

Company Registration Number: 12497319 (England and Wales)

GREAT SOUTHERN COPPER PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

GREAT SOUTHERN COPPER PLC

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YEAR ENDED 31 MARCH 2023

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GREAT SOUTHERN COPPER PLC

CHAIRMAN'S STATEMENT

YEAR ENDED 31 MARCH 2023

As Chairman of Great Southern Copper plc, ('the Company' and 'GSC'), I am delighted to be able to introduce our second set of results as a public company for the year ended 31 March 2023.

In December 2021, Great Southern Copper plc, a mineral exploration company focused on the discovery of copper-gold resources in the coastal metallogenic belt of Chile, successfully listed on the Official List (Standard Segment) of the London Stock Exchange, at the same time raising some £3.5 million. Since that time the Company has been actively involved in Chile, where it holds the rights to two exploration projects.

Chile is the world's largest producer and exporter of copper and is recognised as a jurisdiction for world class deposits. With a long history of mining and metal processing, the country boasts one of the strongest economies in South America. Not only does it enjoy a strong mining culture, but the country also benefits from an experienced and educated mining workforce, first-class infrastructure and a robust legal framework, which includes provisions for foreign companies to own 100% of mining assets. In recent years, the country has moved to redesign its constitution, and in 2022 elected a new president mandated to effect change. Although recent moves to enable State participation in Chile's new lithium strategy have made international headlines, similar changes that were proposed last year to copper mining rights were not approved by the country's constitutional assembly. However, Chile's new royalty proposals, which will increase Government take from producing miners, are now very close to finalisation, but they have been modified with the aim of ensuring that Chile remains internationally competitive and can continue to attract foreign investment in its mining industry.

In the years leading up to our listing, the business strategically targeted Chile and specifically its coastal metallogenic belt, for high quality, large-scale, early-stage copper-gold exploration assets, where options over the two projects, San Lorenzo and Especularita, were secured. The Board believes these provide the Company with significant advantages compared to many of its peers including low entry cost, a coastal location with excellent infrastructure, large concession positions in areas of significant historical mining, limited exploration activity and the potential to earn 100% of the projects with no overhanging payments or royalty conditions.

In the last year, the Company has engaged in scout diamond drilling programmes across four prospect areas in the San Lorenzo copper-gold project, resulting in the discovery of a potentially significant intrusive-related copper-gold system. We are fortunate to have an excellent team in-country and our thanks go to them for their hard work and dedication. The Company also increased its concession holding at San Lorenzo during the year and reconnaissance work programmes are now being planned to allow the Company to explore the greater area.

Reconnaissance exploration at the Especularita project during the reporting period has been successful in identifying three copper-gold prospects that the Company has been actively working up to drill-ready stage. High-grade epithermal and skarn type copper and gold has been identified in surface samples at the Victoria, Teresita and Aurelia prospects and the Company plans to have these prospects ready for drill testing within the next reporting period. In addition, regional sampling of streams across the project is currently ongoing and is designed to deliver additional new prospects into the exploration pipe-line at Especularita. Our team at Especularita believes that the project is ideally located at the centre of a district-scale mineralisation system that includes porphyry-epithermal copper-gold mineralisation as well as distal base-metal skarn deposits. The Company's tenement holding at Especularita has also been significantly increased with the addition of new strategically located concessions.

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CHAIRMAN'S STATEMENT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Despite global economic headwinds effecting the industry this year, the overall economic outlook for both copper and gold continues to look very strong, particularly for copper, where supply shortages are foreshadowed as a result of the global transition to green energy technologies. This is reflected in the copper price which has increased over 60% in the last 3 years. (Source: www.lme.co/en/metals/non-ferrous).

The discovery of an intrusive-related copper-gold system at San Lorenzo, as well as the discovery of high-grade copper-gold epithermal systems at Especularita, has established a strong platform from which the Company will progress its exploration activity over the coming years. Our management team is also working to identify and secure a third project, which will further enhance the Company's exploration assets and the potential to deliver growth opportunities for the Company and our stakeholders well into the future.

I wish to thank the Board, our management, and particularly our team in Chile, for their dedicated work in advancing the Company's exploration efforts and at the same time ensuring that the values, beliefs and standards of the Company are upheld and promoted.

Charles Bond

28 July 2023

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OPERATIONS REPORT

YEAR ENDED 31 MARCH 2023

The Company is exploring two projects in northern Chile for large-scale copper-gold deposits, namely: the San Lorenzo Project and the Especularita Project.

Both projects are strategically located within the coastal metallogenic belt which affords the Company significant infrastructure advantages over explorers who operate in the high-altitude Andean belt, including access to roads, power, towns and ports. Both projects are along trend from major deposits and exhibit significant evidence of historical artisanal mining. However, the areas are relatively under-explored by comparison with the Andean regions.

The Company has the option to earn 100% of both projects with no attaching royalty conditions or overhanging payment requirements.

To assist with the exploration activity across both projects the Company has expanded its all-Chilean exploration team with the addition of a highly experienced Chief Geologist as well as two graduate geologists.

Exploration activities at the projects for the period to 31 March 2023 are set out below.

San Lorenzo Project

Previous exploration work at the Chinchillon prospect area of San Lorenzo has determined that large-scale copper-gold mineralisation occurs within a granodiorite, which in turn is intruded by dykes, sills and stocks of monzonite and overprinted by an extensive calc-potassic alteration event. The overprinting calc-potassic alteration is typically defined by swarms of sheeted fractures of quartz-actinolite-magnetite-K feldspar-Fe-oxide with rare evidence of copper oxides¹. Contact margins of the monzonite intrusive bodies also exhibit strong evidence of copper-gold mineralisation typically associated with unidirectional solidification textures (or UST).

Work at San Lorenzo this year included interpretation of a ground magnetic survey (completed the previous year²)³ as well as scout drilling at four prospect sites within the calc-potassic alteration zone⁴. Managing and maintaining the project's concession portfolio is on-going and includes the addition of new concessions to the project⁵.

During the reporting period, a scout diamond drilling programme comprising 13 holes for a total of 2,958m was completed across 4 prospect areas within the Chinchillon prospect at San Lorenzo. The programme was designed with the aim to⁶;

- Target the oxide sheeted fracture-vein systems at depth to determine if the fracture-vein sets host copper sulphides at depth below the base of oxidation,
- Target monzonite and UST to evaluate the fertility of the monzonites to potentially produce a Cu-Au deposit,
- Determine the controls on mineralisation, and
- Identify what exploration tools and methods might be best employed to vector towards economic deposits.

The results of the drilling have successfully confirmed that the sheeted fracture system hosts copper sulphide mineralisation and that copper (and gold+molybdenum) grades are dependent upon both

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OPERATIONS REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

fracture density and sulphide speciation within the individual fractures. Assay results indicate that the background copper content for unaltered-unmineralised granodiorite is very low (<10-100ppm Cu). However, where the granodiorite is overprinted by sheeted fracture alteration, the copper content increases significantly to >300-1000ppm Cu. Drill holes SLD005-009 targeting the fracture-hosted altered granodiorite all intersected anomalous Cu+Au-Mo on fractures with hole SLD005 recording a best intercept of 94m of 480ppm Cu from 274m (SLD005)⁶.

Maximum assays for individual samples (2m sample intervals) for hole SLD005 were 0.21% Cu and 0.11g/t Au. Additional highest assay results for the other holes over 0.5-2m sample intervals include; 0.68% Cu (SLD006), 869ppm Cu and 1.13g/t Au (SLD007), 0.19% Cu and 0.5g/t Au (SLD008) and 0.37% Cu and 1.78g/t Au (SLD009)⁶. Whilst these results are not economic, they are significant in demonstrating that the Chinchillon system is fertile and that a significant volume of copper (and gold) has been added to the granodiorite presumably from a large deeper source body, such as the monzonite. The company will now use this information to target its next phase of exploration drilling.

Monzonitic dykes, sills and stocks are prevalent invading throughout the calc-potassic altered granodiorite at Chinchillon. The monzonites are characterised by UST magmatic textures (unidirectional solidification textures) which are strongly indicative of a fertile mineralisation system formed at a low erosional cupola level. Two monzonite intrusives were targeted with scout drilling at the Las Hermanas and Cerro Blanco prospects. Assay results indicate that the monzonite intrusives are highly elevated (up to 2 orders of magnitude) in copper (>300-1000ppm Cu), relative to the enclosing granodiorite (<50-100ppm Cu), and as such they represent a potential progenitor for the Cu+Au mineralising system at Chinchillon⁶. Best Cu-Au drill intercepts for holes targeting the monzonite-UST mineralisation include⁶;

- SLD010: 5.5m of 0.27% Cu, 0.54g/t Au from 70.7m, including 0.5m of 1.65% Cu, 3.63g/t Au from 70.5m
- SLD013: 4.0m of 0.2% Cu, 0.1g/t Au from 5m, and 1.0m of 0.37g/t Au from 9m

Analysis of trace element ratios (Al_2O_3/TiO_2 , Sr/Y and V/Sc ratios) from drill core assay data for the monzonite dykes also suggests that the monzonite geochemistry falls within the ranges for fertile Cu and Cu-Au producing intrusives⁷.

The results of the scout drilling programme confirm that GSC has discovered a large intrusive-related copper-gold system at Chinchillon. The drilling results are still being fully evaluated.

The San Lorenzo project is strategically located within the Coastal metallogenic belt that is host to both porphyry and IOCG type copper-gold deposits. The location benefits from excellent infrastructure due to its low altitude and recent discovery successes in the belt by Hot Chili (ASX:HCH) and Tribeca Resources (TSX:TRBC) emphasise the exploration potential of the district. With this in mind GSC has acted to increase its concession-holding over the year and now holds approximately 28,645 ha (286 km²) of mining and exploration concessions both granted and in the process of being granted⁵.

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OPERATIONS REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Especlarita Project

The Especlarita project comprises an extensive district-scale porphyry-epithermal-skarn mineralisation system located within the Coastal metallogenic belt and is host to significant small-scale mines and artisanal workings for copper and gold. The centre of the mineralised system is identified as a topographically distinct zone of advanced argillic altered volcanics referred to locally as the La Colorada lithocap. Initial work by GSC and its predecessor at Especlarita was focussed on reconnaissance exploration as well as maximising the Company's land position in the district¹. Reconnaissance-scale mapping and sampling across the project during the previous reporting period and into this reporting period, has led to the discovery of outcropping high-grade copper-gold mineralisation (up to 7.22% Cu and 13.1g/t Au)⁸ in 3 prospect locations, namely; the Teresita, Victoria and Aurelia prospects. In addition, porphyry style stockwork vein alteration has been identified in several locations within and marginal to the La Colorada advanced argillic altered lithocap⁷. Further exploration is planned to elevated these porphyry areas to prospect-scale targets.

The Teresita and Victoria prospects represent epithermal style quartz-carbonate vein-breccia deposits with mineralisation hosted within quartz-dominant zones of the breccias. Copper assay grades in surface samples collected from detailed prospect mapping at Victoria during the reporting period range up to 6.9% Cu and 1.85g/t Au⁹ gold up to 13.7g/t Au and up to 13.7g/t Au at Teresita⁷. Assay results from preliminary prospect-scale mapping and sampling at the Aurelia prospect are indicative of skarn type mineralisation with samples from historical small-scale mines ranging up to 7.6% Cu and 2.9g/t Au⁷. Scout RC drilling programmes are being planned for both the Teresita and Victoria prospects.

A programme of first-pass stream sediment sampling has also been implemented across the Especlarita project area to provide geochemical exploration vectors to new target areas particularly within the lithocap alteration zone⁵. Approximately 500 drainage samples have been collected during the later half of the reporting period and assay results for the survey are pending.

The Especlarita project is located within a large mineral district and includes significant historical evidence of artisanal mining and processing as well as active small-scale Cu-Au mines. The project is strategically located within a trend that includes both large porphyry and skarn type copper deposits including Andacollo (Teck) and El Espino (Pucobre). During the reporting period, the Company has worked to increase its concession position within this under-explored district and now holds 18,209 ha (182 km²) of mining and exploration concessions both granted and in the process of being granted⁵.

Sam Garrett
Chief Executive Officer

28 July 2023

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OPERATIONS REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

References:

1. Prospectus for Great Southern Copper PLC (06 Dec 2021),
2. RNS 8499X (22 Jan 2022): Ground-based magnetic survey completed at San Lorenzo project,
3. RNS 4007M (23 May 2022): Ground magnetics survey identifies multiple targets at San Lorenzo,
4. RNS 9264R (11 Jul 2022): Diamond drilling commences at San Lorenzo Cu-Au project, Chile,
5. RNS 3666Q (20 Feb 2023): Exploration update at Especularita and San Lorenzo,
6. RNS 4946T (20 Mar 2023): Results for scout drilling programme,
7. RNS 1155A (22 May 2023): Corporate presentation
8. RNS 2146H (22 Nov 2022): Early exploration at Especularita identifies Cu-Au targets and completion of drilling at San Lorenzo
9. RNS 0445V (03 April 2023): Rock chip assay grades up to 6.9% Cu and 1.85g/t Au in outcrop from Victoria prospect

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BOARD OF DIRECTORS AND SENIOR MANAGEMENT REPORT

YEAR ENDED 31 MARCH 2023

The Board of Directors has overall responsibility for the Group. Its aim is to represent all stakeholders and to provide leadership and control in order to promote the successful growth and development of the business.

Samuel Garrett (*Chief Executive Officer*)

Samuel Garrett MSc. Applied Finance, Macquarie University (2011), MSc. Economic Geology, University of Tasmania (1992), BSc. Hons. Geology, University of Tasmania (1988), is a geologist with over thirty years of exploration management, assessment and operational experience for multi-national and junior mining and exploration companies in ten countries and a broad range of geologic environments. He is the executive director of Flynn Gold Ltd and also the Principal Consulting Geologist at Metal Ventures Pty Limited. Samuel's experience includes significant discovery credits including the Mt Elliot copper mine (QLD), Dinkidi copper-gold mine (Philippines), Tujuh Bukit Au-Ag-Cu mine (Indonesia) and the Haveron copper-gold deposit (WA). Samuel is a member of the Australian Institute of Geoscientists (AIG), the Society of Economic Geologists (SEG) and he is a member of the Australian Institute of Company Directors (AICD).

Nicholas Briers (*Non-Executive Director*)

Nicholas Briers BSc. Hons. Geography, Royal Holloway College, University of London, is a Director of Corporate Broking at SI Capital, specialists in delivering pre-IPO, primary and secondary funding to small companies listed on the London market. Prior to that he has over 25 years of experience in financial markets heading up Exchange Traded Derivatives sales desks at a number of tier 1 broking houses, most recently at Tullett Prebon, now TPICAP, the world's largest Inter Dealer Broker. Nick was formerly a Non-Executive Director of AMTE Power. He sits on the Company's Remuneration Committee and its Audit Committee.

