ORIOLE
RESOURCES PLC

Annual Report and Accounts for the year ended 31 December 2021

AIM: ORR

QUALITY EXPLORATION IN HIGHLY ENDOWED GOLD DISTRICTS

Welcome to our
2021 Annual Report

Investment Case

QUALITY EXPLORATION

Developing a portfolio of highly prospective projects.

Advancing projects along the value chain through quick and systematic exploration.

OPERATING RESPONSIBLY

Ethical and responsible stakeholder engagement is at the core of everything we do.

We ensure that all parties benefit from our operations.

DEVELOPING OPPORTUNITIES

Our diversified portfolio offers several alternate paths to near and longer-term success.

Multiple routes to a re-rate, multiple routes to a liquidity event.

EXPERIENCED TEAM

Led by a Board and management team with a wealth of experience.

See our website for further information and news:

www.orioleresources.com

HIGHLIGHTS

Operational Highlights:

- Three phases of diamond drilling completed at the Bibemi project in Cameroon for a total 6,154.10 metres ('m');
- Commencement of exploration at the 3,592km[2] Central Licence Package project in Cameroon, following the award of eight contiguous licences in Q1-2021;
- At the Senala project in Senegal, IAMGOLD Corporation ('IAMGOLD') completed 689.50 m diamond drilling at the Faré South target and a total of 7,002 m reverse circulation ('RC') drilling over the Faré Far South and Faré North targets. The results enabled the delivery of a Maiden Resource Estimate of 155,000 oz gold ('Au') grading 1.26 grammes per tonne ('g/t') Au in the Inferred category at Faré South and has indicated a high probability for further resource definition at the other two targets.
- Subsequent to the year end, IAMGOLD confirmed that it had met the expenditure requirements to exercise its option to acquire an initial 51% interest in Senala.

Financial Overview:

- Incoming funds totalling £2.43 million have allowed for £1.78 million of direct exploration expenditure in Cameroon, as the Group advanced its projects;
- Operating loss of £1.44 million for the year to 31 December 2021 (2020: £0.34 million), which includes an adverse £0.89 million swing in unrealised foreign exchange movements;
- Administrative expenses increased to £1.08 million (2020: £1.02 million) following the unwinding of cost saving measures introduced in 2020 in response to Covid-19.

Read more in the Operating and Financial Review on pages 18 to 21

Contents

HIGHLIGHTS CONTINUED

Tim Livesey, CEO of Oriole, commented:

"2021 has proven to be a bounce-back year for Oriole, with the award of the new licence package in central Cameroon, follow-on exploration drilling programmes at Bibemi, in the north of the country, and the successful completion of a maiden Mineral Resource Estimate at Senala, in Senegal, where our JV partner, IAMGOLD has also continued to advance exploration.

Our team has delivered across all projects with a 100% success rate:

- We have identified gold anomalism along an extensive trend (in excess of 35km in our new frontier at the Central Licence Package ('CLP') project in Cameroon;
- We have drill confirmation of mineralised gold systems on the Bibemi licence, with diamond drill intercepts confirming a vertical and lateral continuation of the gold anomalism we previously identified at surface;
- We have completed a maiden Mineral Resource Estimate for the central 'Faré South' target on the Senala licence, with IAMGOLD continuing to extend the known mineralisation at Faré South and Faré North, and intersecting new, wide zones of high-grade mineralisation at Faré Far South.

All of this has been completed with a marginal increase in G&A spend, reflecting the unwinding of certain cost-saving measures implemented as a response to the pandemic in 2020.

Most importantly, the programmes have all advanced quickly and efficiently, with a high percentage of the Group's spend being on direct exploration, allowing us to "succeed or fail fast". In this way we ensure our investors' money is spent efficiently, in a targeted way and on those projects that best merit further focus and development.

Progress has been made on our legacy assets and investments, with the ongoing advancement toward royalty stage at our Turkish assets, continued exploration on the Djibouti exploration assets and with a new private company investing into TSR's assets in Egypt.

2021 has been a year of steady and successful progress across all fronts and we are excited to be entering 2022 in such a strong position."

Who we are

Oriole Resources PLC is an exploration and development company focusing primarily on gold and high-value base metals.

The Company is incorporated and domiciled in the UK. The Company's shares are listed on the Alternative Investment Market (AIM) of the London Stock Exchange (company number: 05601091).

DIRECTORS

Eileen Carr

Non-Executive Chairman (appointed 17 February 2022)

Eileen is a Chartered Certified Accountant with over 30 years of experience within the resources sector, having worked worldwide on a host of large-scale mining operations. She was appointed Finance Director of Cluff Resources Limited in 1993 and has, since that time, held several executive directorships in the resources sector, including CFO for Monterrico Metals plc, the AIM-quoted copper exploration company developing the Rio Blanco project in Peru. Her first Non-Executive role was for Banro Corporation in 1998 and, more recently, Eileen held a Non-Executive Director position for AIM-quoted Bacanora Lithium plc.

Eileen has been a Non-Executive Director to AIM-quoted Sylvania Platinum Limited since May 2015.

Tim Livesey

Chief Executive Officer

Tim has over three decades of experience in gold and base metals, with a distinct focus on Africa, Europe and Asia. He has worked at all stages of exploration, development and mining, and has a strong track record of delivery, both at the technical and commercial level within previous positions.

Some of his more notable roles to date include exploration manager (Eurasia), Barrick Gold Corp., project director and later CEO of Tethyan Copper Company Pty Ltd (a Joint Venture between Antofagasta Minerals and Barrick Gold Corp, owner of the Reko Diq project in Pakistan), and more recently as COO of TSX.V-listed Reservoir Minerals Inc., which was sold in June 2016 to TSX-listed Nevsun Resources Ltd for US$365 million. Tim joined the company in March 2018.

Bob Smeeton

Chief Financial Officer

Bob is a member of the Institute of Chartered Accountants in England and Wales. He trained as a chartered accountant with Price Waterhouse, qualifying in 1992, and has a BSc in geography from Durham University. Bob has extensive experience of working for AIM-quoted companies, where he has been heavily involved in turnaround situations, fund raisings and acquisitions.

In partnership with three different CEO's, Bob was instrumental in the turnaround and subsequent growth of AIM-listed Universe Group Plc as Group Finance Director, seeing its market capitalisation increase from £1.5m to £25m during his tenure.

Prior to Universe Group, Bob was European Finance Director for OpSec Security Limited, where he was heavily involved in formulating and implementing a very successful reconstruction plan. The restructuring plan stemmed the annual operating losses of £2.5million and moved the Company to a profit situation in the first year of its implementation.

Claire Bay

Executive Director for Exploration & Business Development

A Chartered geologist with over 14 years' experience in the resources sector. Claire graduated from the University of Southampton with a First Class Masters in 2007 and joined AIM-listed Stratex International shortly thereafter, where she spent the next 11 years. During her career, Claire has operated at both the technical and commercial level, with a particular focus on gold exploration in Africa and Turkey.

Claire was promoted to VP in July 2018 as part of the restructuring of the Company to Oriole Resources PLC and then to Executive Director in July 2021. Claire oversees the Group's exploration programmes and is heavily involved in the review and interpretation of technical data, as well as co-managing the Company's corporate development activities.

David Pelham

Non-Executive Director

David Pelham is a mineral geologist with over 35 years global exploration experience. He has overseen the discovery and early evaluation of multiple deposits, most notably including the 6 Moz Chirano Gold Mine in Ghana, as well as Hummingbird's 4.2 Moz Dugbe gold deposit in Liberia. David has been a non-executive director to AIM-quoted Cora Gold Ltd since May 2017.

