in cumulative expense since the previous balance sheet date is capitalised, with a corresponding entry in equity. Otherwise, the movement in cumulative expense is recognised in the income statement, with a corresponding entry in equity.

Where the terms of an equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if this difference is negative.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any cost not yet recognised in the income statement for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense in the income statement.

2. Auditor's remuneration

The Company paid the following amounts to its auditors in respect of the audit of the Company financial statements.

	2025 £000	2024 £000
Audit of the Company financial statements	15	15

3. Staff numbers

The average monthly number of employees during the year was 1 (2024:1).

4. Taxation

Reconciliation of the tax charge in the income statement

	2025 £000	2024 £000
(Loss) on ordinary activities before tax	(2,159)	(1,326)
UK corporation tax @ 25% (2025) and 25% (2024)	(539)	(332)
Unrecognised deferred tax assets during the year	539	332
Non-deductible expenditure	–	–
Total tax expense reported in the income statement	–	–

Unrecognised deferred tax assets

	2025 £000	2024 £000
<i>Deferred tax asset</i>		
Tax losses carried forward	7,007	6,467
Impairment	1,173	891
Other	1	1
	8,180	7,359
Less: deferred tax assets de-recognised	(8,180)	(7,359)
	–	–

At 30 June 2025 tax losses for which a deferred tax asset was not recognised amounted to £27,805,000 (2024: £25,648,000). Deferred tax assets are only recognised at UK Corporation Tax Rate of 25% (2024: 25%) should it become more likely than not that taxable profit or timing differences, against which they may be deducted, will arise.

Notes to the Company

Financial Statements (continued)

5. Other receivables

	2025 £000	2024 £000
<i>Current debtors</i>		
Prepayments	21	18
Other debtors	1	1
	22	19

6. Investments

	2025 £000	2024 £000
<i>Subsidiary undertakings at cost</i>		
Opening balance	48,450	47,928
Additions	499	522
As at 30 June	48,949	48,450
Carrying amount as at 30 June	48,949	48,450

Additions represent monies advanced to the Company's subsidiaries from the Company through inter-company funding. There are no repayment terms for the funding provided. The funding has been identified and accounted for as contributed equity in the subsidiaries. Refer to Note 1 for further information in respect to the accounting policy.

The investments in which the Company directly or indirectly holds 20% or more of the nominal value of any class of share capital are as follows:

	Country of Incorporation	Ownership interest	
		2025	2024
<i>Subsidiaries</i>			
South African Coal Limited	England and Wales	100%	100%
Asia Energy Corporation Pty Limited	Australia	100%	100%
Asia Energy Corporation (Bangladesh) Pty Limited	Australia	100%	100%
Asia Energy (Bangladesh) Pvt Ltd	Bangladesh	100%	100%
<i>Fair Value Through Other Comprehensive Income</i>			
Peoples Telecommunication and Information Services Ltd	Bangladesh	37%	37%

The investment in Peoples Telecommunication and Information Services Ltd has been accounted for as a financial asset at Fair Value Through Other Comprehensive Income as GCM does not have significant influence. The investment was fully impaired during the year ended 30 June 2010.

7. Payables

	2025 £000	2024 £000
Trade payables	443	444
Related party accrued payable	794	794
	1,237	1,238

8. Borrowings

Borrowings as at the balance sheet date are summarised as follows:

	Current 2025 £000	Non- current 2024 £000
Loan from related party		
Balance at 1 July	5,657	5,163
Loan instalments drawn down	–	–
Interest charges	541	494
Balance at 30 June	6,198	5,657

The Company became aware on 26 June 2025, that Polo Resources Ltd (“Polo”), a British Virgin Islands (“BVI”) incorporated company, was dissolved on 5 September 2023 as the result of the resignation of its BVI agent. The Company has been informed that the officers of Polo are currently undertaking steps to restore its status as a registered company in the BVI including the appointment of a new BVI agent. This is expected to occur following, *inter alia*, the satisfactory completion of customary due diligence on Polo and its stakeholders by the new BVI agent, followed by a court order as required under the laws of the BVI. Notwithstanding this, there can be no certainty that Polo will be restored as a registered company in the BVI, nor as to the timing of any such restoration. The board of directors of GCM believe that the Company’s indebtedness to Polo which, at 30 June 2025 amounted to £6,198,000 including loan interest remains unaffected given the expectation that the officers of Polo will restore Polo’s status as a registered company in the BVI, which at the date of this report, Polo continues to remain dissolved, and cannot call in any Loan Repayments whilst their status remains as such.

As a result of the amendment in terms noted below, the interest rate on the loan facility increased from 15% to 16.5% effective 25 March 2024, and from 16.5% to 18% effective 25 March 2025.

The Company on 1 March 2022, as part of the completed placing and subscriptions, amended the terms of the loan facility, such that the lender may request conversion by the issuance of new ordinary shares in the Company at 5.14 pence per share (being the Issue Price) subject to any necessary regulatory approvals. All other terms of the agreement remained unchanged.