Stuart Greene (*Non-Executive Director*)

Stuart Greene is a geologist and former Director of RMB Resources, the resource investment arm of First Rand Bank. He has sixteen years' experience working in southern Africa as a mine geologist and geological consultant with Western Areas gold mine, SRK Consulting, Knight Piesold, Venmyn Rand and others, followed by 14 years as a mining financier with RMB Resources in their London office. Whilst there, Stuart originated, evaluated and executed equity and debt financings for junior mining companies with projects at every stage of development from exploration through to production; for commodities that included gold, silver, copper, lead, zinc, nickel, diamonds, uranium and oil; and for project locations in North America, South America, Europe, Africa and SE Asia. He is currently a founding partner and director of Tanjun Capital Limited, the investment advisor to a mining credit fund, investing in junior and mid-tier mining companies. Stuart chairs the Company's Audit Committee

Charles Bond (*Non-Executive Chairman*)

Charles is a corporate finance lawyer with some 30 years of experience and has worked with mining companies for the last 18 years. He is a partner in the London office of international law firm Gowling WLG (UK) LLP, where he leads the UK firm's Natural Resources group and Equity Capital Markets team. He practises in equity capital markets and public and private M&A for mining clients in developed and emerging markets, helping to develop their business using his wide international network of contacts in the sector. He spent ten years as a corporate lawyer with Freshfields Bruckhaus Deringer, before heading the equity capital markets and natural resources teams at Cobbetts LLP and the UK branch of Canadian

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BOARD OF DIRECTORS AND SENIOR MANAGEMENT REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

law firm Gowlings, for eight years and four years respectively, before Gowlings' merger with UK firm Wragge Lawrence Graham to become Gowling WLG. He has acted as lead counsel for numerous mining companies and financial advisers, advising on flotations on the London and Toronto stock exchanges, on secondary fundraises, public and private M&A, corporate governance, joint ventures and earn-ins. He is named as one of the few leading mining lawyers in England in the most recent International Who's Who of Mining Lawyers. Charles chairs the Company's Remuneration Committee.

Paul Williams (*Chief Financial Officer*)

Paul was educated at Shrewsbury School and Clare College, Cambridge, where he read modern languages and economics. He qualified as a chartered accountant with his family firm before moving to Ernst and Young. He subsequently ran his own practice for 22 years before joining Maelor plc for its admission to AIM in 1997. Paul subsequently became finance director of Black Angel Mining plc (formerly Angus & Ross plc) before he took the role of executive chairman of the Eatonfield Group, leaving in 2010. He served on the LSE's AIM Advisory Group for a number of years and was a magistrate for 20 years.

The Board will focus upon the maintenance of existing skills and relevant expertise. The Chairman is a practising lawyer in the capital markets with a specific focus upon natural resources and the mining industry in particular. The other two non-executive directors are respectively a broker, again with a specialism in mining companies and a mining financier. In consequence, their present professions maintain their relevant focus and to this will be added appropriate training as necessary.

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DIRECTORS' REPORT

YEAR ENDED 31 MARCH 2023

The Directors have pleasure in submitting their report together with the audited financial statements for Great Southern Copper plc (the 'Company' and together with its subsidiary, the 'Group') for the year ended 31 March 2023.

Principal Activities

The Group is currently focussed upon the exploration for copper and gold in Chile. Further detail is covered in the Chairman's Statement and also in the Operations Report.

Risks and Uncertainties

The business of mineral exploration, evaluation and development contains inherent risks. The Group's exposure to such risks and associated uncertainties is covered in the Strategic Report on Page 21

Performance and Future Developments

A review of the work undertaken at the Group's projects is contained in the Operations Report as is an outline of proposed future activities. Further detail is to be found in the Chairman's Report.

General Background Information

The Company was incorporated in England and Wales on 4 March 2020. On 20 December 2021, the Company was admitted to listing on the Official List (Standard Segment) of the Financial Conduct Authority and to trading on the Main Market of the London Stock Exchange.

Details of issues of Ordinary Shares issued in the course of the year are covered in Note 18 on Page 67.

Further general information can also be found in Note 1 on Page 50, the Chairman's Statement and the Operations Report.

Dividends

No dividends are planned (2022: £nil).

Political and Charitable Donations

No political or charitable donations were made during the year under review (2022: £nil).

Directors

The Directors of the Company during the year were:

Charles Bond
Samuel Garrett
Stuart Greene
Nicholas Briers

The Directors' interests in the ordinary share capital of the Company and details of their remuneration are set out in the Remuneration Report from page 15.

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DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Substantial Interests

As at 31 March 2023, the total number of issued ordinary shares in the Company with voting rights was 213,336,411. Details of the Company's capital structure and voting rights are set out in note 18 to the financial statements

As at the date of approval of this report, the Company has been notified of the following interests in 3% or more of the issued ordinary share capital of the Company:

	<i>Number of Ordinary Shares</i>	<i>% of Issued Share Capital</i>
Vidacos Nominees Ltd*	114,165,964	53.51%
JIM Nominees Ltd*	29,274,772	13.72%
Cantor Fitzgerald Europe*	10,650,000	4.99%
Peter John Charles Davis	7,373,328	3.46%
Clive Ian Duncan	7,062,792	3.31%

*Nominee, not beneficial shareholder.

Streamlined Energy and Carbon Reporting

The UK government's Streamlined Energy and Carbon Reporting (SECR) was implemented on 1 April 2019, when the Companies (Directors' Report) and Limited Liability Partnerships Energy and Carbon Report regulations 2018 came into force. The regulations require that quoted companies and large unquoted companies that have consumed more than 40,000 kilowatt hours (kWh) of energy in the reporting period must include energy and carbon information within their Directors' report. The Company does not currently exceed this threshold but nevertheless, in the spirit of the requirements, it has calculated its energy usage below.

The Company will comply with applicable reporting obligations in line with the SECR regulations as the Company's strategy develops. The Board is conscious of its responsibilities under this legislation and has ensured that all its employees and contractors are imbued with a similar philosophy.

The Company does not maintain a centralised office within the UK, preferring to rely upon on-line meetings wherever possible. The Board met face to face twice in the financial reporting period; travel is kept to a bare minimum and operational energy consumption is reduced to an insignificant level.

Operations in Chile are still at an early stage. A limited amount of drilling and trenching work has taken place at both of its exploration projects, but all plant is hired in and is operated by contractors. Apart from this, very little energy consuming work has taken place. The only material travel has consisted of visits by the Chief Executive Officer and by the Company's country manager. There have been no Board visits during this financial reporting period.

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DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Streamlined Energy and Carbon Reporting (continued)

Consistent with the previous reporting period, all administration work is contracted out in Chile to a company whose energy consumption would be unlikely to alter materially without the presence of the Group.

Taking all these factors into account, the Board has calculated that its energy consumption for the year under review is in the order of 4,600 kWh, of which 72% relates to travel and the remaining 28% to office use.

Directors' and Officers' Liability Insurance

During the year under review, the Company maintained cover for its Directors and Officers under a Directors' and Officers' Liability policy. No qualifying third-party indemnity cover for the Directors has been provided by the Company.

Report on Payments to Governments

The Group makes no payments which are required to be disclosed under this category. However, annual statutory fees paid to the Chilean government by the holder of the concessions over which PTRC has options, are directly reimbursed by PTRC.

Subsequent Events

Further details on subsequent events can be found in note 23 and in the strategic report on page 20.

Going Concern

In common with many other mineral exploration companies, the Group has raised equity and debt finance for its exploration activities. The Board recognises that further finance will need to be raised as and when required to progress its exploration projects and add shareholder value. The Board also acknowledges that previous success in raising funds does not necessarily provide any guarantee that the Group will be able to do so in the future.

As at 31 March 2023, the Group's cash at bank amounted to £653,940; at the date of signing this report, the balance amounted to £534,460.

The Board has reviewed the Group's cash flow forecast up to 31 July 2024 and are aware that additional funds will likely need to be sourced in order to continue to advance its exploration activities and continue as a going concern for a period of at least 12 months from the approval of these financial statements. The auditors have acknowledged this going concern uncertainty in their unqualified audit report.

The Directors are confident that they will be able to secure the necessary funding in order to enable the Group to continue to advance its projects. The Group recently signed a £501,000 unsecured, convertible interest free loan agreement with the Company's major shareholder, Foreign Dimensions Pty Limited (refer to the 'Subsequent Events' note in the Strategic Report for details). The Board continues to closely monitor its cash position, allocate funds in line with its detailed budget and maintain a strict control over non-project spend. The Directors remain confident in the Company's ability to raise additional funds as required, from existing and/or new investors and therefore consider it appropriate to continue to adopt the going concern basis of accounting in preparing these financial statements.

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DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Auditors

A resolution to re-appoint the Company's Auditors, PKF Littlejohn LLP, will be proposed at the next Annual General Meeting of the Company, to be held before the end of September 2023

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under the law the Directors have elected to prepare the financial statements in accordance with the 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 Company and the Group and of the profit or loss of the Company and the Group for that year. The Directors are also required to prepare financial statements in accordance with the rules of the London Stock Exchange for companies with a Standard Listing.

In preparing these 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 applicable accounting standards have been followed, 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 records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the Great Southern Copper plc website is the responsibility of the Directors; work carried out by the auditor does not involve the consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

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DIRECTORS' REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Directors' responsibility statement pursuant to Disclosure and Transparency Rules

Each of the Directors, whose names and functions are listed on page 8 and 9, confirms that to the best of his knowledge and belief:

- The financial statements prepared in accordance with UK-adopted International Accounting Standards and in conformity with the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and loss of the Group and parent company; and
- The Annual Report and financial statements, including the Operations Report, includes a fair review of the development and performance of the business and the position of the Group and parent company, together with a description of the principal risks and uncertainties that they face.

Statement as to Disclosure of Information to the Auditor

So far as the Directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and each Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of the information.

We confirm to the best of our knowledge:

- The financial statements, prepared in accordance with the relevant financial reporting framework, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation as a whole;
- The strategic report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- The annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Approved by the Board of Directors and signed on behalf of the Board by:

Charles Bond

Chairman

28 July 2022

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DIRECTORS' REMUNERATION REPORT

YEAR ENDED 31 MARCH 2023

The Company's Remuneration Committee comprises two Non-Executive Directors: Charles Bond and Nick Briers. The Committee operates within the terms of reference approved by the Board. In the year to 31 March 2023, the Remuneration Committee met once to review fees of Directors and senior management. The items included in this report are unaudited unless otherwise stated.

Implementation of remuneration policy

Insofar as is practicable, the Remuneration Committee will ensure that the remuneration policy will be reviewed in the next financial year. However, implementation of any recommended changes will be dependent upon a number of factors as outlined above. The review will be undertaken with the aim of retaining and incentivising current management. The statement of Remuneration Policy will be proposed for approval by shareholders at the forthcoming Annual General Meeting before the end of September this year.

Statement of policy on Directors' remuneration

Given the current size and stage of development of the Group, there is no formal policy yet in place in respect of remuneration, although it is the Company's intention to maintain levels of remuneration so as to attract, motivate, and retain Directors and senior management, who can contribute their experience to deliver the appropriate performance required by the Company's operations. The Company is particularly mindful of the need to balance this objective with the fact that it is pre-revenue.

Since the date of admission to listing, the Non-Executive Directors have been remunerated through salaries and the grant of share options at the time of admission. Total salaries payable to Directors have been modest. As the Company grows, and increasingly will need to make external hires, it will become necessary to move to a more long-term and sustainable policy, which continues to align the interests of Directors and senior management with those of shareholders, while recognising that new hires will not initially have an equity position. Accordingly, it is likely that compensation packages for executive directors in particular will need to move over time to a level more consistent with the market.

Currently Directors' remuneration is not subject to specific performance targets. The Company is sufficiently small that the Remuneration Committee does not consider that it is necessary to impose such targets as a matter of principle, but believes that exceptional performance should be rewarded on an ad hoc basis. Over the next year the Board will review the possibility of setting relevant objectives for executive management, dependent on factors such as exploration progress, market profile and ESG targets. Similarly, the Committee has not adopted a specific policy with regard to share option grants; nonetheless, the use of share options will continue to be an important part of the compensation packages both for executive and non-executive directors, particularly until such time as the Company is generating cash from operations.

The Remuneration Committee considers the remuneration of directors and senior staff and their employment terms, and makes recommendations to the Board of Directors on the overall remuneration packages. No Director takes part in any decision directly affecting their own remuneration.

This statement of Remuneration policy will be proposed for approval by shareholders at the forthcoming Annual General Meeting.

GREAT SOUTHERN COPPER PLC

DIRECTORS' REMUNERATION REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Directors' remuneration

The Directors who held office at 31 March 2023 and who had beneficial interests in the ordinary shares of the Company are summarised as follows:

<i>Name of Director</i>	<i>Position</i>
Samuel Garrett	Chief Executive Officer
Stuart Greene	Non-Executive Director
Nicholas Briers	Non-Executive Director
Charles Bond	Non-Executive Chairman

Details of these beneficial interests can be found on Page 18 of this report.

Samuel Garrett entered into a service agreement at the time the Company's admission to the market in December 2021 and each of the Non-Executive Directors entered into a letter of appointment. Details of those agreements are set out below. There were no other major remuneration decisions in the period.

Chief Executive Officer's Remuneration

There has been no change to the basis of calculation or the daily rate paid to the Chief Executive Officer. Any variation in the amount for the current year compared to the prior year is solely due to a difference in the time allocated to the Company and a variation in the exchange rate.

Directors' service contracts

Samuel Garrett

Samuel was appointed as Chief Executive Officer of the Company on 11 September 2020 and pursuant to the terms of a service agreement with the Company dated 7 December 2021, either party may terminate the appointment upon six months' written notice. He is paid a salary equivalent to US\$200,000 per annum pro rata to the time committed to the Company, which is a minimum of 50%.

Stuart Greene

Stuart entered into a letter of appointment with the Company on 7 December 2021 pursuant to which either party may terminate the appointment upon three months' written notice and he is paid an annual salary of £28,571 per annum.

Nicholas Briers

Nicholas entered into a letter of appointment with the Company on 7 December 2021 pursuant to which either party may terminate the appointment upon three months' written notice and he is paid an annual salary of £28,571 per annum.

Charles Bond

Charles entered into a letter of appointment with the Company on 7 December 2021 pursuant to which either party may terminate the appointment upon three months' written notice and he is paid an annual salary of £39,286 per annum payable by way of shares in the Company.

GREAT SOUTHERN COPPER PLC

DIRECTORS' REMUNERATION REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Remuneration components

The Board has to date structured remuneration and incentivisation around the principles set out in guidelines published by the Quoted Company Alliance, and also taken into account the fact that the Company is an early-stage exploration business. Remuneration packages therefore are aimed at motivating directors and supporting the delivery of the business objectives in the short and longer term, using a combination of both salaries and share options, some of which are linked to share price performance thereby aligning their interests with the interests of long-term shareholders. Remuneration packages have been set high enough to recruit and retain high quality executives, but at levels that are benchmarked to peers, not excessive and well within market parameters for a business of the size and stage of the Company.

For the year ended 31 March 2023, salaries and share incentive arrangements were the sole component of remuneration. The Remuneration Committee will continue to consider the components of Directors' remuneration during the year and following this review anticipate that they will continue to consist of salaries and share incentive arrangements, but the Committee will also consider the use of bonus arrangements for executive management if appropriate for medium term incentivisation, based on relevant factors such as exploration progress, market profile and ESG targets.