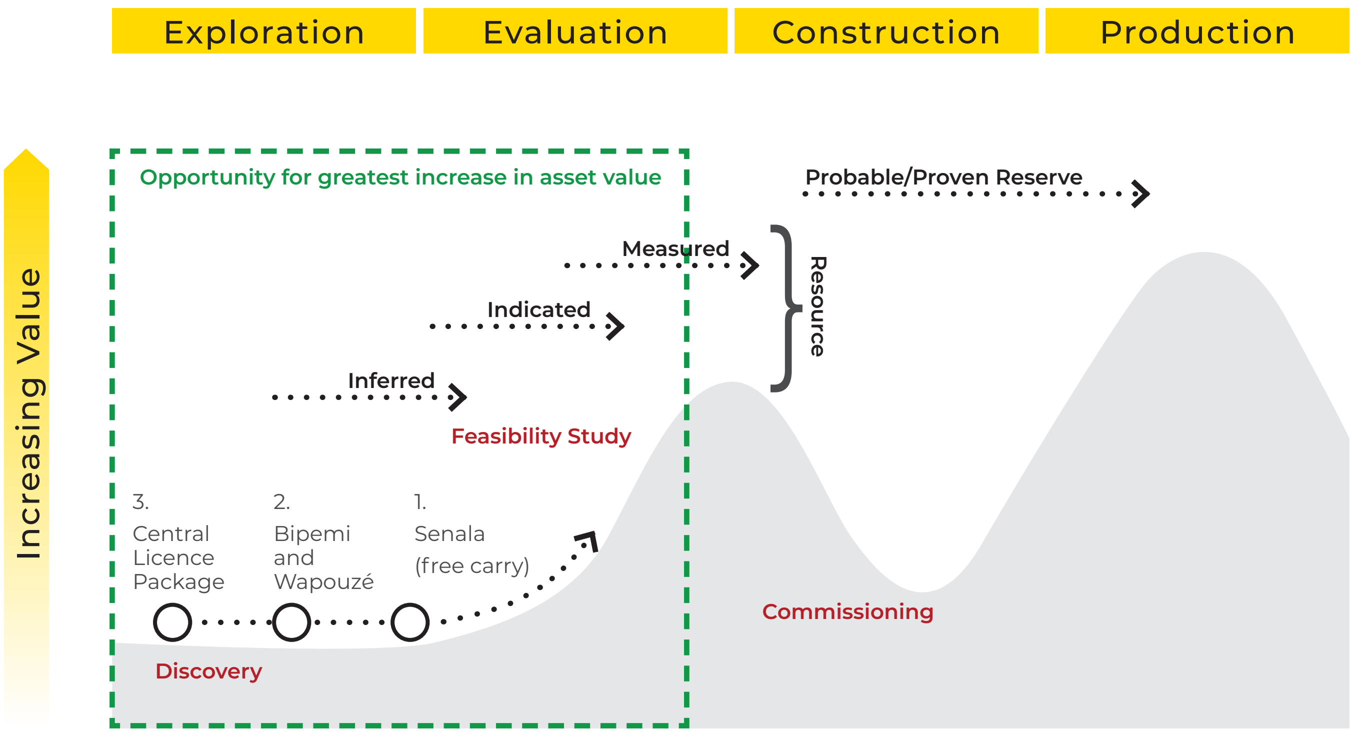
OUR BUSINESS MODEL & STRATEGY

The Company operates a project generator model but remains agile with respect to the development pathway of each project in order to maximise value-add for the benefit of its shareholders.

This strategy of identifying and developing a highly-prospective portfolio of gold and base metal assets, a number of which are in emerging economies, is designed to allow for the excellent returns that are possible on quality exploration projects whilst minimising the inherent risks that exist in a single project.

Lifecycle of a single project

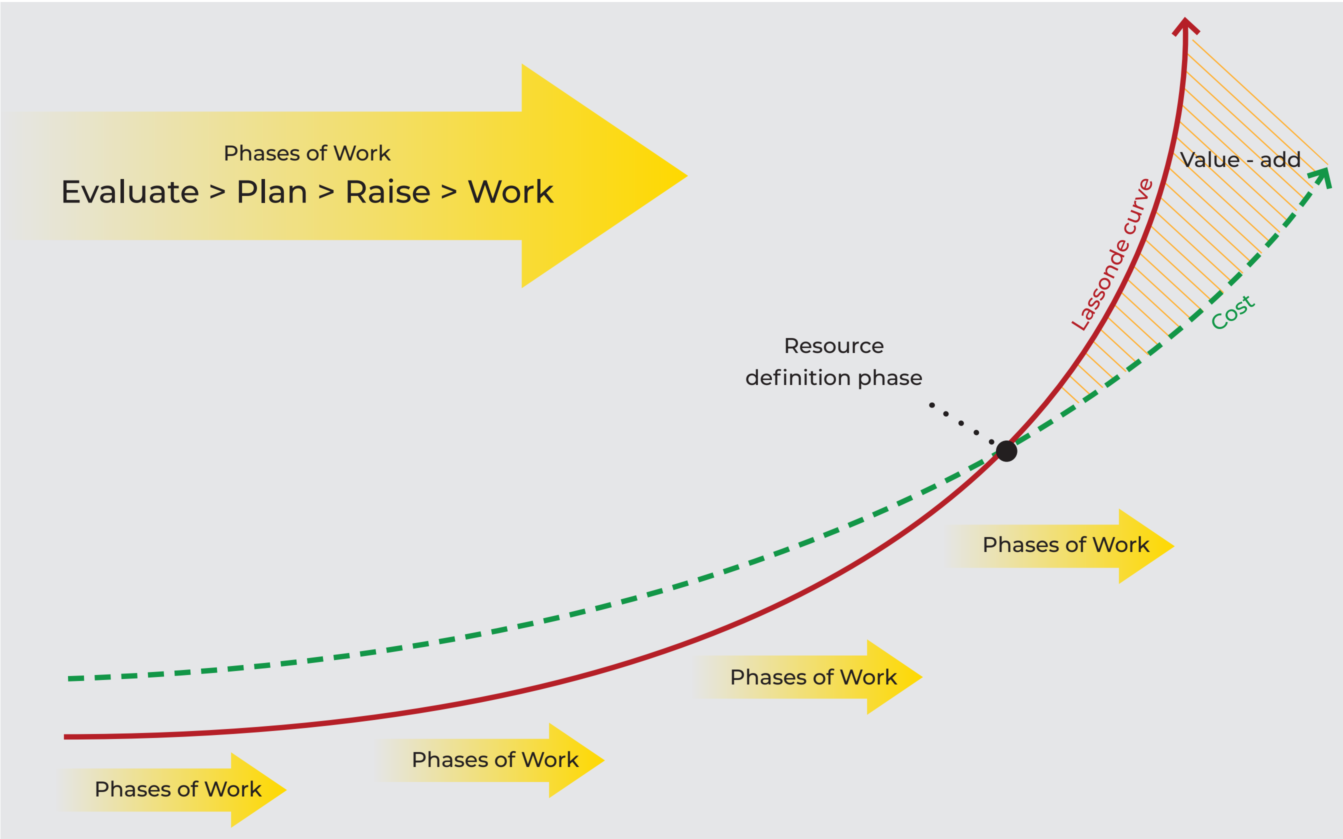
The greatest opportunity for adding value to a project is illustrated by the Lassonde Curve, which follows the relative value of project ownership interests from early stage to mine production:



The Lassonde Curve measures the lifecycle of a single successful project and the returns available to early-stage investors are potentially many multiples of their initial investments. Typically, there are two value maximisation points; completion of the evaluation phase and completion of mine building. Early-stage projects have the following key risks and characteristics:

- Early-stage exploration is inherently risky; an economic deposit either exists in an area, or it doesn't. Exploration expertise can reduce this risk, and commencing exploration with low-cost methods before moving to higher cost methods is a key risk-reduction strategy;

The project development cycle



- The project development cycle, including data evaluation, planning the next phase of work, completing a fundraise, executing the planned work programme to gather more data and repeating these steps, is well understood in the industry. Projects move into the 'Evaluation' phase by raising the appropriate amount of capital at each stage. In essence, the increased capital intake during the project lifecycle is delivering enhanced asset value that will start to crystallise from the resource definition phase onwards;
- The potential reward for early-stage investors is higher multiples of their initial investment, reflecting the higher investment risk inherent in early-stage projects;
- At this stage of the discovery and development curve, operating costs are at a minimum and the impact of de-risking assets maximises return on investment.

Oriole concentrates on the 'Exploration' and 'Evaluation' stages of this model, aiming to generate the most value for its shareholders by quickly progressing targets to discovery and then pushing these projects towards resource development and technical studies, which have been proven to drive an uplift in shareholder value during the Evaluation phase.

OUR BUSINESS MODEL & STRATEGY CONTINUED

The project generator model

The advantage of a project generator model over the traditional ‘single project’ model is to spread the traditional exploration risks across multiple projects and jurisdictions. The ultimate goal may be to take any one project to a mine; however, it is more likely that value is delivered through the project evaluation phase and that acquirers or joint-venture partners are brought in to move the project towards mine construction. Ultimately, this offers the project generator the future potential to own minority percentages in a number of operational mines, rather than having majority exposure to only one project that could either succeed or fail.

	Junior Explorer	Hybrid	Project Generator
Projects	1-2	4-6	Multiple 20+
Discovery goal	1	2-3	Multiple
Primary Funding	Equity Equity Equity	Equity Equity Partners	Equity Partners Royalties
Typical Discovery Scenario	100% of a single discovery	c50% at feasibility study, with options to contribute, dilute or sell	Minority stake in a number of discoveries, portfolio of royalties
Risk profile:			
Geological risk	High	Medium	Low
Geopolitical risk	High	High	Low
Value created in a single successful project	Maximum	High	Low

Success in the project generator model can lead to a number of possible outcomes for each project, including:

- Outright sale of all interests for cash and/or shares;
- Maintenance of a minority position all the way to mine construction and production;
- Choosing to dilute down to a residual royalty position (often in return for project capital and a free-carried interest);
- Retaining a majority position and developing a suitable project all the way to mine operation.

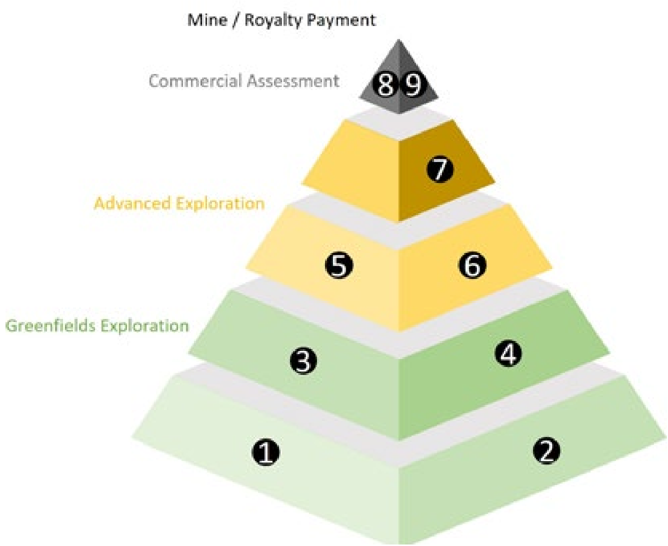
The project generator model seeks to reduce the binary risk of being a single project Company by offering multiple opportunities for success. It also reduces the geopolitical risk which is an inherent issue for many exploration jurisdictions.