The Company on 26 March 2021, as part of the completed placing, extended and amended the terms of the loan facility provided by Polo Resources Limited (the “Facility”) of which, as was announced on 7 January 2021, there was at 30 June 2024, £300,000 of the initial £3.5 million facility remaining undrawn. The lender has agreed that it will not serve a repayment request on the company for 5 years from the date of the agreement replacing the previous provision that it was payable on demand with 90 days’ notice. The lender from 26 March 2026, may request the borrower repays all or part of the utilised portion of the loan, however as noted above whilst the Lender remains dissolved, they are unable to issue any repayment request. The Company and Polo Resources Limited have agreed an increase in the interest rate from 12% to 15% per annum rising by 1.5% on the third anniversary and by a subsequent 1.5% on each anniversary thereafter. Furthermore, the lender may request conversion by the issuance of new ordinary shares in the Company at 7.5 pence per share (being the Issue Price) subject to any necessary regulatory approvals. The Company may elect to repay all or part of the outstanding loan at any time giving 60 days’ notice and with the agreement of Polo Resources Limited. Any share issue to the Lender is conditional upon the Lender’s interest, together with the interest of any parties with which it is in concert, remaining below 30% of the Company’s issued capital. All other principal terms of the loan facility remain unchanged. Refer to the Group accounting policies for details of Management judgement used in accounting for the loan amendment.

9. Commitments

Lease commitments

As at 30 June 2025, the Company had an lease on premises, which has a duration of less than one year.

	2025 £000	2024 £000
<i>Operating leases expiring:</i>		
Within one year	–	2
After one year but not more than five years	–	–
	–	2

Notes to the Company

Financial Statements (continued)

10. Issued share capital

	Ordinary Shares Thousands	Deferred A Shares Thousands	Total share capital £000
<i>Allotted, called up and fully paid:</i>			
At 1 July 2023	207,522	118,582	12,748
Shares issued	68,844	–	689
At 30 June 2024	276,366	118,582	13,437
Shares issued	59,926	–	599
At 30 June 2025	336,292	118,582	14,036

Share Issues

On 2 February 2024, 30,303,040 subscription shares were issued on the completion of a successful fundraise at 1.65p per share, raising gross cash proceeds of £500,000.

On 11 March 2024, 606,060 shares were issued on exercising of warrants in accordance with the terms of the agreement at a price of 1.65p, for total cash consideration of £10,000.

On 11 March 2024, 4,740,995 shares were issued to consultants and a director in accordance with the terms of their agreements, at prices from 2.65p to 4.125p, for total non cash consideration of £190,000.

On 8 April 2024, 2,424,243 shares were issued on exercising of warrants in accordance with the terms of the agreement at a price of 1.65p, for total cash consideration of £40,000.

On 19 April 2024, 30,769,230 subscription shares were issued on the completion of a successful fund raise at 6.5p per share, raising gross cash proceeds of £2,000,000.

On 14 January 2025, 18,922,701 shares were issued to a consultant in accordance with the terms of their agreement, at prices from 1.8p to 8.63p, for total non-cash consideration of £484,492.

On 3 February 2025, 4,179,248 shares were issued to a consultant in accordance with the terms of their agreement, at prices from 1.89p to 8.63p, for total non-cash consideration of £144,000.

On 2 April 2025, 33,333,333 subscription shares were issued on the completion of a successful fund raise at 3p per share, raising gross cash proceeds of £1,000,000.

On 10 April 2025, 3,490,987 shares were issued to consultants and a director in accordance with the terms of their agreements, at prices from 1.85p to 3.76p, for total non cash consideration of £121,000

Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

The Deferred Shares have no voting rights and do not carry any entitlement to attend general meetings of the Company; nor will they be admitted to AIM or any other market. They carry only a priority right to participate in any return of capital to the extent of £1 in aggregate over the class. In addition, they carry only a priority right to participate in any dividend or other distribution to the extent of £1 in aggregate over the class. In each case a payment to any one holder of Deferred Shares shall satisfy the payment required. The Company will be authorised at any time to effect a transfer of the Deferred Shares without reference to the holders thereof and for no consideration pursuant to and in accordance with the Act. Accordingly, the Deferred Shares will, for all practical purposes, be valueless and it is the Board's intention, at an appropriate time, to have the Deferred Shares cancelled, whether through an application to the Companies Court or otherwise in accordance with the Act.

Reserves

Share capital

The balance held in share capital relates to the nominal net proceeds on issue of the Company's equity share capital, comprising £0.01 ordinary shares, and £0.09 deferred A shares.

Share premium account

The share premium account represents the premium received over the nominal value of ordinary shares on issue of the Company's equity. The share premium account has been reduced by expenditure associated with issuing shares such as listing costs.

Other reserves

This reserve records the fair value of conditional shares awarded but not settled, and consultants service payments to be also settled by way of share issues.

11. Related Party Transactions

Related party loan

GCM is beneficiary to a £3.5 million loan facility from its largest shareholder, with a current interest rate of 18.0% per annum. As at 30 June 2025 the Group had utilised £3.2 million of the loan facility (2024: £3,200,000) and an interest accrual of £2,998,000 (2024: £2,457,000). The terms of the loan were amended in March 2022 & March 2021, refer to note 8 of the Company Financial Statements. Note Polo Resources Ltd is a related party by way of Michael Tang being a Director of both Companies as well as Polo Resources Limited being a substantial shareholder of the Company.

Management service company

As disclosed in the Directors Report, for the year ended 30 June 2025, the remuneration for the services of Datuk Michael Tang PJN, Executive Chairman of the Company, was £303,600 (2024: £303,600), which comprised of directors' fees amounting to £6,000 (2024: £6,000) and management services of £297,600 paid to a management services company (2024: £297,600).

For the period September 2018 to March 2021 Datuk Michael Tang PJN offered to defer the payments due to his management services company until further notice in order to assist the Company. The total debt as a result of the deferment of £769,000 has not been paid and is being accrued accordingly

As at 30 June 2025 the amount owing to the management services company of Datuk Michael Tang PJN was £793,600 (2024: £793,600).

12. Events after the end of the reporting period

There are no Events after the end of the reporting period to disclose.



GCM Resources plc

3 Bunhill Row

London

EC1Y 8YZ

www.gcmplc.com