Directors' emoluments and compensation (audited)

Set out below are the emoluments of the Directors for the year ended 31 March 2023:

Name of Director	Short term employment benefits*		Other benefits		Total	
	2023 £	2022 £	2023 £	2022 £	2023 £	2022 £
Stuart Greene	28,571	28,722	-	-	28,571	28,722
Nicholas Briers	28,571	28,742	-	-	28,571	28,742
Charles Bond	39,286	11,069	-	-	39,286	11,069
<i>Non-Executive total</i>	96,428	68,533	-	-	96,428	68,533
Samuel Garrett	105,714	69,984	13,382	6,998	119,096	76,982
<i>Executive total</i>	105,714	69,984	13,382	6,998	119,096	76,982
Total	202,142	138,517	13,382	6,998	215,524	145,515

* Excludes NI paid by Company of £13,998 (2022: £3,760).

GREAT SOUTHERN COPPER PLC

DIRECTORS' REMUNERATION REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Directors' emoluments and compensation (audited) (continued)

The interests of the Directors who served during the year in the share capital of the Company at 31 March 2023 and at the date of this report were as follows:

Name of Director	Number of ordinary shares held 31 March 2023	As at the date of this report	Number of ordinary shares held 31 March 2022	Number of share options vested but unexercised as at 31 March 2023	Number of share options vested but unexercised as at 31 March 2022
Samuel Garrett	4,926,878	5,760,211	4,926,878	1,347,407	673,703
Stuart Greene	100,000	933,333	100,000	505,276	252,638
Nicholas Briers	200,000	1,033,333	200,000	505,276	252,638
Charles Bond*	1,260,311	2,093,644	400,000	842,128	421,064

*The allotment of shares to Charles Bond for the quarter ended 31 March 2023 has not yet taken place, although the relevant salary is included in the remuneration figures above.

Total pension entitlements (audited)

The Company makes a 10% contribution to the Chief Executive Officer's superannuation scheme but otherwise has no other pension plans.

Payments to past directors (audited)

The Company has not paid any compensation to past Directors.

Payments for loss of office (audited)

The Company has not paid any amounts for loss of office.

Directors' interests in share options (audited)

Details at 31 March 2023 of share options (vested and unvested) over ordinary shares held by directors who served during the year are set out in the table below

Name of Director	Number of share options at 31 March 2023	Number of share options at 31 March 2022
Samuel Garrett	4,042,222	4,042,222
Stuart Greene	1,515,833	1,515,833
Nicholas Briers	1,515,833	1,515,833
Charles Bond	2,526,388	2,526,388

The terms of the options stipulate that 50% of the options will vest in 3 equal tranches, exercisable at any time at an exercise price of 5p per option, being on admission to listing, the first anniversary of admission and the second anniversary of admission. The remaining 50% of options will vest in 3 equal tranches exercisable at 5p per option when the average share price reaches 10p, when the average share price reaches 15p and when the average share price reaches 20p, in each case over a 30 day period.

The weighted average contract length on the options was 4 years (2022: Nil). The remaining average contractual life of the options was 2 years 8 months (2022: 3 years 8 months).

GREAT SOUTHERN COPPER PLC

DIRECTORS' REMUNERATION REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

The weighted average contract length on the options was 4 years (2022: Nil). The remaining average contractual life of the options was 2 years 8 months (2022: 3 years 8 months). Other than as set out above, there were no awards of annual bonuses or incentive arrangements in the period. All remuneration

Directors' interests in share options (audited) (continued)

was therefore fixed in nature and no illustrative table of the application of remuneration policy has been included in this report.

Consideration of employment conditions elsewhere in the Group

The Committee has not consulted with employees about executive pay but considers that the current remuneration of Executive Directors is consistent with pay and employment benefits across the wider Group.

UK 10-year performance graph

The Directors have considered the requirement for a UK 10-year performance graph comparing the Group's Total Shareholder Return with that of a comparable indicator. The Directors do not currently consider that including the graph will be meaningful because the Company has only been listed since December 2021, is not paying dividends and is currently incurring losses. The Directors will review the inclusion of this table for future reports.

UK 10-year CEO table and UK percentage change table

The Directors have considered the requirement for a UK 10-year CEO table and UK percentage change table. The Directors do not currently consider that including these tables would be meaningful as remuneration is not currently linked to performance, therefore any comparison across years or with the employee group would be significantly skewed and would not add any information of value to shareholders. The Directors will review the inclusion of this table for future reports.

Relative importance of spend on pay

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

Compliance with Listing Rule 9.8.4 (7)

In accordance with the terms of his employment arrangements, the Chairman's remuneration is payable in the form of ordinary shares in the Company, calculated quarterly on the basis of the volume weighted average price for the preceding quarter. Shares are allotted on this basis after the deduction of appropriate income tax and national insurance contributions. Full details of the allotments relating to remuneration payable for the year ended 31 March 2023 are set out in the Company's announcements dated 29 July 2022, 7 November 2022, and 21 February 2023. Allotment of shares for the quarter ended 31 March 2023 has not taken place as at the date of signing these accounts, although the remuneration disclosed does take into account the consideration for such allotment.

Other matters

The Company does not currently have any annual or long-term incentive schemes in place for any of the Directors other than as disclosed above.

Approved by the Board on 28 July 2023.
Charles Bond
Chairman of the Remuneration Committee

GREAT SOUTHERN COPPER PLC

STRATEGIC REPORT

YEAR ENDED 31 MARCH 2023

The Directors present their Strategic Report on the Group and Company for the year ended 31 March 2023.

Strategy and Business Review

The Company's strategy is to create value for shareholders by using the expertise of its management team to successfully explore for copper-gold (Cu-Au) deposits in Chile and, potentially, to identify and acquire other mineral exploration projects.

The Company's exploration projects in Chile comprise the San Lorenzo Cu-Au project north east of the coastal town of La Serena in northern Chile and the Especularita Cu-Au project located approximately 170km to the south of the San Lorenzo project. Both projects are situated in the Coastal Cordillera of Chile with good access to infrastructure.

The prospectivity of both projects is confirmed by both significant historical small scale artisanal workings for copper and gold and the exploration work completed to date. In the past year, the Company has undertaken geological mapping, trenching and scout drilling at San Lorenzo. At Especularita, the Company has carried out geological mapping, stream sediment sampling, rock chip and float sampling. Exploration is still at an early stage at both projects and has not yet matured to the stage where a mineral resource estimate has been defined. Nevertheless, drilling at San Lorenzo has confirmed the discovery of a large intrusive-related Cu-Au mineralised system and, at Especularita, results have identified mineralised vein breccia targets for follow-up work.

In December 2021, £3.5 million was raised to fund the Company's two-year exploration programme at San Lorenzo and Especularita. In the past financial year, £2,136,136 was spent according to the budget leaving a cash balance of £653,940 as at 31 March 2023.

The outlook for copper is positive, given the lack of investment in new copper discoveries over the last decade, which has lowered copper production at a time when it needs to ramp up significantly to enable the transition to clean energy. For copper exploration, Chile is a prime destination. It is the largest copper producer in the world and one of South America's most promising investment destinations. It is a stable and prosperous country with such impressive mineral endowment, that all the world's major mining companies operate there.

Details of the Company's results and prospects are set out in the Chairman's Statement and in the Operations Report.

Subsequent Events

On 15 May 2023, the Company entered into an agreement with Foreign Dimensions Pty Limited ("FD") whereby FD agreed to provide the Company with an unsecured interest free convertible loan facility in the aggregate sum of £501,000. The loan is to be made in two tranches:

- £250,000 on 31 August 2023; and
- £251,000 on 11 September 2023.

Automatic conversion of the loan into Ordinary Shares ("Conversion Shares") in the Company at a price of 1.2p per share, and the grant of an equivalent number of warrants exercisable at 2.4p, is subject to certain conditions, in particular publication of a prospectus approved by the FCA in relation to, and authority being granted by the Company's shareholders for, the allotment and issue of the Conversion Shares and the grant of the warrants.

GREAT SOUTHERN COPPER PLC

STRATEGIC REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Subsequent Events (continued)

In the event that such authority is not granted, any advance already made is repayable by the Company one year after the date of such advance.

On 19 May 2023, by way of a private placing, the Company issued a further 41,749,998 Ordinary Shares at a price 1.2p per share, raising £501,000 before costs, each with the right to a warrant attached, also to be granted conditional on satisfaction of the conditions above, and exercisable at 2.4p.

On the same date, the Company made loans of £10,000 each to two of the Directors, Stuart Greene and Nick Briers to enable them each to subscribe for shares in the abovementioned placing. These loans, which are interest free, are being repaid from their after tax salaries. It is envisaged that both loans will be repaid before 30 November 2023.

The Company has announced the appointment of Martin Page as Finance Director. Mr Page will take up his appointment on 1 August 2023.

Principal Risks

The Directors have identified the following principal risks in regards to the Company's future. The relative importance of these risks is likely to evolve over time as the Company executes its strategy in Chile and as the external economic and market environment changes.

Strategic Risk

The Company's strategy may not deliver the results anticipated by the shareholders. The Directors regularly monitor the Company's progress and will modify the strategy as required, based on internal and external developments and exploration results. The strategy is monitored at the Company's regular Board meetings.

Concentration Risk

The Company's activities are currently geographically concentrated in Chile. As a result of this concentration, the Company may be disproportionately exposed to the impact of local delays or interruptions to development of, and future production from, these locations caused by significant changes to governmental regulation, interruption to transportation together with capacity constraints, curtailment of future production, natural disasters, adverse weather conditions, civil unrest, labour disputes or other events which impact this area.

Exploration Risk

The Company's projects are regarded as 'early-stage exploration', are highly speculative in nature, and may not result in success. There is no guarantee that further mineralisation or recoverable economic resources will be found.

Whilst the Directors endeavour to apply their skills to assess the projects, exploration is costly, highly speculative and often unsuccessful. For instance, factors such as adverse weather conditions, natural disasters, equipment or services shortages, procurement delays or difficulties arising from the environmental and other conditions in the areas where the potential resources are located, may increase costs and make it uneconomical to advance or develop the Company's projects. Failure to discover new mineral resources or maintain existing mineral rights could materially and adversely affect the Company's results of operations, cash flows, financial conditions and prospects.

GREAT SOUTHERN COPPER PLC

STRATEGIC REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Government Regulation

The concessions and operations of the Company are located in jurisdictions outside of the UK and there are, therefore, a number of risks that the Company is unable to control.

Whilst the Company makes every effort to ensure that it has robust commercial agreements in place, there is a risk that the Company may be adversely affected by political factors such as taxes and charges, suspension of licences and changes to the laws governing mineral exploration and extraction activities.

The current Chilean government's legislative programme includes a proposal to change the taxation of mining activities in Chile. A draft bill that would modify the mining royalty regime is under discussion in Congress. The proposed royalty has a hybrid nature and combines an ad valorem component that would be applied to annual sales of copper and a variable element linked to the mining operating margin. The royalty tax would apply to mining companies producing over 12,000 tonnes of fine copper per year.

Despite the fact that the Company's operations are currently limited to exploration activities, the enactment of the aforementioned bill could considerably increase mining taxes, potentially affecting the viability of future exploitation projects in Chile, as well as those of the Company, which could become uneconomic. The Company will continue to monitor the proposed changes and the potential adoption of a Mining Royalty Tax, which may adversely affect potential future operations of the Company.

Modifications to the Chilean mining code expected to be introduced in 2023 but now postponed to January 2024, include extending the duration of an exploration concession from two to four years but eliminating the possibility of requesting an extension to an exploration concession given the increased duration. The Company will continue to monitor the various modifications to the mining code that are being discussed by Congress and their potential impact on the Company, including the impact on the concessions to which the Company has rights at the time the new laws come into force.

Permitting

The Company's rights to the San Lorenzo and Especularita projects are defined by option agreements that its subsidiary, PTRC, has over the exploration and exploitation concessions at these projects. The option agreements and all of the concessions are in good standing.

Exploration concessions in Chile last for 2 years, counted since their constitution by judicial ruling, and are subject to the payment of annual fees to the Chilean Treasury. If these fees are not paid in a timely manner, the claim can only be restored to good standing by paying double the annual fee the following year. At the end of the two-year period, the exploration concession may i) be renewed for an additional two years, in which case at least 50% of the surface area of the exploration concession must be relinquished, or ii) be converted, totally or partially, into an exploitation concession.

Exploitation concessions are valid in perpetuity so long as annual fees are paid to the Chilean government. The process to incorporate a mining concession is based on the principle that grants preference to the first petitioner before the local court. The holder of an exploration concession in good standing has the preferential right to incorporate an exploitation concession within the boundaries of its exploration concession. Notwithstanding, anyone can request the incorporation of a mining concession within the limits of the exploration concession of a different owner, in which case the holder has to file a claim opposing the aforementioned constitution, within 30 days, counted from the date of publication of the application made by the interested third party. Exploration and exploitation concessions do not necessarily imply a right to mine, except on a small scale. However, they give the owner the right to mine subject to the granting of permits.

GREAT SOUTHERN COPPER PLC

STRATEGIC REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Permitting (continued)

There is no guarantee that any of the granted exploration concessions, or any exploration concessions granted in the future, will be renewed. Additionally, there is no guarantee that the exploitation concessions granted or to be granted can be effectively maintained by payment of the appropriate annual licence fees or by means of compliance with any new regulation that may control the granting and maintenance of exploitation concessions in the future. If these exploration and exploitation concessions are not renewed or maintained, or if new exploration and exploitation concessions are applied for and not granted, this could have a material adverse effect on the Company's business, prospects, financial conditions and results of operations.

Whilst the Company is satisfied that it has taken reasonable measures to ensure an unencumbered right to explore its projects in Chile, the relevant concessions may be subject to undetected defects. If a defect does exist, it is possible that PTRC may lose all or part of its interest in one or more of the concessions to which the defect relates and its exploration and exploitation rights over the areas related to such concessions and prospects of commercial production may accordingly be adversely affected.

Exploration concessions, which PTRC has the right to acquire through option agreements, need to be duly registered in the Chilean Mining Registrar in order for them to be enforceable. If PTRC fails to register any option agreement in the Chilean Mining Registrar, then it may be unable to enforce the benefit of them and PTRC's title to the exploration concession could be subject to potential litigation by third parties claiming an interest in them. PTRC has submitted all option agreements not currently registered in the Chilean Mining Registrar for registration and has no reason to believe that any of the option agreements will not be registered.

Environmental and Other Regulatory Requirements

Currently the Group's environment impact is limited to the activities associated with exploration and is therefore minimal. The development of any project into a mining operation will have a considerable impact on the local landscape and communities. There may at some point be opposition to mining by some parties and this may impact the ability of the Company to progress these projects towards production.

Although the Company believes that its projects are currently in compliance with all relevant environmental and health and safety laws and regulations, there can be no guarantee that new laws or regulations, or amendments to current laws or regulations will not be introduced and they may have a material impact on the Company and its projects. The Company will continue to maintain the highest standards and aim to comply with all appropriate laws and regulations. The Company will also continue to engage with local communities and non-governmental and governmental bodies to ensure any impacts of current and future activities are minimised and managed appropriately.

Financing

The Company is in the exploration stage of its development and will only become revenue producing once successful exploration has been achieved and an operating mine developed. Consequently, the Company will be dependent on either equity funding or bringing in partners to finance its operations. The Company may not be successful in the procurement of the required funds and may therefore have to adjust its exploration strategy accordingly.

Commodity Prices

The market prices of copper and gold, like many commodities, are volatile and are affected by numerous factors which are beyond the Company's control. Sustained downward movements in copper and gold prices could render less economic, or uneconomic, the mineral projects that the Company is exploring and could negatively impact the availability of equity finance to the Company for it to continue to fund its exploration activities.