At all stages, the aim is to understand the opportunities for partnership, the benefits of sharing project risk and the value add to be achieved by maintaining independence of ownership. Assessment of these competing opportunities is key to the success of the project generator.

Oriole operates a project generator model but with a strong emphasis on developing its projects rapidly in order to move them towards the value-adding ‘Evaluation’ phase of the Lassonde Curve. The Board believes this ‘Hybrid’ model combines the returns available from undertaking quality exploration on highly-prospective licences with the risk-mitigation benefits of the project generator model.

This strategy has led to Oriole having interests in a number of licences that are moving through the early phases and towards the mine construction, commissioning and production phases

Projects Investment Pipeline



#	Project	Country	Metal	Oriole interest	Operator
9	Muratdere	Turkey	Copper - Gold	1.2% royalty	Lodos
8	Karaağac	Turkey	Gold	Success fee	Anadolu
7	Hasançelebi	Turkey	Gold	Success fee	Bati Toroslar
6	Anbat & Hutite	Egypt	Gold	24.92%	Red Sea Resources
5	Senala	Senegal	Gold	85%	IAMGOLD
4	Assaleyta, Hesdaba & Pandora	Djibouti	Gold	9.21%	TSD
3	Bibemi	Cameroon	Gold	90%	Oriole
2	Wapouzé	Cameroon	Gold	90%	Oriole
1	CLP (8 licences)	Cameroon	Gold	90%	Oriole

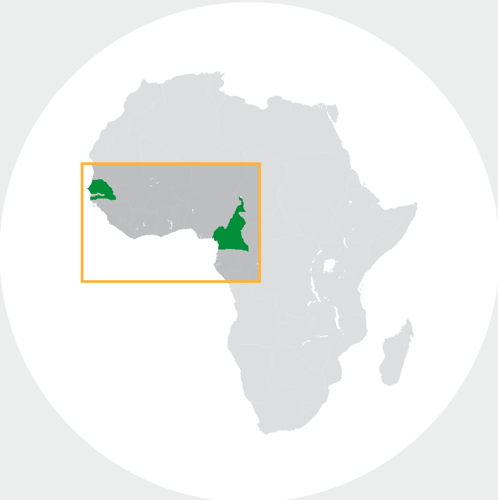
The Company's early-stage assets include its projects in Cameroon, a new frontier for gold exploration, where it has earned a 90% interest in the Bibemi and Wapouzé projects and has 90% ownership of a newly granted district-scale project, the Central Licence Package ('CLP'), in the centre of the country.

As projects progress, and financial demands increase, one option for a junior explorer to reduce its exposure to the capital markets is to find a joint venture partner to fund the project in return for an equity stake. This was the approach taken at the Senala (previously Dalafin) project in Senegal, where in 2018 the Company signed a joint venture agreement with IAMGOLD Corp, giving them the right to earn-into a maximum 70% equity position. An experienced Board understands that, to move a project forward, capital is required at either Company level or project level and it therefore needs to assess all potential deals based on their attractiveness compared to the other options available and with a focus on reducing the risk on returns for the shareholders.

Residual interests have also arisen on projects that have had partners introduced in Turkey, Djibouti and Egypt. Oriole maintains an active role in monitoring these projects and aims to maintain Board positions on the joint-venture companies wherever possible.

Oriole defines its interests in Cameroon and Senegal as Projects, and its later stage interests as Investments. The Company actively seeks further exploration opportunities, particularly in West Africa, to consolidate its existing geographic footprint.

PROJECTS AND INVESTMENTS



SENEGAL
Senala

CAMEROON
Bibemi, Wapouzé & Central Licence Package

Royalties/investments

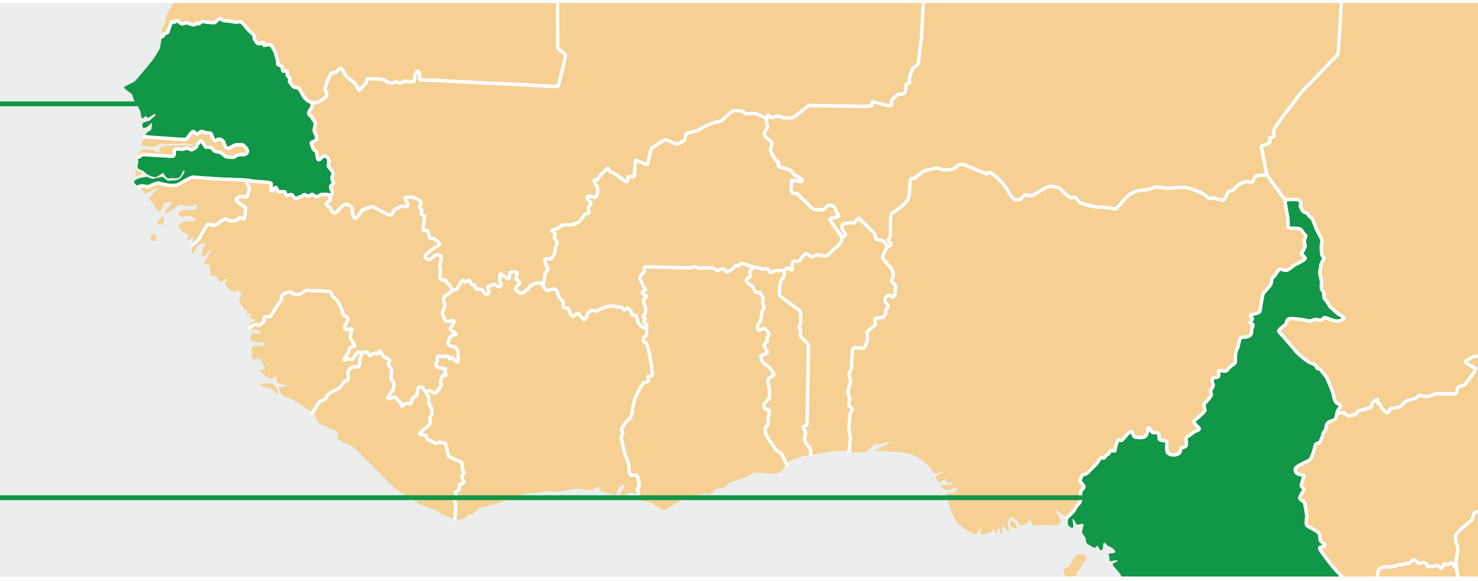
01 TURKEY - Anadolu, Lodos & Bati Toroslar (Karaağac, Muratdere, Hasançelebi & Doğala)

Projects

Bibemi and Wapouzé

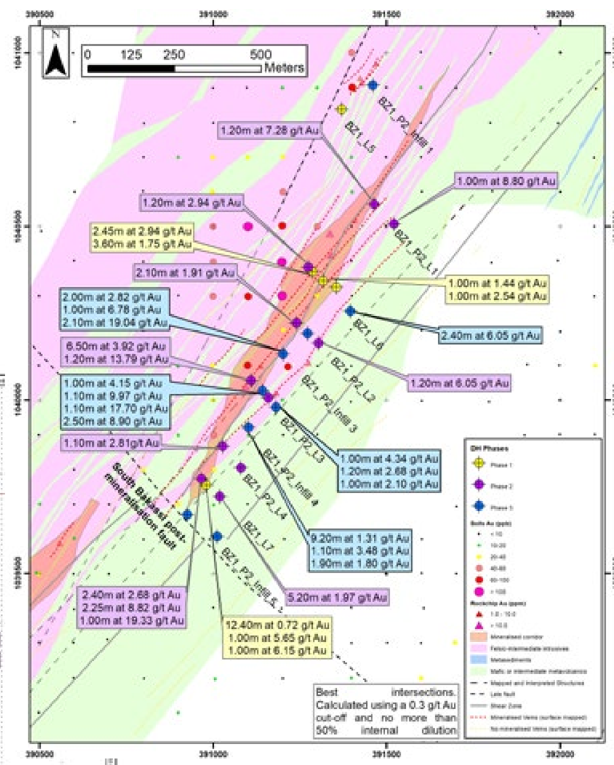
Cameroon

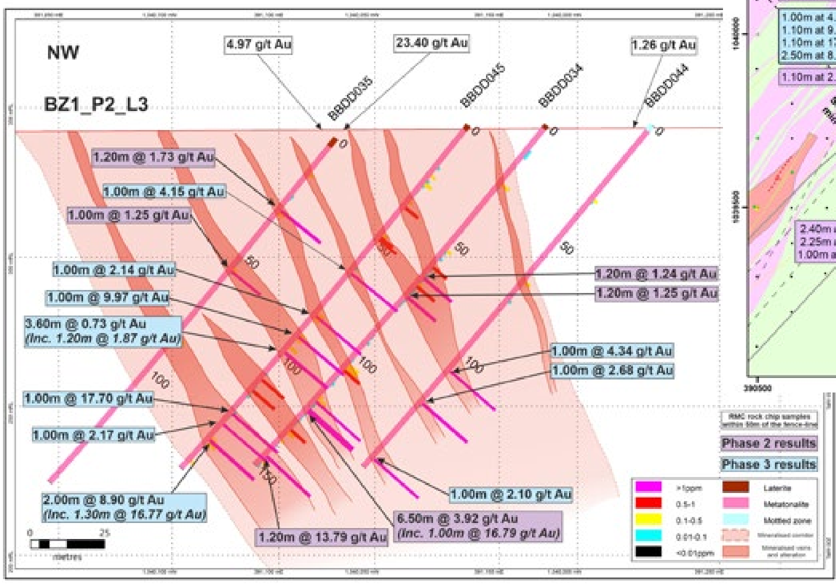
- Bibemi and Wapouzé are early-stage gold exploration projects, covering highly prospective Neoproterozoic Pan-African greenstone rocks in north-eastern Cameroon;
- In early 2021, the Company met its financial commitments to earn a 90% interest in the projects as per the terms of an option agreement with local partner BEIG3 and its wholly-owned subsidiary, Reservoir Minerals Cameroon SARL ('RMC');
- Surface exploration to date has identified four key prospects – Bakassi Zone 1, Bakassi Zone 2, Lawa West and Lawa East. Best results include up to 135.40 g/t Au from selective rock-chip sampling and 9m grading @ 3.14 g/t Au from trenching;
- During the year, the Company completed three phases of diamond drilling for 6,154.10m in 49 holes, focussed on testing the depth extension of mineralisation identified at the four main prospects with the larger portion of follow-up work being focused on Bakassi Zone 1. Results received during the year delivered best intersections of 6.50m grading 3.92 g/t Au including 1.00m grading 16.79 g/t Au, 5.20m grading 1.97 g/t Au and 2.25m grading 8.82 g/t Au including 1.00m grading 19.33 g/t Au. The system has been confirmed to at least 100m below surface and remains open in all directions. Results from the latest 'Phase 3' programme, completed in December 2021 for 1,385m in nine holes, were reported in February 2022 and further supported the Company's geological model with best intersections including 9.20m grading 1.31 g/t Au and 2.10m grading 19.04 g/t Au including 1.10m grading 36.06 g/t Au;
- The team also completed a 100m x 100m infill soil sampling programme for a total 1,455 sample points covering the southern extension of the Bakassi Zone 1 and Bakassi Zone 2 zones, towards the Lawa West and Lawa East prospects respectively. Results announced on 5 January 2022 delivered grades of up to 271 ppb Au and, together with earlier results over the north of the licence, confirmed the system over a strike length of almost 12 km;
- At the earlier stage Wapouzé project, c.20km to the north east, two phases of soil sampling identified c.13km strike length of gold anomalism within the Bataol Zone. Trenching results to date have returned up to 2.00m grading 4.06 g/t Au.



02 EGYPT - Thani Stratex Resources (Hutite & Anbat-Shakoosh)

03 DJIBOUTI - Thani Stratex Djibouti (Pandora, Hesdaba & Assaleyta)



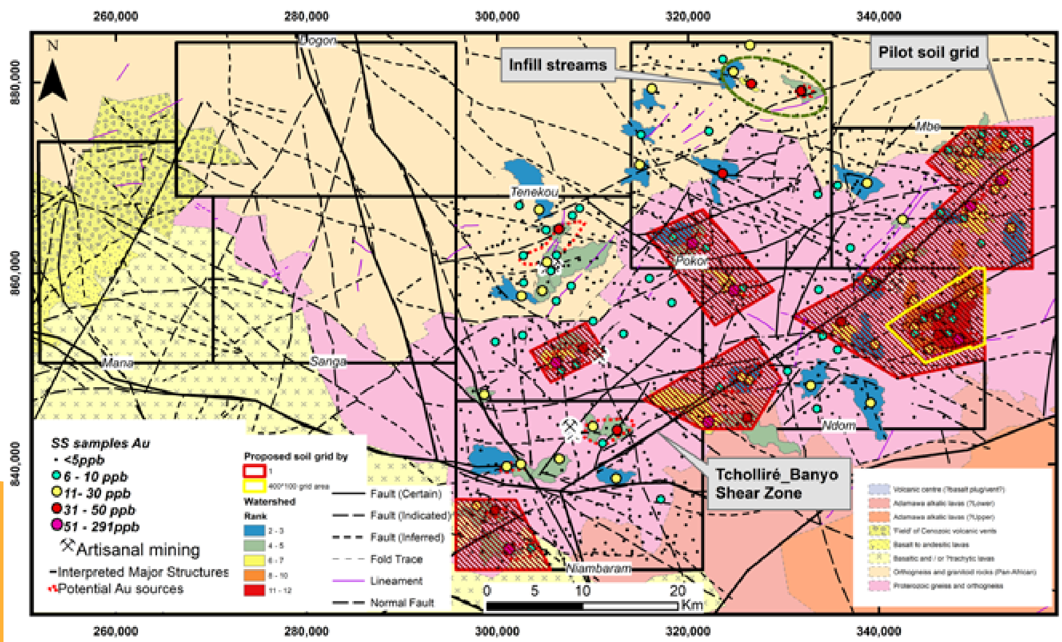


PROJECTS AND INVESTMENTS CONTINUED

Central Licence Package ('CLP')

Cameroon

- In Q1-2021 the Company, together with its local partner BEIG3, received approval for eight licences, covering a contiguous land package of 3,592km^2;
- The licences were applied for in 2019 following an in-house, country-wide prospectivity analysis that considered the district to have significant potential to host orogenic-type gold mineralisation. This assessment was made on the basis of host-rock geology, alteration, structural location and evidence of gold anomalism (in the form of previous historical regional sampling data and artisinal workings), targeting the regional Tchollire-Banyo shear zone corridor ('TBSZ'), a major splay off the larger-scale Central African Shear Zone;
- The northeast-trending TBSZ corridor, with its associated shears, thrusts and faults, are, according to academic literature, thought to be one of the significant structural controls for gold and other mineralisation in the region;
- The Company has a 90% interest in the entire package, with the five eastern licences (Tenekou, Niambaran, Pokor, Ndom and Mbe) being held directly by the Company's subsidiary, Oriole Cameroon SARL, and the three western (Mana, Dogon and Sanga) currently held by Reservoir Minerals Cameroon SARL, under the same earn-in agreement that controls ownership of Bibemi and Wapouzé. The administrative process to transfer the Reservoir Minerals Cameroon SARL licences into a new subsidiary is currently underway;
- During the period, the Company completed regional mapping and stream sediment sampling over the five eastern licences, which identified multiple areas of elevated gold in distinct drainage basins, associated with the TBSZ corridor. Best results of 291ppb Au and 95ppb Au were returned from Ndom and Tenekou licences with 18 areas grading 30ppb Au or more;
- Ranking of these areas enabled the identification of five 'Priority 1' zones for a follow-up semi-regional soil campaign. The first grid to be completed covers the east of Ndom and Mbe permits, for which results are expected in Q1-2022. Sampling of the other four 'Priority 1' areas will continue during 2022;
- Stream sediment sampling over the three western licences is planned to commence in Q1-2022. Notably these licences cover more recent (Cenozoic) volcanics that overlie the deeper Neoproterozoic Pan-African rocks, suggesting the potential for epithermal as well as orogenic-type gold mineralisation;
- On the basis of data collected by the World Bank-funded countrywide prospectivity analysis, PRECASEM, the entire package has recently (December 2021) been flagged as lying within a significant 'gold district';
- BEIG3 and its associate Roxane Minerals Limited have a collective 10% free-carried interest in each of the Oriole Cameroon SARL licences up until the definition of a minimum Measured and Indicated resource of 50,000 oz Au; thereafter, funding will be pro-rata on a contribute or dilute basis.



Senala

Senegal

- The Senala gold project lies in the highly-endowed Birimian-age Kédougou-Kéniéba gold belt in south-eastern Senegal;
- Oriole owns 85% through its joint-venture with local partner Energy & Mining Corporation S.A.;
- During the period, and under the terms of an option agreement signed in 2018, Canadian mid-tier IAMGOLD Corporation entered the fourth and final year of the First Option period to earn a 51% interest in the project, with a planned exploration budget of US$1.672million. Subject to meeting this commitment, IAMGOLD has the option to spend a further US$4million over two years to earn a total 70% interest in the project;
- The 2021 programme was designed as two phases to target both the northernmost prospect, Faré, which the Company believes has the potential to host a standalone deposit, and the southernmost prospect, Madina Bafé, located ~ 10km west of IAMGOLD's 2.5Moz Boto mine development project;
- Phase 1 of the programme focussed on Faré and included 689.50m of diamond drilling in two holes to test the depth extension of the main mineralised zone at Faré South, where historical drilling delivered best intersections of 20.00m grading 31.13 g/t Au from reverse circulation (RC) drilling, and 59.60m grading 2.20 g/t Au and 49.50m grading 1.75 g/t Au from diamond drilling. Results confirmed that the orogenic gold system at Faré South extends to depths of at least 350m, with the widest zone of mineralisation returning 70.00m at 1.46 g/t Au, and the system remains open at depth and along strike;
- On the basis of these results, and previous drilling by the Company prior to the signing of the option agreement with IAMGOLD, a maiden Mineral Resource Estimate was calculated by Forge International Limited, which delivered a JORC-compliant Resource of 155,000 oz Au grading at 1.26 g/t in the Inferred category, based on a 0.3 g/t Au cut-off and a US$1,800/oz pit shell. This Resource sits within a larger JORC-compliant Exploration Target for Faré South of up to 280,000 oz grading at 1.10 g/t Au. Both estimates remain open at depth and along strike;
- The remainder of the Phase 1 exploration programme comprised 4,854m of RC drilling in 42 holes across the Faré North and Faré Far South anomalies, with best intersections of 11.00m grading 1.22 g/t Au and 35.00m grading 3.61 g/t Au respectively;
- Phase 2 of the exploration programme initially focussed on testing the main structural corridor at Madina Bafé, in the vicinity of previous best drilling intersections of 9.60m grading 16.08 g/t Au. A total of 3,111m of RC drilling in 48 holes and 401m diamond drilling in four holes delivered best intersections of 2.00m grading 9.36 g/t Au and 4.00m grading 0.98 g/t Au, both from RC drilling;
- The remainder of the Phase 2 campaign was redirected to Faré for 2,148m of RC drilling in 18 holes, focussed on testing the north eastern extensions of the three main targets. Results were received in January 2022 and delivered intersections of up to 5.00m grading 12.45 g/t Au from Faré South, indicating the high probability for further resource definition on the property;