GREAT SOUTHERN COPPER PLC

STRATEGIC REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Foreign Currency and Exchange Rates

The Company may be exposed to ongoing currency risk, however no forex sensitivities have been included as they are deemed to be immaterial. Proceeds of fundraises are expected to be mostly in Sterling; the Company's financial statements are stated in Sterling and certain ongoing management costs will be denominated in Sterling. Its operational costs are largely in Chilean Peso (CLP). As a result, fluctuations in the exchange rates of these currencies may adversely affect the Company's exploration budgets, operating results, cash flows or financial condition to a material extent.

Market Conditions

The Company cannot predict the extent of periods of slow or negative economic growth and any resultant weakening of consumer and business confidence. This might result in difficulties in raising capital and lower the level of demand for many products across a wide variety of industries, including those industries for which commodities in the natural resources sector are an important raw material. Accordingly, the Company's estimate of the results of operations, financial conditions and prospects of the Company, and of any future acquisition targets, will be uncertain and may be adversely impacted by unfavourable general global, regional and national macroeconomic conditions.

Dependence on Key Personnel

The Company's success depends to a significant extent on the quality of its management. The Company's business may be disrupted, additional cost may be incurred or its future may be jeopardised by a loss of, or failure to retain, sufficient numbers and quality of management staff or senior personnel.

To mitigate this risk, measures are in place and are under review to reward and retain key individuals and to protect the Company from the impact of staff turnover.

Social, Community and Human Rights

It is the Company's intention to operate for the benefit of all stakeholders. In this regard, it will ensure that PTRC:

- Adopts fair, non-discriminatory employment practices;
- Ensures safe working practices for all employees;
- Positively engages with local communities and is sensitive to any concerns that they may have regarding land usage, water resources, biodiversity, cultural sites and artefacts; and
- Will treat local suppliers fairly.

Whilst the projects are still at an early stage of exploration, the Company recognises that for any mine to be developed at the project sites, it must be able to demonstrate to all stakeholders, a clear positive benefit that respects social, community and human rights.

Climate Related Financial Disclosures

The Board wholeheartedly acknowledges the seriousness of the challenge of dealing responsibly with this subject and has made an effort to accurately calculate its energy usage in the Directors' Report on Page 11. However, it is accepted that work needs to be done to comply fully with the disclosure requirements of the Task Force on Climate Related Financial Disclosures. The Company is at an early stage of its exploration and has limited resources. Nevertheless, it is intended that in the forthcoming year the Board will fulfil these requirements.

GREAT SOUTHERN COPPER PLC

STRATEGIC REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Gender/Minority Ethnic Background of the Company

As at 31 March 2023 (the 'Reference Date') and based on how our employees identify themselves, the gender and minority ethnic background of the Company's board of directors and executive management fails to meet the Financial Conduct Authority's three targets for a company with a standard listing of equity shares (regulation LR 13.3.33 R) which are:

- at least 40% of the individuals on its board of directors are women;
- at least one of the senior positions on its board of directors is held by a woman; and
- at least one individual on its board of directors is from a minority ethnic background.

The Company's small board and executive management team currently comprises 100% white males and this situation remains unchanged at the date of this annual report.

Notwithstanding the current situation, the Company is committed to fostering a diverse and inclusive work environment whilst seeking to attract and retain the most qualified professionals regardless of gender or ethnicity. The Company's failure to meet the FCA targets reflects the early-stage development of the Company (with just five employees) and the reality of a mining industry that is still very male dominated. Nevertheless, our aspiration is to create a more gender and minority ethnicity balanced company in time as we expand and build out our team.

Gender Pay Gap

As a result of the Company's early stage of development, there are just five employees and none of them are women (as described above). As a consequence, there is no basis for a gender pay gap analysis.

Key Performance Indicators (KPIs)

Given that the Company is at an early stage in its development, has no turnover and is dependent on raising funds in the equity market to finance its activities, many of the quantifiable KPIs that companies in other industries may present are not applicable here. Nevertheless, management is monitoring key performance indicators or the process associated with:

- Company expenses and the cash balance to ensure that the Company can meet its expected obligations as they fall due and to inform the required timing of the next fund raising;
- The progress of the exploration programme and the status and commitments with regards to the exploration concessions; and
- Ensuring that PTRC meets its environmental and social obligations in Chile.

The Directors are of the opinion that, for an early-stage mineral exploration company, the audited accounts, the Chairman's Statement and the Operations Report are the best means of assessing the performance of the Company during the year.

GREAT SOUTHERN COPPER PLC

STRATEGIC REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Section 172(1) Statement

The Directors believe they have acted in the way that they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole (as required by s172 of the Companies Act 2006), and in doing so have had regard (amongst other matters) to the following factors:

- 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, customers and others;
- The impact of the Company's operations on the community and the environment;
- The desirability of the Company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between members of the Company.

The application of the s172 requirements can be demonstrated by the actions and key decisions of the Company during the year including:

- In pursuit of the Company's strategy of creating value for shareholders via the exploration for copper mineral deposits in Chile, the Company has, in the past year:
 - carried out exploration and identified copper mineralisation at its two projects in Chile;
 - confirmed the discovery of a large intrusive-related copper-gold mineralised system at San Lorenzo;
 - identified mineralised vein breccia targets for follow up work; and
 - reviewed a number of new projects that could be brought into the Company as a 'third' project.
- In order to pursue the strategy outlined, the Directors are aware of the importance of developing the skills of its employees and establishing a good team work ethic where team members work well together and communicate openly with each other. In pursuit of this objective, the CEO visited the projects in Chile on four occasions during the year, working with team members and, together with the Company's experienced exploration manager, imparting the benefit of their expertise to more junior team members.
- In the past year, the Company has acted fairly, in good faith and without problems with all of the service providers.
- At this stage of the Company's development, it has no customers.
- The Directors are very aware of the need to carefully manage environmental and social matters in Chile in order to ensure that it has a social licence to explore and, if successful, to ultimately mine at the project sites. The Company has prepared a 'Sustainability' statement which appears on the Company's website and has commenced work on an Environmental, Social and Corporate Governance ("ESG") policy to govern how members of the team manage these matters and to ensure that the Company operates to the highest standards.
- The Company's values of business conduct are described in the Corporate Governance Statement. Additionally, the culture of the Company is illustrated by the following statements that appear on the Company's website:
 - We will be guided by our company values to act with integrity at all times both within the workplace and within the community more broadly; and
 - We will communicate transparently and honestly with all stakeholders

GREAT SOUTHERN COPPER PLC

STRATEGIC REPORT (CONTINUED)

YEAR ENDED 31 MARCH 2023

Section 172(1) Statement (continued)

- Retaining investor support is important to the Company and, therefore, the Directors intend to keep shareholders fully and equally informed. In the past year, the Company has kept shareholders informed of progress via news releases, web podcasts, the Company's website, attending a mining conference and through direct contact. Moving forward, management will continue to attend mining conferences where they will be available to meet shareholders in person.

Approved by the Board on 28 July 2023

Stuart Greene

Chairman of Audit Committee (Non-Executive Director)

GREAT SOUTHERN COPPER PLC

CORPORATE GOVERNANCE

YEAR ENDED 31 MARCH 2023

The Directors of the Company are listed on page 10. The Chief Executive Officer ("CEO") is responsible for the day-to-day management of the Company, subject to the directions of the Board. The CEO is supported by the Non-Executive Directors, a Chief Financial Officer who is responsible for the financial control, management, accounting and reporting functions of the Company, and an in-country manager to assist with local operations.

The Company recognises the importance of and is committed to high standards of corporate governance. As a Company listed on the Standard Segment of the Official List of the Financial Conduct Authority, the Company is not required to comply with the provisions of the UK Corporate Governance Code. However, in the interests of observing best practice on corporate governance, the Company observes the requirements of The Quoted Companies Alliance Corporate Governance Code (the "QCA Code"), insofar as is appropriate having regard to the size and nature of the Company and the composition of the Board. A copy of the QCA Code is available at qca.com.

Since adopting the QCA Code at the time of listing, the Company has departed from it in the following respects and for the following reasons:

- The CEO is currently only contracted to spend 50% of his time serving the requirements of the Company and the CFO is only contracted for 3 days a week. This is partly due to other current obligations of each individual but also assists with maintaining lower remuneration costs for the Company during its initial stages. As the Company matures it expects to engage its CEO and CFO on a full-time basis.
- Given its early-stage nature, the Company does not currently have a senior independent director. For a similar reason the Company does not have a nomination committee, rather this function will be carried out by the Remuneration Committee. The Board has not carried out a board performance evaluation during the year.
- The Board does not consider an internal audit function to be applicable due to the Company's limited number of transactions.
- A diversity policy has not yet been developed but biographies of directors and senior management and their relevant experience are set out on pages 8 & 9.

The sections below set out how the Group otherwise applies the principles of the QCA Code.

Strategy and business model which promotes long-term value for shareholders

The Company is involved with mineral exploration for copper-gold resources in Chile. Its primary objective is to generate long term value for shareholders, which it is seeking initially to achieve through the exploration and evaluation of two early-stage copper-gold projects, and potentially thereafter through further acquisitions and investments. Using the Company's expertise, it is carrying out a two-year evaluation work programme to target principally large tonnage, low to medium grade porphyry style Cu-Au deposits, and subsequently exercise its options to acquire them.

Early stage mineral exploration is by its nature speculative and the Company aims to reduce the risks inherent in the business by maintaining a close relationships with its Chilean partners who own the mineral rights over which the Company has an option, keeping abreast of current Chilean political developments, which might affect the mining industry, regularly reviewing the good standing of the concessions under option to the Company, and the careful application of funds to the most promising exploration targets. Further risk factors which the Company regularly takes into account are set out in the Strategic Report.

GREAT SOUTHERN COPPER PLC

CORPORATE GOVERNANCE (CONTINUED)

YEAR ENDED 31 MARCH 2023

Shareholder communications

The Company is committed to engaging with its shareholders to ensure that its strategy, operational results and financial performance are clearly understood. At this early stage, the Board is focusing on in-country operations, but expects to engage more actively with shareholders once it has its first drilling results, including via roadshows, attending investor conferences and through its regular reporting on the London Stock Exchange. The Company's announcements are set out on its website, which also hosts its prospectus that was produced for the listing, and its most recent corporate presentation, webcasts and phone numbers to contact the Company and its professional advisers.

Whilst the Chief Executive Officer has ad-hoc meetings with larger retail shareholders in Australia to seek their views and concerns, the Company's forthcoming annual general meeting will be the main forum for dialogue with shareholders and the Board, and notice of the meeting will be sent to shareholders at least 21 days beforehand. All UK based Directors are expected to attend the AGM and to be available to answer questions raised by shareholders. For each vote, the number of proxy votes received for, against and withheld will be announced at the meeting. The results of the AGM will also be announced via the London Stock Exchange. Investors can always contact the Company via its website (www.gscplc.com). The Non-Executive Chairman and Non-Executive Directors are also available to meet with major shareholders in the UK if required to discuss issues of importance to them and are considered to be independent from the executive management of the Company.

Wider stakeholder and social responsibilities and their implications for long term success

Aside from its shareholders, the Group's most important stakeholder groups are its employees, local partners and those local communities that may be impacted by its exploration activities, although given the size, stage and location of the Company's projects there is minimal impact currently. The Board regularly reviews stakeholder issues and their potential impact on the Group's business to enable the Board to understand and consider these issues in decision-making. The Board understands that maintaining the support of all its stakeholders will be paramount for the long-term success of the Company.

The Board is also mindful of its obligations to the local environment and to operate according to appropriate health and safety regulations in respect of both local workers and the local community. Although at this stage of exploration there is little requirement for engagement, the Board is mindful of the future need to do so as exploration and development activity on projects increase, such as holding public forums, site visits and workshops. Social projects in the local communities will be dependent on local need and also the stage of exploration/level of project investment.

If and when the Company's projects move forward towards potential mining activities, it may seek to bring in partners, who can credibly make the investments to move towards mine production. In doing so the Board will have regard for their ability and desire to move projects forward, their industry reputation and their commitment to treating the local communities fairly and protecting the environment.

GREAT SOUTHERN COPPER PLC

CORPORATE GOVERNANCE (CONTINUED)

YEAR ENDED 31 MARCH 2023

Risk management and mitigation

Audit, risk and internal control

Financial controls

The Company has a framework of internal financial controls, the effectiveness of which is regularly reviewed by the Directors and the Audit Committee. The key financial controls are:

- The Board is responsible for reviewing and approving overall Company strategy, approving new exploration projects and budgets, and for determining the financial structure of the Company including treasury and tax matters. The Company maintains a schedule of matters reserved for the Board;
- The Audit Committee assists the Board in discharging its duties regarding the financial statements, accounting policies and the maintenance of proper internal business, and operational and financial controls;
- The Remuneration Committee assists the Board in reviewing the scale and structure of the executive directors' and senior employees' remuneration and the terms of their service or employment contracts, including share option schemes and other bonus arrangements;
- Regular budgeting and forecasting are performed to monitor the Company's ongoing cash requirements and management information is provided to the Board on a monthly basis;
- Due to the international nature of the business the Group holds bank accounts in the UK, Australia and Chile and moves money between them to mitigate against foreign exchange rate movement exposures. Foreign currency balances are maintained to meet expected requirements; and
- The Company manages exploration risk of failure to find economic deposits by low cost early-stage exploration techniques, with detailed analysis of results. Moving projects to more expensive exploration techniques requires a rigorous review of results data prior to deciding whether to proceed with further work.

Non-financial controls

The Board has ultimate responsibility for the Company's system of internal control and for reviewing its effectiveness. However, any such system of internal controls can provide only reasonable, but not absolute, assurance against material misstatement or loss. The Board considers that the internal controls in place are appropriate for the size, complexity and risk profile of the Company. The principal elements of the Company's internal control system include:

- Close management of the day-to-day activities of the Company by the Chief Executive Officer and Chief Financial Officer;
- An organisational structure with defined levels of responsibility, which promotes entrepreneurial decision-making and rapid implementation while minimising risks; and
- Central control over key areas such as capital expenditure authorisation and banking facilities.

GREAT SOUTHERN COPPER PLC

CORPORATE GOVERNANCE (CONTINUED)

YEAR ENDED 31 MARCH 2023

Non-financial controls (continued)

The Company will review at least annually the effectiveness of its system of internal control, whilst also having regard to its size and the resources available. As part of the Company's plans, it continues to review a number of non-financial controls covering areas such as regulatory compliance, business integrity, health and safety, and corporate social responsibility. All employees have been made aware of their obligations under anti-bribery and corruption legislation.

Maintaining the Board as a well-functioning, balanced team led by the Chairman

The Board comprises the Non-Executive Chairman, one Executive Director and two Non-Executive Directors. All Non-executive Directors are considered to be independent and have extensive experience in the mining industry. The Chairman, Charles Bond, is a qualified lawyer, who advises a large variety of mining companies, and the other two Non-Executives are a seasoned mining financier (Stuart Greene) and a stockbroker for mining companies (Nick Briers) respectively. All committed a substantial amount of their time to launching the Company on the London Stock Exchange, have conducted a site visit (save for Nick Briers on account of Covid concerns) and continue to contribute a significant amount of time to the Company's operations.