- IAMGOLD has now confirmed to Oriole that it has met the first option term by investing US$4million in the project over an initial four years, and will be moving to a 51% licence-ownership position. The Company and IAMGOLD are moving through the administrative steps to formalise this position.

PROJECTS AND INVESTMENTS CONTINUED

Investments

Thani Stratex Resources Ltd ('TSR')

Egypt

- TSR is focussed on the Hodine licence in Egypt that hosts the Anbat-Shakoosh and Hutite gold projects, both of which have identified resources:

  Anbat-Shakoosh: In December 2017, TSR announced a maiden JORC 2012-compliant Inferred Mineral Resource Estimate of 209,000 oz at 1.11 g/t Au within porphyry sills, although the geometry of these sills is yet to be fully resolved. Potential upside has also been highlighted within the granodiorite, where an Exploration Target has been identified;

  Hutite: The mineralised system is hosted by a melange of ultramafic/mafic rocks, representing one of the many suture zones between tectonic terranes in the eastern desert of Egypt and as seen all over the Arabian Nubian Shield. Although TSR has not completed any work at this project since acquiring it in 2014, former operator Thani Ashanti drilled over 30,000m of RC and diamond drilling between December 2010 and March 2013. On the basis of this work, South Africa-based Quantitative Group estimated an Inferred Resource (non-JORC) of 11,410,000 tonnes grading 1.41 g/t Au for 520,000 in-situ ounces using 0.40 g/t Au cut-off.
- In March 2021, TSR signed an agreement with private investment company Red Sea Resources (RSR) with respect to earning up to an 85% interest in Hodine in return for paying all outstanding fees and charges and making staged expenditure commitments totalling US$2.2 million;
- Following a successful renewal of the Hodine licence, drilling commenced at Hutite in Q4-2021 as part of RSR's First Option to spend US$1.2 million on exploration within 12 months in return for an initial 51% interest in Hodine. RSR currently holds a 7% interest in the holding company for Hodine, with TSR holding the remaining 93%. In the event that TSR's position is diluted below 10%, its holding shall be converted to a 1.5% net smelter return (NSR) royalty on future gold production from the licence;
- As at 31 December 2021, Oriole's holding in TSR stood at 24.92%.

Thani Stratex Djibouti Ltd ('TSD')

Djibouti

- Since late 2019, TSD has been funded and operated by its largest shareholder African Minerals Exploration & Development Fund III (AMED Fund III), with Oriole represented at the board-level;
- Exploration has mostly been focused on the following three projects within the Afar epithermal province of the East African Rift Valley:

  Pandora: The 93km^2 Oklila licence, which includes the Pandora vein target, covers an epithermal system that comprises over 10km strike length of outcropping and inferred veins. Three phases of drilling have been completed between 2017 and 2021 (totalling ~6,550m). Best results from the Phase 3 campaign included 16.86m grading 1.42 g/t Au from 13.00m, including 6.63m at 2.68 g/t Au, yielded from the north western end of Pandora and at the south eastern end of the Pyrrha prospect. No work was completed at Pandora during the year;

  Hesdaba: Located 10km northwest of Pandora, TSD has completed detailed mapping that has identified veins over a combined strike length of 16km, with three primary targets identified: Maranzana, Caravan, and Red Horns. During the year, the remaining results from 2020 Phase 1 drilling were announced, with additional best intersections of 1.0m at 2.1 g/t Au, supplementing the previously reported best intersections of up to 15.00m at 4.08 g/t Au at Red Horns. Final results of the 2020 rock chip sampling were also received with best results of 36.90g/t Au, 19.00g/t Au, and 10.35 g/t Au returned for Red Horns, Caravan, and Maranzana targets respectively. Phase 2 drilling commenced with results from selective sampling of one diamond drill hole at Red Horns (received in Q4-2021) returning best intersections of 19.80m at 1.18g/t Au and 10.75m grading at 26.27 g/t Au which includes a bonanza-grade interval of 1.22m at 211.0 g/t Au. Further results from the programme are pending;

  Assaleyta: Located c.16 km to the north of Pandora, low-sulphidation epithermal gold occurs as high-grade veins and disseminated mineralisation in rhyolite domes. Phase one drilling in 2017 confirmed sub-surface gold mineralisation of up to 17.40m grading 2.24 g/t Au from surface and 3.16m grading 6.79 g/t Au from 20m. Phase 2 drilling commenced in Q1-2021 with best results of 16.00m at 1.08 g/t Au and 5.00m at 8.97 g/t Au from selective sampling of five RC drill holes, and 38.10m at 2.21 g/t Au from selective sampling of two diamond drill holes. In Q4-2021, results from selective sampling of a further 11 RC holes include 12.00m at 0.53 g/t Au. Further results from the programme are pending.

- As of October 2021, Oriole's interest was reduced to 9.21% due to the completion of the second tranche of funding by AMED Fund III. TSD was therefore considered no longer material to the group and regular reporting no longer required.

PROJECTS AND INVESTMENTS CONTINUED

Hasançelebi and Doğala projects

Turkey

- In 2019, the Company's wholly-owned subsidiary, Stratex Madencilik Sanayi ve Ticaret Limited Şirketi ('Stratex Madencilik'), signed an exploration agreement with Bati Toroslar Madencilik Ltd. Şti. ('Bati Toroslar') for the Hasançelebi and Doğala high-sulphidation projects which will result in a US$500k success-based payment on delivery of a minimum JORC-compliant indicated and/or measured gold resource of 100,000 oz (with a 0.3 g/t Au cut off), defined within the oxide and transition zones at Hasançelebi, and the completion of an Environmental Impact Assessment.
- Following the sale of Oriole's 1.5% royalty on the projects in 2020, a further US$220k is due to Stratex Madencilik once Hasançelebi moves to the mine-development stage;
- During the period, drilling continued at Hasançelebi as Bati Toroslar move towards resource definition.

More detail of the above Oriole projects and investments can be found on the Company's website: **www.orioleresources.com**

Karaağac Gold project

Turkey

- Karaağac is located 300 km west-south-west of Ankara and mineralisation is hosted by an outcropping thrust zone and altered limestone.
- In March 2019, the Company's partner Anadolu Export Maden Sanayi ve Ticaret Limited Şirketi ('Anadolu'), 96%-owned by Istanbul-listed ODAŞ Elektrik, confirmed the definition of a JORC-2012 compliant Measured, Indicated and Inferred resource of 348,150 oz Au and 2,832,036 oz Ag (0.2 g/t Au cut-off)
- Under the terms of the Agreement, definition of this JORC-resource triggered the payment by Anadolu of a US$500k success-based fee. US$75k of this was received in 2019 but the balance remains outstanding and, during the Period, the Company has been engaged in legal proceedings to recover the outstanding US$425,000 plus VAT. The Company has a strong case and remains hopeful of a positive outcome;
- Following the sale of Oriole's 1.5% NSR royalty to Anadolu in 2020, the Company remains entitled to a further US$250k when the project moves towards mine construction.

Muratdere

Turkey

- Muratdere is a substantial copper-gold porphyry system located west of Ankara with significant silver, molybdenum and rhenium credits. The project has a JORC-compliant Inferred resource of 51 million tonnes, comprising 186,000 tonnes Cu, 204,296oz Au and 3.9million oz Ag, that remains open along strike and at depth;
- According to a previously reported Feasibility Study, an initial optimised resource of 16 million tonnes will be processed over a 16-year mine life, for total metal in concentrate of c.68,000 tonnes copper, c.32,000 ounces gold and c.955,000 ounces silver (announcement dated 11 March 2015);
- In November 2019, the Company executed share purchase and royalty agreements with its partner Lodos Maden Yatırım Sanayii ve Ticaret A.Ş. ('Lodos'), a wholly-owned mining investment company of Istabul-listed investment company Pragma Finansal Danışmanlık Ticaret A.Ş that resulted in the Company's equity interest in Muratdere being converted to a 1.2% post-tax NSR royalty;
- Lodos is preparing to submit an updated Environmental Impact Assessment ('EIA') and a decision is expected in 2022.

CHAIRMAN'S STATEMENT

"I am delighted to have stepped into the role of Chair of Oriole in the last month and I am looking forward to working with the team to push the business forward at what is an exciting stage of its development."

Eileen Carr
Non-Executive Chair

The Board I'm joining took up their responsibilities in 2018, at a time when the Group was poorly funded, had a falling market capitalisation and had no active exploration projects of its own. The hard work completed over the past four years has delivered significant progress, with a determined and aggressive return to early-stage exploration, opening up the new gold exploration frontier of Cameroon and following the value creation path of a well-run junior exploration company.

Exploration companies don't always see the increasing share price their results deserve, as these gains tend to come in sharp rises around resource estimate announcements, and so I am glad to see the team pursuing an aggressive business model, designed to deliver results quickly and at the lower end of the cost curve.

Oriole follows the principles of good exploration but also combines that with the benefits of a project generator model. Single-project companies carry a high level of risk geologically, operationally, and geo-politically, but spreading that risk by having multiple projects in different countries within the region should provide a more secure route to Group success. The Company has operated a project generator model for many years and retains a number of legacy positions that it actively manages with a view to realising cash to fund its ongoing exploration.

Operations

Senala, Senegal

At Senala, IAMGOLD continued to push forward with its earn-in, completing significant drill programmes either side of the West African rainy season. In 2021, IAMGOLD delivered 7,002m of RC drilling and 689m of diamond drilling at the northernmost Faré prospect, and 4,912m of RC drilling at the Madina Bafé prospect in the south. IAMGOLD has confirmed that it has met the initial US$4 million of expenditure across the first four years of the Option Agreement dated 28 February 2018 required in order to secure a 51% interest in the Senala project and that it intends to exercise this option once the expenditure figures have been reviewed and agreed with the Company.

The work completed at the Faré South target, when combined with drilling results achieved by Oriole prior to the Option Agreement, enabled the Group to publish a maiden resource estimate of 155,000 oz Au grading 1.26 g/t Au (announcement dated 23 August 2021). IAMGOLD's subsequent drilling confirmed further substantial gold anomalism around this system, reinforcing management's belief that Faré has the potential to host a stand-alone deposit.

CHAIRMAN'S STATEMENT CONTINUED

Bibemi, Wapouzé and the Central Licence Package, Cameroon

Progress at Bibemi has been rapid during 2021, with three phases of drilling completed on the licence for 6,154m. Early in the year, our maiden drilling programme tested four targets and confirmed gold at each of them. At the Bakassi Zone 1 target, we identified zones of mineralisation up to 12m wide and have further drill tested this area, with great success, in follow up programmes during the latter part of the year (announcement dated 9 February 2022). We are increasingly confident that the gold anomalism observed at Bakassi Zone 1 extends a further 3km along strike towards the Lawa West target, offering ample opportunity to expand the exploration programmes. Due to the structural complexity at Lawa West and Lawa East, we are currently undertaking a geophysics programme in the area with the aim of identifying more drill targets.

Exploration at Wapouzé is less advanced than at Bibemi, although soil sampling in 2019 identified cumulative gold anomalism over 13km in length. Results from the follow-up 2021 trenching work programme returned grades of up to 2.00m grading 4.06 g/t Au (announcement dated 9 February 2022).

Under the terms of the earn-in agreement with our well-established local partner, Bureau d'Etudes et d'Investigations Géologico-minières, Géotechniques et Géophysiques SARL ('BEIG3'), we have reached the required milestones to take 90% ownership of both licences. We have submitted the paperwork for the transfer of these licences to our local subsidiary and await confirmation from the Ministry of Mines that the administrative process and transfer have been completed.

Early in the year, we were delighted to receive confirmation of eight licence awards for the Central Licence Package ('CLP') project in central Cameroon (announcement dated 3 February 2021). This provides a contiguous 3,952km^2 block of licences, covering an area that is highly prospective for orogenic-style gold mineralisation. Five of these licences are held directly by our 90%-owned subsidiary, Oriole Cameroon SARL, with the other three held by Reservoir Minerals Cameroon SARL, under the same earn-in agreement that controls ownership of Bibemi and Wapouzé. As with Bibemi and Wapouzé, we are awaiting confirmation of their transfer into our legal ownership thereby formalising our 90% ownership.

Work at the CLP project has been progressed quickly. Following an initial remote sensing study early in 2021, we were able to undertake a stream sediment sampling programme across the five easternmost licences before the rainy season took hold mid-year. Follow-up work has already commenced based on the results of that work and a stream sediment programme is planned for the three western licences. Results to date have been very encouraging, confirming significant zones of gold anomalism.

We see great potential in Cameroon as a new frontier for gold exploration and note increased interest from the wider exploration community, with a number of new licences applied for by our peers. We remain confident that our first mover position has enabled us to secure what we consider to be the most prospective ground and welcome the increased interest, which will ultimately make it easier to operate in Cameroon, as having more active companies will increase the availability of skilled labour and drilling equipment.

Investments and Royalty positions

The Group has a range of investment and potential royalty positions arising from its exploration activities in prior years. We take an active interest in managing these positions, with the ultimate goal of maximising shareholder value, either through realisation or conversion into a royalty position. The most significant positions within the Group are set out below.

Thani Stratex Resources ('TSR')

The Group holds a 24.92% interest in TSR, the legacy of a joint venture with Thani Ashanti Alliance Limited ('Thani Ashanti'), that is focussed on the Hodine licence in Egypt. During the year, TSR entered into an earn-in agreement with Red Sea Resources Limited ('RSR'), by which RSR resolved a number of outstanding liabilities in return for an initial 7% stake and now has the option to earn an overall 85% interest by incurring US$2.2 million of exploration expenditure by March 2023. It is ultimately expected that TSR's position will convert to a 1.5% royalty as RSR advance this project to production. With resources totalling 729,000 oz Au already identified on the licence, there is an expectation that the Group's equity share of this royalty could be of appreciable value.

Thani Stratex Djibouti ('TSD')

TSD is focussed on the exploration of gold projects in Djibouti and is another legacy asset arising from the historical joint venture with Thani Ashanti, with Oriole's interest currently standing at 9.21%. Whilst we maintain board representation, we are increasingly frustrated by the slow progress being made as it is creating a high ratio of G&A to exploration expenditure. The projects have great promise, having delivered encouraging results including 15m grading 4.08 g/t Au (announcement dated 22 December 2020) but a faster rate of progress is needed in order to deliver an effective and financially efficient exploration programme.

Turkey

The Company's first projects were in Turkey and residual interests are still held across a number of licences. The ownership of all these licences has now passed to third-parties, who are advancing the projects. In 2022, we will maintain a representative presence in Turkey in order to maximise returns from these remaining interests.

Chief among these is our 1.2% royalty in the Muratdere copper-gold project in Turkey. The Company's joint-venture partner, Lodos Maden Yatırım Sanayii ve Ticaret A.Ş. ('Lodos'), is close to submitting its Environmental Impact Assessment ('EIA') report and we are await the successful conclusion of this key phase. With a copper price that has risen by 60% over the last two years, we see significant value attaching to this asset as it moves through the regulatory phases.

Elsewhere in Turkey, we have ongoing court cases for the recovery of US$425k from Anadolu Export Maden Sanayi ve Ticaret Limited Şirketi ('Anadolu') and US$960k from NTF Insaat Ticaret Ltd Sti ('NTF'), both former joint-venture partners. These debts are fully provided against in the financial statements, but we hold a very strong legal position in both cases and anticipate an eventual successful resolution.

At the Hasançelebi and Doğala gold projects in Turkey, the Company signed an exploration agreement with Turkish private company Bati Toroslar Madencilik Sanayive Ticaret LTD. Sti ('Bati Toroslar') in 2019. The agreement provides for the payment of a US$500k success-based fee upon successful definition of a minimum 100,000 oz Au JORC-compliant resource and completion of the EIA. Drilling has been ongoing through 2021 and work towards resource definition is progressing.

Covid-19

The management team successfully adapted the Group to work within the restrictions imposed by the Covid-19 pandemic. Whilst restrictions are easing in the UK, it is important to remember that we work in parts of the world where the vaccine rollouts are still in progress. As such, although we expect there to be little impact on our operations in 2022, we continue to monitor the situation carefully. During 2021, we arranged for the vaccination of our Cameroonian workforce, on a voluntary basis, and will ensure this facility remains available to our team.

AGM Update

The Company's AGM is scheduled for 26 April 2022 at the offices of Grant Thornton UK LLP, 30 Finsbury Square, London, EC2A 1AG. Whilst we expect this will be an open meeting, the Company encourages all shareholders to vote via proxy form in advance of the meeting date. The Company shall inform shareholders via regulatory announcement if the meeting needs to revert to being a closed meeting.

Outlook

On behalf of the Board, I would like to thank John McGloin for his work over the last three and a half years. He has led the Board ably through that period and leaves with the best wishes from us all. John leaves the Group in good shape and with a clear strategy to deliver shareholder value by performing high-quality exploration work in highly prospective gold districts. The results at Bibemi offer great encouragement and the opportunity provided by the Central Licence Package, a district-scale play that is already proving to host significant gold anomalism, is huge.