The Board is satisfied that it has a suitable balance between independence on the one hand, and knowledge of the Company and industry on the other, to enable it to discharge its duties and responsibilities effectively. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.

The Chief Executive Officer is contracted to spend at least half of his time working for the Company, and the Chief Financial Officer is contracted to provide three days a week of his time. In reality both have contributed more time during and since the Company's listing, and as operations increase it is expected that these positions will move to become full time, or alternative staffing arrangements will be put in place. The Board aims to meet at least quarterly. The agenda is set by the Chairman in consultation with the Chief Executive, with supporting information provided in a timely manner. The standard agenda points include:

- Review of previous meeting minutes and actions arising there from;
- A report by the CEO covering all operational matters;
- A report from the CFO covering all financial matters;
- Any other business.

Directors' conflict of interest

The Company has effective procedures in place to monitor and deal with conflicts of interest. The Board is aware of the other commitments and interests of its Directors, and changes to these commitments and interests are reported to and, where appropriate, agreed with the rest of the Board. The Directors have access to the Company's brokers and its lawyers, and in particular used these advisers fully for its admission to listing. The advisers do not typically provide materials for Board meetings except if requested to do so for the purposes of discussing upcoming regulations and other issues. Directors and Officers Liability insurance is maintained for all Directors.

GREAT SOUTHERN COPPER PLC

CORPORATE GOVERNANCE (CONTINUED)

YEAR ENDED 31 MARCH 2023

Directors' conflict of interest (continued)

The table below sets out the attendance statistics for all current Board members from Admission to 31 March 2023:

	<i>Meetings Attended</i>	<i>Meetings Held</i>
Samuel Garrett	11	11
Stuart Greene	11	11
Nicholas Briers	11	11
Charles Bond	11	11

Directors' experience, skills and capabilities

The Board is satisfied that, between the Directors, it has an effective and appropriate balance of skills and experience, particularly so in the area of copper and gold exploration. The Chairman is a practising lawyer specialising in the mining industry, whilst the other two non-executive directors maintain ongoing skills at broking for the mining industry and financing mining projects respectively. The Board is conscious of its current lack of gender balance and will in due course be seeking to address this with an appropriate appointment insofar as one is available. All Directors receive regular and timely information on the Company's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. Service contracts are available for inspection at the Company's registered office and at the Annual General Meeting ("AGM").

New Directors will also be selected having regards to the Company's needs for a balance of operational, industry, legal and financial skills. Experience of the Mining industry and in particular the exploration sector is important but not critical, as is experience of running a public company.

All Directors will retire by rotation at regular intervals in accordance with the Company's Articles of Association.

Appointment, removal and re-election of Directors

Policy for new appointments

Base salary levels will take into account market data for the relevant role, internal relativities, the individual's experience and their current base salary. Where an individual is recruited at below market norms, they may be realigned over time (e.g., two to three years), subject to performance in the role. Benefits will generally be in accordance with the approved policy.

Policy on payment for loss of office

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

Independent advice

All Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense from lawyers, brokers and other professional advisers that they deem relevant. In addition, the Directors have direct access to the advice and services of the Company Secretary and Chief Financial Officer.

GREAT SOUTHERN COPPER PLC

CORPORATE GOVERNANCE (CONTINUED)

YEAR ENDED 31 MARCH 2023

Board performance based on clear and relevant objectives

Over the next 12 months the Board intends to continue to review the performance of the team as a unit to ensure that the members of the Board collectively function in an efficient and productive manner. Over the same period the Non-Executive Directors will continue to seek to set clear and relevant objectives for the Chief Executive Officer and Chief Financial Officer, and for the Board as a whole.

A culture that is based on ethical values and behaviours

The Board aims to lead by example and do what is in the best interests of the Company. As it operates in remote and under-developed areas, it ensures its employees understand their obligations towards the environment and in respect of anti-bribery and corruption. The Company maintains governance structures and committees that allow good decision-making by the Board. The Board will maintain this focus by site visits to the projects in Chile.

Board programme

The Board aims to meet at least quarterly and as and when required. The Board sets direction for the Company through a formal schedule of matters reserved for its decision. The Board receives appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting and Board papers are distributed by the Chairman and Chief Executive several days before meetings take place. Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board and are then followed up by the Company's management.

Roles of the Board, Chairman and Chief Executive Officer

The Board is responsible for the long-term success of the Company. There is a formal schedule of matters reserved to the Board. It is responsible for overall Company strategy; approval of exploration projects; approval of the annual and interim results; annual budgets; dividend policy; and Board structure. It monitors the exposure to key business risks. There is a clear division of responsibility at the head of the Company. The Chairman is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction.

The Chief Executive Officer is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Company. Together with the Chief Financial Officer and the Company's in-country manager, he is responsible for establishing and enforcing systems and controls, and liaison with external advisors, such as the Company's technical adviser, Dough Kirwin. He has responsibility for communicating with shareholders, assisted by other members of the Board where relevant.

Board committees and Policies

Audit Committee

The Audit Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Group is properly measured and reported on. It receives and reviews reports from the Group's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Group. The Audit Committee is responsible for keeping under review the scope and results of the audit, its cost effectiveness and the independence and objectivity of the auditors. It also has responsibility for public reporting and internal controls, and arrangements whereby employees may raise matters of concern in

GREAT SOUTHERN COPPER PLC

CORPORATE GOVERNANCE (CONTINUED)

YEAR ENDED 31 MARCH 2023

Audit Committee (continued)

confidence. The Audit Committee, which met four times during the year, is chaired by Stuart Greene and its other member is Nick Briers.

Remuneration Committee

The Remuneration Committee reviews the performance of the CEO and CFO and makes recommendations to the Board on matters relating to their remuneration and terms of employment. Under its terms of reference, it is required to meet at least once a year and is responsible for ensuring that the executive Directors, officers and other key employees are fairly rewarded (which extends to all aspects of remuneration) for their individual contribution to the overall performance of the Group. The Remuneration Committee is chaired by Charles Bond and its other member is Nick Briers.

Share dealing policy

The Company has adopted a share dealing policy, which sets out the requirements and procedures for dealings in any of its listed securities. The share dealing policy applies widely to all Directors of the Company and its subsidiaries, certain employees and persons closely associated with them. The policy complies with the Market Abuse Regulations, which came into effect on 10 July 2016 and was onshored into UK law on 31 December 2020.

Dividend policy

The Board's current intention is to retain any earnings for use in the Company's operations and the Directors do not anticipate declaring any dividends in the foreseeable future. The Company will only pay dividends at such times (if any) and in such amounts (if any) as the Board determines appropriate and to the extent that to do so is in accordance with all applicable laws.

Anti-bribery and corruption policy

The Company has adopted an Anti-Corruption and Bribery Policy. It applies to the Directors and all employees of the Company. The Board believes that the Group, through its internal controls, has appropriate procedures in place to reduce the risk of bribery and that all employees, agents, consultants and associated persons are made fully aware of the Group's policies and procedures with respect to ethical behaviour, business conduct and transparency.

Health and safety

The safety of the Group's employees and contractors is critical to its operations. The Company aims to prevent all incidents and accidents at its operations and in a reasonably practicable manner and strives to minimise hazards inherent in the working environment. The Company is committed to providing a working environment that is conducive to good health and safety; complying with applicable legal requirements; ensuring that appropriate resources, training and personal protective equipment are provided to improve occupational health and safety; ensuring that employees and contractors have the relevant skills to perform work-related tasks in a safe manner and that they are aware of their individual health and safety obligations and rights.

Environmental policy

The Company undertakes its exploration activities in a manner that strives to minimise or eliminate negative impacts and maximise positive impacts of an environmental or socio-economic nature. The Company is committed to responsible stewardship of natural resources and the ecological environment.

GREAT SOUTHERN COPPER PLC

CORPORATE GOVERNANCE (CONTINUED)

YEAR ENDED 31 MARCH 2023

Environmental policy (continued)

The Company aims to continually improve its environmental performance and the prevention of pollution, reduce or control the creation, emission or discharge of any type of pollutant or waste and to reduce adverse environmental impacts; the integration of environmental management into management practices throughout the company; rehabilitate disturbed land as much as possible and protect environmental biodiversity; protect cultural heritage resources; comply with applicable legal requirements; and train and educate employees in environmental responsibilities.

Social policy

The Company aims to minimise potential negative social impacts while promoting opportunities and benefits for host communities.

The Company is committed to continually improving community development and community investment programmes through monitoring, measuring and managing our social and economic impacts; placing local people at the centre of development by helping to build their capacity to control their own development. The Company has adopted a Social Media Policy to minimise the risks to the Group's business through use of social media.

The Company continues to communicate how it is governed and is performing, by maintaining a dialogue with shareholders and other relevant stakeholders.

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year results' announcements, the Annual General Meeting (AGM) and one-to-one meetings with large existing or potential new shareholders. The Company posts LSE announcements covering operational and corporate matters. A range of corporate information (including all Company announcements and a corporate presentation) is also available to shareholders, investors and the public on the Company's corporate website, www.gscplc.com.

Signed on behalf of the Board

Charles Bond

Chairman

28 July 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT SOUTHERN COPPER PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT SOUTHERN COPPER PLC

Opinion

We have audited the financial statements of Great Southern Copper Plc (the 'parent company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2023 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 UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; 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 public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty relating to going concern

We draw attention to note 2 in the financial statements, which indicates that further funding will be required within 12 months following the date of approval of the financial statements in order to meet working capital requirements and fund further exploration on the group's projects. As stated in note 2, these events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter. In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing the group's budgets and cashflow projections which cover the period to 31 July 2024, being 12 months from when the financial statements are authorised for issue;
- Challenging management's judgements and estimates, agreeing to supporting documentation, such as the review of post year end bank statements, post year end management accounts, and post year end regulatory news service announcements;

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT SOUTHERN COPPER PLC (CONTINUED)

- Substantiating the key assumptions and inputs to the model and stress testing plausible outcomes taking into consideration the financing in place; and
- Assessing the mathematical accuracy of the cashflow projections and comparing to the performance of the group post year end. We also assessed whether the cashflow projections were in line in with our understanding of the entity and management's strategic plans.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. The materiality applied to the group financial statements was £134,000 (2022: £225,000), based on 5% of the net assets. Net assets were selected as the benchmark because the intangible exploration assets are the primary assets of the business, and their development is the principal activity of the group. The materiality applied to the parent company financial statements was £76,000 (2022: £200,000) based on 5% of the net assets. Net assets were selected as the benchmark for the parent company materiality as the significant balance in the parent company financial statements is the investment in the subsidiary which owns and operates the underlying exploration assets.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures. The performance materiality for the group was £93,800 (2022: £157,500) and £53,200 (2022: £140,000) for the parent company, being 70% of materiality for the financial statements as a whole.

In determining performance materiality, we considered the following factors:

- Our cumulative knowledge of the group and its environment, including industry specific trends;
- The level of judgement required in respect of the key accounting estimates; and
- The level of misstatements in prior periods.

Component materiality for the parent company's only subsidiary was set lower than our overall group materiality at £107,000 (2022: £58,000), based on 5% of net assets, with a performance materiality of £74,900 (2022: £40,000). Net assets were selected as the benchmark because intangible exploration assets are the primary assets of the business.

We agreed with the audit committee that we would report all audit differences identified during the course of our audit in excess of £6,700 (2022: £11,250) at group level, and £3,800 (2022: £10,000) for the parent company, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT SOUTHERN COPPER PLC (CONTINUED)

Our approach to the audit

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

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

- the recoverability of intangible assets and investments in subsidiary undertakings, as the future exploration results are inherently uncertain; and
- the valuation of share based payments which were assessed as an area which involved significant judgements by management.

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

The accounting records of the parent company and the subsidiary undertaking are centrally located in London and audited by us. Local auditors in Chile were engaged to report to us on specified procedures in relation to the subsidiary, namely the compliance with Chilean laws and regulations and for local banking confirmations.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT SOUTHERN COPPER PLC (CONTINUED)

Key audit matters (continued)

Key Audit Matter	How our scope addressed this matter
<p>Carrying value of the intangible exploration assets (note 11)</p>	
<p>The group has intangible assets in relation to capitalised exploration costs in respect of the San Lorenzo and Especularita projects in Chile, held within its subsidiary company Pacific Trends Resources Pty Limited ("PTRC"). The intangible assets are subject to periodic impairment reviews when facts and circumstances may suggest an impairment. The exploration projects are at an early stage of development and as a result, management exercises significant estimations and judgements in determining whether an impairment is required.</p> <p>There is a risk that the intangible assets are overstated as a result of additions being incorrectly capitalised under IFRS 6 <i>Exploration for and Evaluation of Mineral Resources</i>, and that indicators of impairment exist as at 31 March 2023 which have not been considered by management in their assessment of the carrying value of the assets.</p> <p>The balance is considered to be a key audit matter due to the material nature of the balance and as a result of the significant estimation uncertainty in determining whether an impairment is required.</p>	<p>Our work in this area included:</p> <ul style="list-style-type: none"> • Validating ownership of project licences to legal documentation and that any commitments or terms therein have been adequately met; • Reviewing the exploration costs capitalised and agreeing these to supporting documentation to ensure they are capitalised in accordance with IFRS 6; • Obtaining a list of licence areas that were disposed of in the year and discussing historic capitalisation or impairment requirements as a result of the lost licences; and • Critically assessing management's impairment review, and challenging their review with consideration from both internal and external indicators of impairment under IFRS 6. <p>Based on the audit procedures performed, nothing has come to our attention that would indicate that the carrying value of the intangible assets is materially misstated.</p>

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT SOUTHERN COPPER PLC (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities, the directors are responsible for the preparation of the group and parent company financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT SOUTHERN COPPER PLC (CONTINUED)

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 expertise of the mineral exploration sector.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from the Companies Act 2006, the Listing Rules, the operating terms set out in the exploration licences, as well as local laws and regulations in Chile.
- 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:
 - conducting enquiries of management regarding potential instances of non-compliance;
 - reviewing Regulatory News Service (RNS) announcements;
 - reviewing legal and professional fees ledger accounts;
 - using local experts in Chile to report on the good standing of the subsidiary; and
 - reviewing board minutes and other correspondence from management.
- 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, whether key management judgements could include management bias. The potential for bias was identified in relation to the carrying value of the exploration assets and we addressed this as outlined in the Key Audit Matters section. The potential for management bias also existed in the valuation of the share-based payments issued in the year and audit procedures were performed in this regard to recalculate the charge with reference to the underlying agreements.
- 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 and reviewing accounting estimates for evidence of bias.
- Compliance with laws and regulations at the subsidiary level was ensured through enquiry of management, communication with local auditor and review of local auditor's work on the specified procedures and correspondence for any instances of non-compliance.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREAT SOUTHERN COPPER PLC (CONTINUED)

Other matters which we are required to address

We were appointed by the Audit Committee on 9 September 2021 to audit the financial statements for the period ended 31 March 2021 and subsequent financial periods. Our total uninterrupted period of engagement is three years, covering the periods ending 31 March 2021 to 31 March 2023.

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

Our audit opinion is consistent with the additional report to the audit committee.

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.