I'm very pleased to be taking over from John at this exciting stage. We have a strong team throughout the business and, on behalf of Oriole's Board of Directors, I would like to express our appreciation and thanks to all of our employees for their continued dedication and professionalism during the past year, and our shareholders for their continued support.

Eileen Carr
Non-Executive Chair
8 March 2022

Operational and Financial Review

"The Group's main operations are split between active exploration projects and the management of our investment and royalty positions."

Tim Livesey
Chief Executive Officer

Principal Activities

The principal activity of the Group is the exploration and development of gold and other high-value base metals projects.

Strategic approach

The Board's strategy is to establish the Company as a leading value-adding project-generator in our chosen mineral specialisations and in our geographic areas of operation. The Board seeks to acquire exposure to highly-prospective districts, primarily in West Africa, and the Group has developed a first-mover position in Cameroon, an exciting new frontier for gold-exploration. The Board aims to develop a portfolio of projects that cover a range of mineral deposits across multiple jurisdictions, thus mitigating sovereign, technical and operational risks.

The Group finances its activities through the monetisation of more advanced projects and through periodic capital raisings.

Business environment

The price of gold was relatively stable during the year, with a small decrease from an opening position of US$1,894 per ounce, to US$1,815 per ounce at 31 December 2021. This level of gold price has been sustained since July 2020 and, in the context of Oriole, is 50% higher than when the Company was rebranded in 2018.

In addition, there are steadily diminishing proven resources at the main gold producers and so the Board believes the need to find new resources will ultimately drive their increased appetite for supporting the activities of junior exploration companies like Oriole.

Business performance

2021 Operations

The Group's main operations are split between active exploration projects and the management of its investment and royalty positions.

Impact of Covid-19

Coming into 2021, the Covid-19 pandemic was still very much an issue globally but had limited impact on the Company's operations. The Group has been operational in Cameroon for the whole of 2021, with three phases of drilling completed and extensive work programmes continuing across all its licences.

In March 2020, as an immediate response to the developing pandemic, the Board and management team took substantial pay cuts in order to preserve funds in uncertain times. As 2020 ended, it became clear that Oriole could function as normal in the 'new world' and so these measures were unwound to return employees and suppliers back to contractual rates. The Group continues to work flexibly, and with staff safety a prime concern, but the UK team has been operating from the Company's Exploration Office in Eastleigh whenever government regulations have allowed.

Oriole Resources PLC
Company number: 05601091
Registered office: 180 Piccadilly, London, W1J 9HF, UK
The Directors present their strategic report on the Group for the year ended 31 December 2021.

The Board believes the impact of Covid-19 on its 2022 operations will not be significant but it continues to monitor the situation.

Active Exploration projects

The primary focus for the Group's own exploration activities is its position in Cameroon. In 2018, the Group signed an earn-in agreement with BEIG3 to gain a majority interest in the Bibemi and Wapouzé licences in northern Cameroon. Work on the licences in 2019 and early 2020 provided encouraging results and, in early 2021, a maiden drilling programme was completed for 3,118m at Bibemi. The Group subsequently completed two further phases of more targeted drilling during H2-2021 and continues to be encouraged by the results. The Bakassi Zone 1 prospect has been the main focus of the drill campaigns to date and the mineralised corridor has been confirmed over more than 1km of strike; it remains open in all directions and at depth. Work is continuing in 2022, with a geophysical survey already underway to further understand the structures at three additional targets, namely Lawa West, which may prove to be an extension of the Bakassi Zone 1 prospect, Lawa East and Bakassi Zone 2. The geological team is currently designing follow-up programmes.

Trenching at Wapouzé has also been completed and all data is currently being reviewed ahead of designing future programmes.

The Group has now reached the expenditure target defined within the 2018 option agreement signed with BEIG3 and is moving through the process to take 90% ownership of both licences.

Additionally, in 2019, the Group applied for a district-scale package of licences – the Central Licence Package - in central Cameroon, covering 3,592km^2 of highly prospective ground that had been identified by the Group as part of a prospectivity review in the summer of that year. The licence grants were received in February 2021 and a regional stream sediment sampling programme was completed across five of the licences early in 2021. Results from those samples enabled the geological team to target significant areas of gold anomalism, within specific drainage basins, and a substantial targeted soil sampling programme commenced in autumn 2021. That programme is still ongoing and similar programmes of stream sediment sampling and soil sampling are planned to be completed on the three remaining licences in 2022.

At the 472km^2 Senala licence in Senegal, Canadian-listed gold miner IAMGOLD focussed on diamond and RC drilling at both the Madina Bafé and Faré targets, with particularly good results returned from Faré. During the year, the Company independently commissioned a maiden Mineral Resource Estimate for the Faré South target and announced an initial resource of 155,000 oz grading 1.26 g/t Au in the Inferred category, within a larger Exploration Target of up to 280,000 oz Au grading 1.10 g/t Au. This does not include any of the potential resources from the Faré North and Faré Far South targets, with recent drilling at the latter having delivered up to 35.00m grading 3.61 g/t Au. Under the terms of the Option Agreement, IAMGOLD was obligated to spend US$4 million on the licence by 28 February 2022. The Company has now received confirmation from IAMGOLD that, subject to review by the Company, the expenditure target has been reached. Subject to review and confirmation of this point, the first option will be triggered and IAMGOLD will move to a 51% ownership position.

OPERATIONAL AND FINANCIAL REVIEW CONTINUED

Investment and royalty positions

The Company has a long history of gold and base metal exploration success. This history has left it with a valuable portfolio of legacy assets throughout East Africa and Turkey, which are the subject of an on-going asset realisation programme. The management team actively manages these assets, including taking up Board positions where possible in order to assist with value maximisation. Two of these assets, a 24.92% holding in TSR, and a 9.21% holding in TSD, arise from a legacy joint-venture agreement between the Company, whilst under previous management, and Thani Ashanti.

The investment in TSR covers the Hodine licence in Egypt that hosts the Anbat and Hutite projects. At Hutite, former operator Thani Ashanti drilled over 30,000m of RC and diamond drilling between December 2010 and March 2013. On the basis of this work, South Africa-based Quantitative Group estimated an Inferred Resource (non-JORC) of 11.41 million tonnes grading 1.41 g/t Au for 520,000 ounces (in-situ) using 0.40 g/t Au cut-off. At Anbat, TSR has previously announced a maiden JORC 2012-compliant Mineral Resource Estimate of 209,000 oz at 1.11 g/t Au within porphyry sills (announcements dated 6 and 13 December 2017). Operation of this project has now been taken over by RSR, who has acquired an initial 7% interest and is spending US$2.2 million to earn a total 85% interest in the Hodine licence. Progress has been rapid and focussed, with 2,300m of drilling completed in the final two months of 2021. Whilst the Company will see its ownership diluted, the ultimate aim is for Oriole to retain a significant interest in the 1.5% royalty that will go to TSR upon that company being diluted below a 10% holding in Hodine.

Disappointingly, the progress at TSD has been less impressive. TSD became a standalone vehicle in late 2019 and is now funded and managed independently of TSR. The company is focussed on the exploration of epithermal gold projects in Djibouti, namely Pandora, Assaleyta and Hesdaba, with African Minerals Exploration and Development Fund III ('AMED Fund III') having taken over operational control in 2019, following a general meeting of the shareholders in TSR who at that time held 50% of TSD and had operational control. Unfortunately, though Oriole voted against the deal proposed, a majority voted in favour and control passed to AMED Fund III. After initial encouraging signs, whereby the Company was able to report 6,907.50m drilled in 2020, progress has slowed substantially whilst costs have far out-stripped the exploration progress made. In the last nine months of 2021, TSD managed to drill only 887.70m and have now drilled only 10,990.70m in two years at a cost of well over US$5 million. This arrangement has significantly diluted minority shareholders without adding significant value to TSD overall. The Board still firmly believes in the potential of the Djibouti licences but the well-funded aggressive exploration programme that was outlined to the TSR shareholders in 2019, of 40,000m drilling within three years and development of resources, has failed to materialise which, even taking Covid-19 into account, is disappointing.

With Turkey continuing to face economic issues, which impacted the Group's consultancy income, the Board took the decision to close the Company's Turkish office. The Group has put in place arrangements to manage its interests in Turkey, with up to US$2.4 million to be collected from the agreements that are in place with former partners. At the Group's former Karaağaç gold project in Turkey, pursuit of the U$425k owed by the operator, Anadolu, is still ongoing. During the year, the Group won an interim injunction against Anadolu and were able to send lawyers into the company's Ankara offices to ascertain what assets would be available. Turkish justice has moved slowly, particularly in light of Covid-19, but it is moving in the right direction. The Group is now working to bring the parent company, Odaş Electrik, into the interim injunction. In the meantime, the Group has rejected two unacceptable offers of settlement from Anadolu and remain extremely confident that, if this case makes it to court, the Group will win the full sum due, plus damages and costs. Following the sale of a royalty right to Anadolu in 2020, the Group is also contingently owed US$250k from Anadolu should the Karaağaç project receive Environmental Impact Assessment ('EIA') approval and move to mine construction. The Group continues to monitor progress on this and has retained the right to take the royalty back if Anadolu defaults on that payment.

The Group is also awaiting news of a US$960k debt owed by NTF, a former partner in Turkey, who defaulted on tax payments that were originally due in 2017. Progress on this has been held up by a preceding case involving NTF but the Board hopes for a resolution of that case in 2022, which may allow a quick settlement with NTF.