Adam Humphreys (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

28 July 2023

GREAT SOUTHERN COPPER PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2023

		Year ended 31 March 2023 £	Year ended 31 March 2022 £
Continuing operations			
Administrative expenses	6	(1,298,711)	(1,037,076)
Operating loss		(1,298,711)	(1,037,076)
Loss before taxation		(1,298,711)	(1,037,076)
Taxation	9	-	-
Loss for the year attributable to the owners of the Company		(1,298,711)	(1,037,076)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange rate differences on translation of foreign operations		28,748	(24,178)
Total comprehensive loss attributable to the owners of the Company		(1,269,963)	(1,061,254)
		Pence	Pence
Earnings per share – basic and diluted	10	(0.610)	(0.938)

The notes from pages 50 to 73 form part of these financial statements.

GREAT SOUTHERN COPPER PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	Note	2023 £	2022 £
Assets			
Non-current assets			
Intangible assets	11	2,478,738	1,489,379
Property, plant and equipment	12	1,609	-
Total non-current assets		2,480,347	1,489,379
Current assets			
Trade and other receivables	14	189,814	333,292
Cash and cash equivalents	15	653,940	2,751,676
Total current assets		843,754	3,084,968
Total assets		3,324,101	4,574,347
Liabilities			
Current Liabilities			
Trade and other payables	16	(124,733)	(223,063)
Total liabilities		(124,733)	(223,063)
Net current assets		719,021	2,861,905
Net assets		3,199,368	4,351,284
Equity			
Share capital	18	2,133,364	2,124,761
Share premium	20	3,175,962	3,175,962
Share based payment reserve	19	235,903	140,160
Shares to be issued	20	-	6,196
Foreign currency translation reserve	20	4,570	(24,178)
Retained earnings	20	(2,350,431)	(1,071,617)
Total equity attributable to the owners of the Company		3,199,368	4,351,284

These financial statements were approved by the Board of Directors and authorised for issue on 28 July 2023 and signed on its behalf by:

S Garrett
Chief Executive Officer
Company registered number: 12497319

The notes from pages 50 to 73 form part of these financial statements.

GREAT SOUTHERN COPPER PLC

COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

	<i>Note</i>	2023 £	2022 £
Assets			
Non-current assets			
Investments	13	3,991,550	2,641,245
Total non-current assets		3,991,550	2,641,245
Current assets			
Trade and other receivables	14	132,960	261,842
Cash and cash equivalents	15	650,857	2,325,365
Total current assets		783,817	2,587,207
Total assets		4,775,367	5,228,452
Liabilities			
Current liabilities			
Trade and other payables	16	(103,541)	(195,763)
Total liabilities		(103,541)	(195,763)
Net current assets		680,276	2,391,444
Net assets		4,671,826	5,032,689
Equity			
Share capital	18	2,133,364	2,124,761
Share premium	20	3,175,962	3,175,962
Share based payments reserve	19	235,903	140,160
Shares to be issued	20	-	6,196
Retained earnings	20	(873,403)	(414,390)
Total equity		4,671,826	5,032,689

The Company has taken advantage of the exemption under section 408 of the Companies Act 2006 by choosing not to present its individual Statement of Comprehensive Income and related notes that form part of these approved financial statements. The Company's loss for the period from operations is £478,910 (2022: £379,849)

These financial statements were approved by the Board of Directors and authorised for issue on 28 July 2023 and signed on its behalf by:

S Garrett
Chief Executive Officer
Company registered number: 12497319

The notes from pages 50 to 73 form part of these financial statements.

GREAT SOUTHERN COPPER PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2023

	Share capital £	Share premium £	Shares to be issued £	Share based payments £	Foreign currency translation reserve £	Retained earnings £	Total Equity £
As at 1 April 2021	50,000	-	-	-	-	(34,541)	15,459
Loss for the year	-	-	-	-	-	(1,037,076)	(1,037,076)
Exchange rate differences on translation of foreign operations	-	-	-	-	(24,178)	-	(24,178)
Total comprehensive income for the year	-	-	-	-	(24,178)	(1,037,076)	(1,061,254)
<i>Transactions with shareholders:</i>							
Issue of share capital, net of issue costs	2,074,761	3,175,962	-	-	-	-	5,250,723
Shares to be issued	-	-	6,196	-	-	-	6,196
Share based payments	-	-	-	140,160	-	-	140,160
As at 31 March 2022	2,124,761	3,175,962	6,196	140,160	(24,178)	(1,071,617)	4,351,284
Loss for the year	-	-	-	-	-	(1,298,711)	(1,298,711)
Exchange rate differences on translation of foreign operations	-	-	-	-	28,748	-	28,748
Total comprehensive income for the year	-	-	-	-	28,748	(1,298,711)	(1,269,963)
<i>Transactions with shareholders:</i>							
Issue of share capital, net of issue costs (note 18)	8,603	-	(6,196)	(22,304)	-	19,897	-
Share based payments	-	-	-	118,047	-	-	118,047
As at 31 March 2023	2,133,364	3,175,962	-	235,903	4,570	(2,350,431)	3,199,368

GREAT SOUTHERN COPPER PLC

COMPANY STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2023

	Share capital £	Share premium £	Shares to be issued £	Share Based payments £	Retained earnings £	Total equity £
As at 1 April 2021	50,000	-	-	-	(34,541)	15,459
Loss for the year	-	-	-	-	(379,849)	(379,849)
Total comprehensive income for the year	-	-	-	-	(379,849)	(379,849)
<i>Transactions with shareholders:</i>						
Issue of shares, net of issue costs	2,074,761	3,175,962	-	-	-	5,250,723
Shares to be issued	-	-	6,196	-	-	6,196
Share based payments	-	-	-	140,160	-	140,160
As at 31 March 2022	2,124,761	3,175,962	6,196	140,160	(414,390)	5,032,689
Loss for the year	-	-	-	-	(478,910)	(478,910)
Total comprehensive income for the year	-	-	-	-	(478,910)	(478,910)
<i>Transactions with shareholders:</i>						
Issue of shares, net of issue costs (note 18)	8,603	-	(6,196)	(22,304)	19,897	-
Share based payments	-	-	-	118,047	-	118,047
As at 31 March 2023	2,133,364	3,175,962	-	235,903	(873,403)	4,671,826

GREAT SOUTHERN COPPER PLC

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2023

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Cash flows from operating activities		-
Loss for the year	(1,298,711)	(1,037,076)
Adjustments for:		
Share based payments	118,047	83,796
Depreciation	551	-
Working capital adjustments		
Increase in trade and other receivables	148,353	(155,383)
Increase/(decrease) in trade and other payables	(178,642)	(24,214)
Net cash outflow from operations	(1,210,402)	(1,132,877)
Cash flows from investing activities		
Purchase of subsidiary undertaking	-	(10,450)
Net cash acquired with subsidiary undertaking	-	2,735
Purchase of intangible assets	(923,529)	(191,753)
Purchase of plant, property and equipment	(2,205)	-
Net cash used in investing activities	(925,734)	(199,468)
Cash flows from financing activities		
Issue of ordinary share capital, net of issue costs	-	4,020,976
Net cash generated from financing activities	-	4,020,976
Net (decrease)/increase in cash and cash equivalents	(2,136,136)	2,688,631
Exchange gains on cash and cash equivalents	38,400	13,045
Cash and cash equivalents brought forward	2,751,676	50,000
Cash and cash equivalents carried forward	653,940	2,751,676

Significant non-cash transactions from investing and financing activities are as follows:

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Equity consideration for business combination	-	1,211,111
Share option charge	88,607	83,796
Broker warrants	-	56,364
Remuneration settled through issue of shares	29,440	6,196

GREAT SOUTHERN COPPER PLC
COMPANY STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH 2023

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Net cash flows from operating activities		
Loss for the year	(478,910)	(379,849)
Adjustments for:		
Share based payments	118,047	83,796
Working capital adjustments		
Increase in long term receivables	(1,350,305)	(1,419,683)
Decrease/(increase) in trade and other receivables	128,882	(186,841)
(Decrease)/increase in trade and other payables	(92,222)	167,417
Net cash used in operations	(1,674,508)	(1,735,161)
Cash flows from investing activities		
Payments to acquire investments	-	(10,450)
Net cash from investing activities	-	(10,450)
Cash flows from financing activities		
Issue of ordinary share capital	-	4,020,976
Net cash generated from financing activities	-	4,020,976
Net (Decrease)/increase in cash and cash equivalents	(1,674,508)	2,275,365
Cash and cash equivalents brought forward	2,325,365	50,000
Cash and cash equivalents carried forward	650,857	2,325,365

Significant non-cash transactions from investing and financing activities are as follows:

	Year ended 31 March 2023 £	Year ended 31 March 2022 £
Equity consideration for business combination	-	1,211,111
Share option charge	88,607	83,796
Broker warrants	-	56,364
Remuneration settled through issue of shares	29,440	6,196

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2023

1. General Information

Great Southern Copper plc ('the Company') and its subsidiaries (together 'the Group') principal activity is currently focused upon the exploration for copper and gold in Chile. Further detail is covered in the Chairman's Statement and also in the Operations Report.

The Company is a public limited Company, which is listed on the London Stock Exchange and incorporated and domiciled in England and Wales. The address of its registered office is Salisbury House, London Wall, London, United Kingdom, EC2M 5PS.

2. Basis of Preparation

The consolidated Group financial statements and Company financial statements have been prepared in accordance with United Kingdom ("UK") adopted International Accounting Standards ('IFRS') and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The consolidated Group financial statements and Company financial statements are presented in Sterling and rounded to the nearest whole pound unless otherwise indicated. The financial statements are prepared on the historical cost basis, except for certain financial instruments and share-based payments that have been measured at fair value.

Going Concern Basis

In common with many other mineral exploration companies, the Group has raised equity and debt finance for its exploration activities. The Board recognises that further finance will need to be raised as and when required to progress its exploration projects and add shareholder value. The Board also acknowledges that previous success in raising funds does not necessarily provide any guarantee that the Group will be able to do so in the future.

As at 31 March 2023, the Group's cash at bank amounted to £653,940; at the date of signing this report, the balance amounted to £534,460.

The Board has reviewed the Group's cash flow forecast up to 31 July 2024 and are aware that additional funds will likely need to be sourced in order to continue to advance its exploration activities and continue as a going concern for a period of at least 12 months from the approval of these financial statements. The auditors have acknowledged this going concern uncertainty in their unqualified audit report.

The Directors are confident that they will be able to secure the necessary funding in order to enable the Group to continue to advance its projects. The Group recently signed a £501,000 unsecured, convertible interest free loan agreement with the Company's major shareholder, Foreign Dimensions Pty Limited (refer to the 'Subsequent Events' note in the Strategic Report for details). The Board continues to closely monitor its cash position, allocate funds in line with its detailed budget and maintain a strict control over non-project spend. The Directors remain confident in the Company's ability to raise additional funds as required, from existing and/or new investors and therefore consider it appropriate to continue to adopt the going concern basis of accounting in preparing these financial statements.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

3. Accounting Policies

The principal accounting policies adopted are set out below.

Basis of Consolidation

The consolidated financial statements incorporate the assets, liabilities, income and expenses of the Company and entity controlled by the Company (its subsidiary) made up to the Company's accounting reference date. Control is achieved when the Company has the power over the investee, is exposed or has rights to variable return from its involvement with the investee and has the ability to use its power to affect its returns. The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the date that the Company gains control until the date when the Company ceases to control the subsidiary.

Where necessary, adjustments are made to the financial statements of a subsidiary to bring the accounting policies used into line with the Group's accounting policies. All intra Group assets and liabilities, equity, income, expenses and cash flows, relating to transactions between the members of the Group, are eliminated on consolidation.

The results of overseas subsidiaries are translated at the monthly average rates of exchange during the period and their statements of financial position at the rates ruling at the reporting date. Exchange differences arising on translation of the opening net assets and on foreign currency borrowings or deferred consideration, to the extent that they hedge the Group's investment in such subsidiaries, are reported in the statement of comprehensive income. The financial statements of the subsidiary are drawn up to 31 December, with management information utilised to take this out to 31 March in line with the reporting period of the Group.

Currencies

Presentational Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the ultimate parent undertaking operates which is Sterling (£). The functional currency of the only subsidiary of the group is the United States Dollar (\$).

Transactions and Balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or at an average rate for a period if the rates do not fluctuate significantly. Foreign exchange gains and losses, resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Revenue Recognition

Revenue is recognised in the individual company financial statements in respect of management fees charged to the subsidiary company. Revenue is recognised in respect of the period that the service has been completed.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

3. Accounting Policies (continued)

Intangible Assets – Exploration and Evaluation Expenditure

Mineral exploration and evaluation expenditure relates to costs incurred in the exploration and evaluation of potential mineral resources and includes exploration and mineral licences, researching and analysing historical exploration data, exploratory drilling, trenching, sampling and the costs of pre-feasibility studies.

Exploration and evaluation expenditure for each area of interest, other than that acquired from another entity, is charged to profit or loss as incurred except when the expenditure is expected to be recouped from future exploitation or sale of the area of interest and it is planned to continue with active and significant operations in relation to the area, or at the reporting period end, the activity has not reached a stage which permits a reasonable assessment of the existence of commercially recoverable reserves, in which case the expenditure is capitalised. Purchased exploration and evaluation assets are recognised at their fair value at acquisition. As the capitalised exploration and evaluation expenditure asset is not available for use, it is not depreciated.

Exploration and evaluation assets have an indefinite useful life and are assessed for impairment when facts and circumstances may suggest an impairment and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The assessment is carried out by allocating exploration and evaluation assets to cash generating units, which are based on specific projects or geographical areas. IFRS 6 permits impairments of exploration and evaluation expenditure to be reversed should the conditions which led to the impairment improve. The Group continually monitors the position of the projects capitalised and impaired.

Whenever the exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to profit or loss.

Income Tax

The tax expense or credit represents the sum of the tax currently payable or recoverable and the movement in deferred tax assets and liabilities.

Current Income Tax

Current tax is based upon taxable income for the year and any adjustment to tax from previous years. Taxable income differs from net income in the income statement because it excludes items of income or expense that are taxable or deductible in other years or that are never taxable or deductible. The calculation uses the latest tax rates for the year that have been enacted or substantively enacted by the reporting date.

Deferred Tax

Deferred tax is calculated at the latest tax rates that have been substantively enacted by the reporting date that are expected to apply when settled. It is charged or credited to profit or loss, except when it relates to items credited or charged directly to equity, in which case it is also dealt with in equity.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income and is accounted for using the liability method. Deferred tax liabilities and assets are not discounted.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

3. Accounting Policies (continued)

Deferred Tax

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable income will be available against which the asset can be utilised. Such assets are reduced to the extent that it is no longer probable that the asset can be utilised.

Deferred tax assets and liabilities are offset when there is a right to offset current tax assets and liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority, on either the same taxable entity or different taxable entities, where there is an intention to settle the balances on a net basis.

Payroll Expense and Related Contributions

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined contribution pension plans.

Short-term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Pension Costs

The Group operates a defined contribution pension scheme for employees. The annual contributions payable are charged to profit or loss.

Share-Based Compensation

The Group issues share-based payments to certain employees and Directors. Equity-settled share-based payments are measured at fair value at the date of grant and expensed on a straight-line basis over the vesting period, along with a corresponding increase in equity. The Group has measured share based payments using the Black Scholes and Monte Carlo option (note 19) models.

At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest as a result of the effect of non-market based vesting conditions. The impact of any revision is recognised in profit or loss, with a corresponding adjustment to equity reserves.

The fair values of share options are determined using the Monte Carlo and Black Scholes models, taking into consideration the best estimate of the expected life of the option and the estimated number of shares that will eventually vest.

Financial Instruments

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or when the contractual rights to those assets are transferred. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

3. Accounting Policies (continued)

Impairment of Financial Instruments

The Group recognises an allowance for expected credit losses ('ECLs') for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate ('EIR'). The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

IFRS 9.5.5.1 ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Property Plant and Equipment

Property, plant and equipment are stated at cost net of accumulated depreciation and accumulated impairment losses. Cost comprises purchase cost together with any incidental costs of acquisition.

Depreciation is provided to write down the cost less the estimated residual value of all tangible fixed assets by equal instalments over their estimated useful economic lives on a straight-line basis. The following rates are applied.

Computer equipment	3 years straight line
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is credited or charged to profit or loss.

Trade and Other Receivables

Trade and other receivables, and amounts owed by Group undertakings, are classified at amortised cost and recognised initially at fair value and subsequently measured at amortised cost using the effective interest method (except for short-term receivables where interest is immaterial) less provisions for impairment. These assets are held to collect contractual cash flows being solely the payments of the principal amount and interest. Provisions for impairment of trade receivables are recognised for expected lifetime credit losses using the simplified approach. Impairment reviews of other receivables, including those due from related parties, use the general approach whereby twelve month expected losses are provided for and lifetime credit losses are only recognised where there has been a significant increase in credit risk, by monitoring the creditworthiness of the other party.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

3. Accounting Policies (continued)

Cash and Cash Equivalents

Cash and cash equivalents are held at amortised cost and consist of cash on hand, demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Further details are given in note 15.

Trade and Other Payables

Trade and other payables are initially measured at their fair value and are subsequently measured at their amortised cost using the effective interest rate method. This method allocates interest expense over the relevant period by applying the 'effective interest rate' to the carrying amount of the liability.

Classification As Debt Or Equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Accounting Developments

New standards, amendments and interpretations adopted in the preparation of the financial statements.

The IASB has issued the following standards and amendments, which have been adopted by the Group in either the current or comparative period, none of which have had a material impact on the financial statements.

Standard	Impact
Initial Application of IFRS 17 and IFRS 9 - Comparative Information	The Group adopted the amendments References to the Conceptual Framework for IFRS Standards for the accounting period commencing 1 April 2022.
Deferred Tax related to Assets and Liabilities arising from a Single Transaction	The Group adopted the amendments References to the Conceptual Framework for IFRS Standards for the accounting period commencing 1 April 2022.

The Group does not expect any standards issued by the IASB, but not yet effective, to have a material impact on the Group.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

4. Critical Accounting Estimates and Judgements

The preparation of these financial statements requires management to make judgements and estimates that affect the reported amounts of assets and liabilities at each reporting date and the reported results. Actual results could differ from these estimates. Information about such judgements and estimations is contained in individual accounting policies.

Accounting Estimates and Judgements

The key accounting estimates and judgements used in the preparation of the financial statements are as follows:

Recognition And Valuation of Exploration Assets

Exploration and evaluation assets include mineral rights and exploration and evaluation costs, including geophysical, topographical, geological and similar types of costs. Exploration and evaluation costs are capitalised if management concludes that future economic benefits are likely to be realised and determines that economically viable extraction operation can be established as a result of exploration activities and internal assessment of mineral resources. According to 'IFRS 6 Exploration for and evaluation of mineral resources', the potential indicators of impairment include: management's plans to discontinue the exploration activities, lack of further substantial exploration expenditure planned, expiry of exploration licences in the period or in the nearest future, or existence of other data indicating the expenditure capitalised is not recoverable. At the end of each reporting period, management assesses whether such indicators exist for the exploration and evaluation assets capitalised, which requires significant judgement. As of 31 March 2023 total exploration and evaluation costs capitalised amounted to £2,478,738 (2022 - £1,489,379). Refer to note 11 for more information.

Carrying Value of Investments in Subsidiary Undertakings

Management must consider the carrying value of investments in subsidiary companies based on the ongoing performance of said company. The nature of the judgement will impact whether or not there is deemed to be any indicators of impairment, which could materially impact the carrying value of those investments. The key driver of the assessment is linked to the impairment review carried out in respect of exploration assets.

Share Based Payments

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Monte Carlo or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted, see note 19 for further details.

5. Operating Segments

Operating segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker has been identified as the Board. The Board is responsible for allocating resources and assessing performance of operating segments.

The Group has two reportable segments, exploration and corporate, which are the Group's strategic divisions. For each of the strategic divisions the Board reviews internal management reports on a regular basis.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

5. Operating Segments (continued)

The Group's reportable segments are:

Exploration: the exploration segment is presented as an aggregate of all Chile licences held. Expenditure on exploration activities for each licence is used to measure agreed upon expenditure targets for each licence to ensure the licence clauses are met.

Corporate: the corporate segment includes the holding company costs in respect of managing the group.

Segment result:

	2023	2022
	£	£
Exploration - Chile	(819,801)	(657,227)
Corporate - UK	(478,910)	(379,849)
Loss before tax	(1,298,711)	(1,037,076)
Taxation	-	-
Loss after tax	(1,298,711)	(1,037,076)

Segment assets and liabilities:

Non current assets	2023	2022
	£	£
Exploration - Chile	2,480,347	1,489,379
Corporate - UK	-	-
Total	2,480,347	1,489,379

Total assets	2023	2022
	£	£
Exploration - Chile	2,540,284	1,987,140
Corporate - UK	783,817	2,587,207
Total	3,324,101	4,574,347

Total liabilities	2023	2022
	£	£
Exploration - Chile	(21,192)	(27,300)
Corporate - UK	(103,541)	(195,763)
Total	(124,733)	(223,063)

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

6. Operating Expenses

	2023 £	2022 £
Staff costs (including share based payments)	494,261	272,738
Foreign exchange (gain)/loss	(26,730)	(25,036)
Auditor's remuneration	62,500	108,500
Travel expenses	46,421	38,409
IPO Costs	-	222,473
Legal, professional & consultancy fees	231,366	230,012
Insurance	32,045	17,326
Subcontracted labour	202,132	28,831
Other administrative expenses	256,716	143,823
Total	1,298,711	1,037,076

As per the accounting policy disclosed in note 3 the Group has made the policy choice to only capitalise specific identifiable exploration costs as an intangible asset. Related administration and contractor costs (including staff and labour costs) are expensed as incurred.

7. Auditor's Remuneration

	2023 £	2022 £
Fees payable to the Company's auditor for the audit of the parent and consolidated annual accounts	60,000	40,000
Total audit fees	60,000	40,000
Audit-related assurance services	2,500	68,500
Total non-audit fees	2,500	68,500

8. Employee Numbers and Costs

The average monthly number of people employed was:

	Group		Company	
	2023 Number	2022 Number	2023 Number	2022 Number
Average number of employees:				
Directors	4	4	4	4
Administrative staff	5	2	1	1
Total	9	6	5	5

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

8. Employee Numbers and Costs (continued)

The aggregate remuneration of all employees, including Directors, comprises:

	Group		Company	
	2023 £	2022 £	2023 £	2022 £
Wages and salaries	341,076	158,322	242,972	144,359
Social security costs	21,755	23,622	13,998	22,494
Other pension costs	13,382	6,998	13,282	6,998
Share based payments	118,047	83,796	118,047	83,796
Total	494,260	272,738	388,299	257,647

Details of Directors' remuneration and pension entitlements are disclosed in the Remuneration Report on page 15. Please refer to the Directors Remuneration report and related party note (note 21) for additional disclosure relating to key management personnel.

The aggregate amount of gains made by Directors on the exercise of share options was £Nil (2022: £Nil).

9. Taxation

	2023 £	2022 £
Current tax		
Current period – UK corporation tax	-	-
Adjustments in respect of prior periods	-	-
Foreign current tax expense	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary differences	-	-
Adjustments in respect of prior periods	-	-
Impact of change in tax rate	-	-
Total deferred tax	-	-
Total tax charge	-	-

The standard rate of tax applied to reported profit on ordinary activities is 19% (2022: 19%). The Finance Act 2021, which was substantively enacted on 24 May 2021, created a 25% main rate, 19% small profits rate and a marginal rate which is effective from 1 April 2023.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

9. Taxation (continued)

The tax charge for the year can be reconciled to the loss per the income statement as follows:

	2023 £	2022 £
Loss before tax	(1,298,711)	(1,037,076)
Tax charge at 19.0 % (2022: 19.0%)	(246,755)	(197,044)
Expenses not deductible for tax	19,169	138,115
Remeasurement of deferred tax for changes in tax rates	(22,502)	(14,822)
Adjustments to losses	564	-
Difference in overseas tax rates	(49,188)	(39,434)
Movement in deferred tax not recognised	298,712	113,185
Total tax expense	-	-

Deferred tax in relation to carried forward losses is not recognised as there is deemed to be uncertainty over when they will be recoverable.

The Company has tax losses of £449,169 (2022: £68,296) carried forward. The Group has tax losses of £1,809,391 (2022: £997,083) carried forward.

10. Earnings Per Share

Basic earnings per share is calculated by dividing the net income for the period attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the profit attributable to owners of the parent by the weighted average number of ordinary shares in issue during the financial year, adjusted for the effects of potentially dilutive options. The dilutive effect is calculated on the full exercise of all potentially dilutive ordinary share options granted by the Group, including performance-based options which the Group considers to have been earned

The calculations of earnings per share are based upon the following:

	2023 £	2022 £
Loss for the year	(1,298,711)	(1,037,076)
	Number	Number
Weighted average number of shares in issue	212,819,244	110,584,402
Weighted average number of shares – basic	212,819,244	110,584,402
Share options	160,030,082	49,981,998
Weighted average number of shares – diluted	372,849,326	160,566,400
	Pence	Pence
Earnings per share – basic	(0.610)	(0.938)
Earnings per share – diluted	(0.610)	(0.938)

In accordance with IAS 33, basic and diluted earnings per share are identical for the Group as the effect of the exercise of the share options would be to decrease the loss per share.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

11. Intangible Assets

Group	Exploration assets
Cost	£
As at 1 April 2021	-
Business combinations	1,229,076
Additions	191,753
Exchange difference	68,550
As at 1 April 2022	1,489,379
Additions	923,529
Exchange difference	65,830
As at 31 March 2023	2,478,738
Accumulated Amortisation	
As at 1 April 2021	-
Charge for the period	-
As at 1 April 2022	-
Charge for the year	-
As at 31 March 2023	-
Carrying Amount:	
As at 31 March 2023	2,478,738
As at 31 March 2022	1,489,379

Exploration projects in Chile are at an early stage of development and there are no JORC (Joint Ore Reserves Committee) or non-JORC compliant resource estimates available to enable value in use calculations to be prepared.

In accordance with IFRS 6, the Directors undertook an assessment of the following areas and circumstances which could indicate the existence of impairment:

- The Group's right to explore in an area has expired, or will expire in the near future without renewal.
- No further exploration or evaluation is planned or budgeted for.
- A decision has been taken by the Board to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves.
- Sufficient data exists to indicate that the book value may not be fully recovered from future development and production.

Following their assessment, the Directors concluded that no impairment charge was necessary for the year ended 31 March 2023 (2022: £Nil).

The Company had no intangible assets at 31 March 2023 or 31 March 2022.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

12. Property, Plant and Equipment

Group	Computer equipment
Cost	£
As at 1 April 2021	-
Additions	-
Exchange difference	-
As at 1 April 2022	-
Additions	2,205
Exchange difference	(59)
As at 31 March 2023	2,146
Accumulated Amortisation	
As at 1 April 2021	-
Charge for the period	-
As at 1 April 2022	-
Charge for the year	(551)
Exchange difference	14
As at 31 March 2023	(537)
Carrying Amount:	
As at 31 March 2023	1,609
As at 31 March 2022	-

The Company had no plant, property and equipment at 31 March 2023 or 31 March 2022.

13. Investments

Company	Amounts owed by subsidiary	Shares in group undertakings	Total
	£	£	£
At 1 April 2022	1,419,684	1,221,561	2,641,245
Additions	1,350,305	-	1,350,305
Carrying value at end of the year	2,769,989	1,221,561	3,991,550

At 31 March 2023 the Company owned the following subsidiary:

	Registered Office	Holding	Proportion of Voting Rights and Shares Held	Nature of Business
Pacific Trends Resources Chile SpA	1	Ordinary Shares	100%	Mining and exploration

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

13. Investments (continued)

1. Avenue El Bosque Central No. 92, 7th floor, Borough of Las Condes, Metropolitan Region

The credit risk of related parties is estimated based on the expected recoverable amount, taking into account the creditworthiness of the other party. Any expected credit loss is calculated based on the general approach as set out in IFRS 9. The Directors have determined that there has not been an increased credit risk within the year and no impairment charge has been recognised against these balances.

Amounts owed by group undertakings are interest free and are due on demand. The recoverability of this debt is dependent upon the liquidity of the subsidiary's intangible assets. More details can be found in note 11.

14. Trade and Other Receivables

	Group	
	2023	2022
	£	£
Other receivables	49,528	159,337
Prepayments and accrued income	140,286	173,955
	189,814	333,292

	Company	
	2023	2022
	£	£
Other receivables	33,997	157,548
Prepayments and accrued income	98,963	104,296
	132,960	261,842

Other receivables consist of amounts owed in respect of shares subscribed for as part of the IPO, as well as amounts due in respect of VAT.

15. Cash and Cash Equivalents

	Group	
	2023	2022
	£	£
Cash at bank	653,940	2,751,676

	Company	
	2023	2022
	£	£
Cash at bank	650,857	2,325,365

In the prior year, cash at bank amounting to £2,078,502 was held on trust by PTR Holdings Limited, a registered Company in Australia, which is a related party by virtue of common control. The cash was held in a bank account under the name of PTR Holdings Limited and was governed by a treasury agreement, specifying that the cash belonged to the Group and would be used to settle Group expenses. On the basis that the movement of cash was controlled by the Group it has been included within these financial statements as cash and cash equivalents of the Group. All cash held was transferred to a Group bank account on 1 April 2022.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

15. Cash and Cash Equivalents (continued)

Banking facilities utilised by the Group are rated as follows:

- Bendigo and Adelaide Bank A- (Fitch)
- Revolut No rating available
- Banco Security BBB (Fitch)

16. Trade and Other Payables

	Group	
	2023	2022
	£	£
Other payables	54,810	107,277
Accruals	69,772	115,646
Other taxes and social security	151	140
	<u>124,733</u>	<u>223,063</u>

Other payables principally consist of amounts outstanding for trade purchases and ongoing costs. They are non-interest bearing and are typically settled on 30 to 60 day terms.

The Directors consider that the carrying value of trade and other payables approximates their fair value. Trade and other payables are denominated in Sterling. Great Southern Copper plc has financial risk management policies in place to ensure that all payables are paid within the credit time frame and no interest has been charged by any suppliers as a result of late payment of invoices during the period.

	Company	
	2023	2022
	£	£
Other creditors	33,769	80,117
Accruals	69,772	115,646
	<u>103,541</u>	<u>195,763</u>

17. Financial Instruments

Principal Financial Instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

Financial Assets

The Group held the following financial assets at amortised cost:

	Group	
	2023	2022
	£	£
Cash and cash equivalents	653,940	2,751,676
Other receivables (excluding VAT and prepayment)	41,946	81,564
	<u>695,886</u>	<u>2,833,239</u>

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

17. Financial Instruments (continued)

Financial Liabilities

The Group held the following financial liabilities, classified as other financial liabilities at amortised cost:

	Group	
	2023	2022
	£	£
Other payables and accruals	124,582	222,923
	124,582	222,923

Financial Assets

The Company held the following financial assets at amortised cost:

	Company	
	2023	2022
	£	£
Cash and cash equivalents	650,857	2,325,365
Other receivables (excluding VAT and prepayments)	26,416	79,774
	677,273	2,405,139

Financial Liabilities

The Company held the following financial liabilities, classified as other financial liabilities at amortised cost:

	Company	
	2023	2022
	£	£
Other payables and accruals	103,541	195,763
	103,541	195,763

The Group's activities expose it to certain financial risks: market risk, credit risk and liquidity risk. The overall risk management programme focuses upon the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the Directors, who identify and evaluate financial risks in close cooperation with key members of staff.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

Foreign Currency Risk Management

Currency risk is the risk that the financial results of the Group will be adversely affected by changes in exchange rates to which the Group is exposed. No foreign currency sensitivities have been included as they are deemed to be immaterial. The Group undertakes certain transactions denominated in foreign currencies. The majority of the Company's expenditures are denominated in Pound Sterling, while its exploration expenses are incurred in US Dollars, accordingly, the result for the year are adversely impacted by depreciation of the Pound Sterling against the US\$ while the Group's assets are positively impacted by appreciation of the US\$ against the Pound. Currency risk is monitored on a regular basis.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

17. Financial Instruments (continued)

The following is a note of the assets and liabilities denominated at each period end in US Dollars:

	Group	
	2023	2022
	\$	\$
Other receivables	19,209	2,348
Cash and cash equivalents	735,765	582,899
Other payables	(26,026)	(34,891)
	728,948	550,356

Liquidity Risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. This risk relates to the Group's prudent liquidity risk management and implies maintaining sufficient cash. The Directors monitor rolling forecasts of the Group's liquidity and cash and cash equivalents based upon expected cash flow.

Credit Risk

Credit risk is the risk that a customer may default or not meet its obligations to the Group on a timely basis, leading to financial losses to the Group. Credit risk arises from cash and deposits kept with banks, advances paid and other receivables. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Generally, other receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to enable the Group to continue its exploration and evaluation activities, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the issue of shares or sell assets to reduce debts.

At 31 March 2023 the Group had borrowings of £Nil (2022: £Nil) and defines capital based on the total equity of the Group. The Group monitors its level of cash resources available against future planned exploration and evaluation activities and may issue new shares in order to raise further funds from time to time.

Fair Value Estimation

The carrying value of other receivables and payables are assumed to approximate to their fair values because of the short-term nature of such assets and the effect of discounting liabilities is negligible.

The Group is exposed to the risks that arise from its financial instruments. The policies for managing those risks and the methods to measure them are described earlier in this note.

Maturity Of Financial Assets And Liabilities

All of the Group's non-derivative financial liabilities and its financial assets at the reporting date are either payable or receivable within one year.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

18. Share Capital

Number of Shares in Issue

		2023
Ordinary share capital	Number	£
<i>Authorised, Issued and fully paid:</i>		
Ordinary shares of £0.01 as at 1 April 2022	212,476,100	2,124,761
Issued during the year	860,311	8,603
Ordinary shares of £0.01 as at 31 March 2023	213,336,411	2,133,364

Rights of Share Capital

Ordinary shares carry rights to dividends and other distributions from the Company, as well as carrying voting rights.

On 29 July 2022, the Company issued ordinary shares of 336,365 with a nominal value per share of £0.01 as remuneration for work performed by key management personnel. The amount of remuneration in relation to the share issue amounted to £14,019.

On 7 November 2022, the Company issued ordinary shares of 232,784 with a nominal value per share of £0.01 as remuneration for work performed by key management personnel. The amount of remuneration in relation to the share issue amounted to £7,328.

On 27 February 2023, the Company issued ordinary shares of 291,162 with a nominal value per share of £0.01 as remuneration for work performed by key management personnel. The amount of remuneration in relation to the share issue amounted to £7,154.

19. Share Based Payments

The Group had warrants and share option schemes in place during the year ended 31 March 2023 and 31 March 2022 as follows:

Warrants

On 7 December 2021 the Company issued 148,327,850 warrants. The warrants were granted in the following tranches:

- 1.) 60,555,550 granted to Pacific Trends Resources Pty Ltd following the acquisition of Pacific Trends Resources Chile SpA.
- 2.) 1,407,300 Broker warrants granted as part of the IPO.
- 3.) 70,365,000 placing warrants granted as part of the IPO.
- 4.) 16,000,000 conversion warrants granted to Foreign Dimensions Pty Ltd, the largest individual shareholder.

All warrants with the exception of the Broker Warrants entitle the holder to subscribe for one ordinary share at a price of £0.10 per share. The warrants became exercisable on admission and have a maximum life of two years. If the warrants have not been exercised within that time they will expire. The Broker warrants have an exercise price of £0.05 and a life of three years.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

19. Share Based Payments (continued)

During the year, the Company became aware that the terms of the 1,407,300 warrants granted to its broker on the 7 December 2021 did not correctly reflect the terms set out on 6 October 2020. As a result, these warrants have been cancelled and regranted. The new warrants granted during the year have an exercise price of £0.05 and a life of three years.

	Number of warrants 2023	Weighted average exercise price 2023	Number of warrants 2022	Weighted average exercise price 2022
Outstanding at beginning of the year	148,327,850	£0.10	-	-
Exercised during the year	-	-	-	-
Granted during the year	1,407,300	£0.05	148,327,850	£0.10
Cancelled during the year	(1,407,300)	£0.10	-	-
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	148,327,850	£0.10	148,327,850	£0.10
Exercisable at the end of the year	148,327,850		148,327,850	

Broker warrants fall within the scope of IFRS 2 – Share Based Payments as there is an associated service attached to their issue, whilst the other warrants referred to above do not confer any such service so have not been subject to valuation. The weighted average contract length of the warrants is 2 years, whilst the remaining average contractual life is 8 months (2022: 1 year and 8 months).

Valuation

The warrants were originally valued at 2% of the capital raised by SI Capital. This totalled £Nil (2022: £56,364) and has been debited to share premium.

Share options

On 7 December 2021 the Company issued 11,702,232 options to directors and key personnel employed within the group as follows:

- 1.) 10,105,554 options were granted to directors and a key employee of Great Southern Copper Plc. These options are split into 2 equal tranches, all carry an exercise price of £0.05 per share and have the following vesting conditions:
 - a.) 50% vest in 3 tranches, 1/3 on admission, 1/3 on the first anniversary of admission and 1/3 on the second anniversary of admission.
 - b.) 50% vest in 3 tranches, 1/3 when the share price reaches £0.10, 1/3 when the share price reaches £0.15 and 1/3 when the share price reaches £0.20.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

19. Share Based Payments (continued)

The options must be exercised by the third anniversary of admission.

2.) 1,596,678 options were granted to other key personnel, including employees of Pacific Trends Resources Chile SpA. These options all carry an exercise price of £0.01 and vest in 3 tranches, 1/3 on admission, 1/3 on the first anniversary of admission and 1/3 on the second anniversary of admission.

The options must be exercised by 7 December 2026.

	Number of options 2023	Weighted average exercise price 2023	Number of options 2022	Weighted average exercise price 2022
Outstanding at beginning of the year	11,702,232	£0.04	-	-
Exercised during the year	-	-	-	-
Granted during the year	-	-	11,702,232	£0.04
Lapsed during the year	-	-	-	-
Outstanding at the end of the year	11,702,232	£0.04	11,702,232	£0.04
Exercisable at the end of the year	9,485,747		7,269,262	

The weighted average contract length on the options was 4 years (2022: Nil). The remaining average contractual life of the options was 2 years 8 months (2022: 3 years 8 months).

Valuation

Given the existence of market based vesting conditions in certain of the options, the valuation exercise has been split into 2 parts with the options including those conditions being valued using a Monte Carlo option pricing model, whilst the other options have been valued using the Black Scholes option pricing model.

Options granted in the year to 31 March 2022

– Monte Carlo Model

Share price at date of grant	£0.0455
Fair value at the year end	£0.02
Exercise price	£0.05
Time to expiry (years)	3 years
Risk-free rate (%) – 3 years	0.46%
Volatility (%)	70.0%
Dividend yield (%)	0%
Employee retention rate (%)	100%

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

19. Share Based Payments (continued)

Options granted in the year to 31 March 2022
– Black Scholes Model

Share price at date of grant	£0.0455
Fair value at the year end – £0.01 options	£0.04
Fair value at the year end – £0.05 options	£0.02
Exercise price	£0.05; £0.01
Time to expiry (years)	3 and 5 years
Risk-free rate (%) – £0.01 options	0.46%
Risk-free rate (%) – £0.05 options	0.46%
Volatility (%)	70.0%
Dividend yield (%)	0%
Employee retention rate (%)	100% for employees with £0.01 options, 100% for employees with £0.05 options

Volatility is measured using a weekly share price over a period of 5 years prior to the date of grant.

The risk-free rate is derived using a 3 and 5 year gilt rate.

The total share-based payment expense in relations to warrants and options in the year is £88,607 (2022: £83,796).

During the year, there is a share based payment expense relating to directors remuneration of £29,440 (2022: £56,364).

20. Reserves

Share Premium

Consideration received for shares issued above their nominal value net of transaction costs.

Share Based Payments

The cumulative share-based payment expenses of unvested awards that have not been exercised.

Shares To Be Issued

Shares to be issued to a director in lieu of cash remuneration.

Foreign Currency Translation

Cumulative gains and losses in respect of the translation of the results of overseas subsidiaries into the presentational currency of the Group.

Retained Earnings

Cumulative profit and loss net of distributions to owners.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

21. Related Party Transactions

Remuneration Of Key Personnel - Group

Remuneration of key management personnel, considered to be the Directors and other senior management of the Group is as follows:

	2023	2022
	£'000	£'000
Short-term remuneration*	256,970	166,853
Other pension costs	13,382	6,998
Share-based payments	93,958	55,930
	364,310	229,781
<hr/>		
Reconciliation of short-term remuneration		
* As above	256,970	166,853
Less: Employer's National Insurance	(13,998)	(3,760)
Chief Financial Officer's remuneration	(70,270)	(30,772)
Add: Remuneration settled through issue of shares	29,440	6,196
Total per Directors' Remuneration Report – Page 18	202,142	138,517

Transactions And Balances With Key Personnel - Group

Balances outstanding to key personnel at year end totalled to £13,357 (2022: £489).

During the prior year the majority shareholder provided funding to the Group, in advance of the IPO, totalling £821,668. As part of the IPO £800,000 of this loan was converted into 16,000,000 ordinary shares of the Company. As at 31 March 2023 a balance of £14,150 was owed to the shareholder (2022: £21,668).

SI Capital Limited are a related party through common key management personnel. During the prior year £222,274 was paid to SI Capital Limited for the services relating to the IPO. In addition to this, SI Capital Limited were issued with broker warrants (see note 19). The charge in relation to Broker warrants of £Nil (2022: £56,364) is included within share premium. At 31 March 2023 amounts owed to the Group by SI Capital Limited totalled £25,000 (2022: £75,000).

During the year payments were made to third parties in respect of services provided by two of the Directors. Payments made to Hillstone Resources and SI Capital Limited totalled £Nil (2022: £20,617) and £25,000 (2022: £21,758) respectively. During the year £25,000 (2022: £Nil) management fees were charged by SI Capital Limited.

During the year the charge for the services of the Chief Executive were made through Metal Ventures Inc totalling £105,714 (2022: £69,984), with £12,931 outstanding at year end (2022: £16,209).

The Directors' disclosures have been included in the Directors Remuneration report.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

22. Contingencies and Commitments

The option agreements held by the Company in relation to the San Lorenzo and Especularita projects give the Company the discretionary right to acquire the relevant concessions, provided the annual option fees totalling US\$125,000 due by March 2024 specified in such agreements, have been paid in full. There are no royalty, third party payments, or other obligations in favour of third parties regarding the option payments or the concessions to which they relate.

The Company's commitments to meeting and finalising its purchase of the mineral concessions under the Option Agreements, if it chooses to do so, are summarised in the following table:

Especularita		San Lorenzo	
Date	Payment	Date	Payment
01/03/2024 Final Payment	US\$ 1,100,000	01/06/2024	US\$ 50,000
Extension of final payment to 01/03/2025	US\$ 100,000	01/06/2025 Final Payment	US\$ 1,610,000
Extension of final payment to 01/03/2026	US\$ 100,000	Extension of final payment to 01/06/2026	US\$ 100,000
		Extension of final payment to 01/06/2027	US\$ 100,000

To acquire 100% of the Especularita project a total payment of US\$1.5m is required (of which US\$400,000 has been paid to date) with the final payment due before 01/03/2024. The Company may defer the final payment for a period of 2 years at a cost of US\$100,000 per additional year. To acquire 100% of the San Lorenzo project a total payment of US\$2.0m is required (of which US\$340,000 has been paid to date), with a quota of US\$50,000 due before 01/06/2024 and the final payment due before 01/06/2025. The Company may defer the final payment for a period of 2 years at a cost of US\$100,000 per additional year.

23. Post Balance Sheet Events

On 15 May 2023, the Company entered into an agreement with Foreign Dimensions Pty Limited ("FD") whereby FD agreed to provide the Company with a convertible unsecured loan facility in the aggregate sum of £501,000. The loan is to be made in two tranches:

- £250,000 on 31 August 2023; and
- £251,000 on 11 September 2023.

Automatic conversion of the loan into Ordinary Shares ("Conversion Shares") in the Company at a price of 1.2p per share, and the grant of an equivalent number of warrants exercisable at 2.4p, is subject to certain conditions, in particular publication of a prospectus approved by the FCA in relation to, and authority being granted by the Company's shareholders for, the allotment and issue of the Conversion Shares and the grant of the warrants.

On 19 May 2023, by way of a private placing, the Company issued a further 41,749,998 Ordinary Shares at a price 1.2p per share, raising £501,000 before costs, each with the right to a warrant attached, also to be granted conditional on satisfaction of the conditions above, and exercisable at 2.4p.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

23. Post Balance Sheet Events (continued)

On the same date, the Company made loans of £10,000 each to two of the Directors, Stuart Greene and Nick Briers to enable them each to subscribe for shares in the abovementioned placing. These loans, which are interest free, are being repaid from their after tax salaries. It is envisaged that both loans will be repaid before 30 November 2023.

The Company has announced the appointment of Martin Page as Finance Director. Mr Page will take up his appointment on 1 August 2023.

24. Ultimate Controlling Party

In the opinion of the Directors, there is considered to be no ultimate controlling party.

GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

COMPANY INFORMATION

Directors

Samuel Garrett	Chief Executive
Charles Bond	Non-Executive Chairman
Stuart Greene	Non-Executive Director
Nick Briers	Non-Executive Director

Company Secretary

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Statutory auditors

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Broker

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W1K 3JN

Registrars

Share Registrars Limited
The Courtyard
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Registered Number

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Solicitors

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GREAT SOUTHERN COPPER PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

YEAR ENDED 31 MARCH 2023

Principal Bankers

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E14 4HD

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Bendigo VIC 3550
Australia