Meanwhile, there has been good progress at the Hasançelebei project, with 11,421.40m drilled during the year. The Group is due to receive US$500k from its partner Bati Toroslar when this project passes EIA stage, and a further U$220k once mine construction commences.

At the Muratdere copper-gold project in northern Turkey, the Company holds a 1.2% royalty position. The revised EIA for this project is close to submission by the Company's joint-venture partner, Lodos, with the expectation of a successful application. The Group continues to engage with royalty companies with regards to the sale of this asset.

Financial Review:

Whilst the loss for the year rose to £1,569k (2020: £320k), a significant proportion of this £1,249k increase, was due to the revaluation of the Senala project from Euros into Sterling at the year end. This revaluation contributed towards the £571k of foreign exchange losses in the year, compared to £317k of gains in the prior year. It is important to note that this adverse swing of £888k has no monetary impact on the Group.

Of the profit and loss items the Group has control over, it was pleasing to note only a small (6%) increase in administrative expenses to £1,083k (2020: £1,018k) which, given the unwinding of the cost saving measures taken in 2020 to protect the business from the financial uncertainty caused by the Covid-19 pandemic, is a very pleasing result. The Board remains committed to reducing administrative costs, whilst increasing investment in its geological programmes.

Two other significant profit and loss movements impacted the results for the year. Within other income, the net profit from the Turkish consultancy business dropped by £100k, reflecting a very difficult period for the Turkish economy. In response to consultancy sales dropping off, the Group has moved to reduce its exposure in Turkey and in 2022 will maintain only a part time presence, with the express aim of continuing to represent the Group's interests in the country, where there is an identifiable US$2.4 million of potential income, excluding the Muratdere royalty. These new managerial arrangements already show some promise, with a US$22k sale of a small antimony royalty completed subsequent to the year end.

Elsewhere, the 2021 tax refund for the Group's research and development activities was £119k less than that received in 2020. This reflects the fact that Covid-19 curtailed the 2020 field season, which is the basis of the expenditure behind the tax receipt in 2021. The Board expects the tax refund to return to a more significant level in 2022, given the Company's exploration spend of £1,778k in 2021.

The Group's stated aim is to use the funds available to advance its projects as effectively as possible. This means using as much of the funds available on exploration and as such, the Board is dedicated to following the exploration route to success by interpreting results, planning the next phase, raising capital and executing the plan. In the long run, this minimises the spend on administration whilst building value in the projects. The key KPI measure the Group has adopted is cash-flow based, measuring the spend on the intangible assets (the projects) against the total spend on operations and investing. On this measure, 63% of the 2021 spend was on direct exploration work on the licences. Of course, a significant proportion of the other costs are also geologically related as they include the wages of the senior management team. However, the Board believes it appropriate to use a measure readily accessible from the audited accounts.

In October 2021, the Company completed a £1.8 million fund raise and this, alongside funds from warrant exercises earlier in the year, enabled the Group to complete three phases of diamond drilling at Bibemi, totalling 6,154.10m, and start work on the district-scale Central Licence Package that was granted to the Group in February 2021. The Board continues to target expedited exploration work, whilst at all times following the systematic exploration model that ensures exploration techniques are deployed at the appropriate time. The capitalised exploration expenditure of £2,018k demonstrates the determination of the Board to focus its available funding appropriately, on the projects themselves.

The Group continues to look for opportunities to raise cash from asset disposals, with the most frequently discussed asset being its 1.2% net smelter returns royalty on the Muratdere copper-gold project in Turkey. The Company received two non-binding offers during the year but the Board believes that once the regulatory hurdle of an approved EIA is achieved, the prospects for a sale at a much higher price will be enhanced. The residual holdings in Thani Stratex Resources and Thani Stratex Djibouti have been maintained at current carrying values. The Group continues to look for opportunities to realise value from these two projects.

OUR GOVERNANCE

Organisation overview

The Board of Directors was fully refreshed in 2018 and was strengthened during 2021 by the appointment of Claire Bay, Executive Director for Business Development and Exploration, who has been a key member of the Group's management team for a number of years. In December 2021, the Company announced that John McGloin would retire from the Board in February. The directors took this opportunity to refresh the balance of the Board, with the appointment of Eileen Carr, who has held finance related roles in the Natural Resources sector since the early 1990's. The Company is delighted to have Eileen on board and gives John its best wishes in his new role as Chief Executive Officer of Diamond Fields Resources Inc. The Board is ably supported by a management team that, for many years, has delivered successful exploration projects.

The Board of Directors

The Board is responsible for providing strategic direction for the Group, setting objectives and management policies and agreement on performance criteria. The Board monitors compliance with objectives and policies of the Group through monthly performance reporting, budget updates and monthly operation reviews.

The current composition of the Board is three Executive Directors and two Non-Executive Directors. The Board believes that the composition of the Board provides an appropriate mix to conduct the Group's affairs at the present time, and the Nomination Committee (comprising the Non-Executive Directors) keep this under regular review.

The Audit Committee

The Audit Committee provides a formal review of the effectiveness of the internal control systems, the Group's financial reports and results announcements, and the external audit process. During 2021 the committee comprised John McGloin (Non-Executive Chairman) and David Pelham (Independent Non-Executive Director). The external auditors and Bob Smeeton the Chief Financial Officer attend by invitation when appropriate.

No internal control issues were identified during 2021 requiring disclosure.

The Remuneration Committee

The Remuneration Committee provides a formal and transparent review of the remuneration of the Executive Directors and senior employees and makes recommendations to the Board on individual remuneration packages. This includes the award of non-contractual performance related bonuses and share options. Remuneration packages are designed to reward, motivate, retain and recruit individuals. Bonuses are only paid in recognition of performance.

During 2021, the committee comprised John McGloin (Non-Executive Chairman) and David Pelham (Independent Non-Executive Director). No Director took part in discussions concerning the determination of their own remuneration.

Principal risks and uncertainties

The Group's operations are exposed to a variety of risks, many of which are outside of the Company's control.

Exploration Industry Risks:

Mineral exploration is speculative in nature, involves many risks and is frequently unsuccessful. Following any discovery, it can take a number of years from the initial phases of drilling and identification of mineralisation until production is possible, during which time the economic feasibility of production may change. Substantial expenditures are required to establish mineral reserves and to construct mining and processing facilities. As a result of these uncertainties, no assurance can be given that the exploration programmes undertaken by the Group will result in any new commercial mining operations being brought into operation. Government activity, which could include non-renewal of licences, may result in any income receivable by the Group being adversely affected. In particular, changes in the application or interpretation of mining and exploration laws and/or taxation provisions in the countries in which the Group operates could adversely affect the value of its interests.

These risks are mitigated as much as possible by building and maintaining a pipeline of projects at various stages of development, by employing highly experienced and highly trained geologists, both at Board level and at the operational level and by maintaining good relationships with the Governments of the countries in which we operate.

Political risks:

All of the Group's operations are located in foreign jurisdictions. As a result, the Group is subject to political, economic and other uncertainties, including but not limited to, changes in policies or the personnel administering them, terrorism, nationalisation, appropriation of property without fair compensation, cancellation or modification of contract rights, foreign exchange restrictions, currency fluctuations, export quotas, royalty and tax increases and other risks arising out of foreign governmental sovereignty over the areas in which these operations are conducted, as well as risks of loss due to civil strife, acts of war, guerrilla activities and insurrection.

The Board aims to only conduct operations in those countries with a stable political environment and which have established acceptable mining codes. The Company adheres to all local laws and pays heed to local customs.

Financial and liquidity risks:

The main financial risks facing the Group are the availability of adequate funding and fluctuations in foreign exchange rates.

The Group's main source of finance is the monetisation of projects supported where necessary by the issue of share capital. Tight budgetary and financial controls are maintained across the Group. The Group only deals with high-quality banks. It does not hold derivatives, does not trade in financial instruments, does not engage in hedging arrangements and does not enter into binding commitments for exploration expenditure.

The use of interest-bearing deposit accounts is maximised and cash flow forecasts are constantly updated and reviewed by the Board.

Foreign exchange risks:

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, which is tied to the Central African Franc which is the operational currency of Cameroon, and US Dollar, which is the currency predominantly used by suppliers of drilling equipment and services.

The Group's exposure to foreign exchange movements is set out in Note 19 of the Accounts. Risks to exchange movements are mitigated by minimising the amount of funds held overseas. All treasury matters are handled centrally in the UK. All requests for funds from overseas operations are reviewed and authorised by Board members. The Group hedges its exposure to foreign currency by budgeting in the currencies that will be required to fund its exploration programmes, and then holding sufficient cash in those currencies to meet those requirements. No further hedges are required to manage this foreign exchange exposure and the Group recognises the profits and losses resulting from currency fluctuations as and when they arise.

The Group does not operate within the European Union and as a result the Directors have seen limited impact on the business from the UK's exit from the European Union and believe any impact will be limited to the effects of potential increased foreign exchange fluctuations. This may mean exploration costs rise, as the Group primarily operates in West Africa, where currencies are typically linked to the Euro. However, the Directors do not expect there to be any significant lasting impact.

Liquidity risk:

The Group's liquidity risk is considered to be significant as it is a pre-revenue business. The Directors regularly review the opportunities for asset realisation and the need for further equity raising.

The Group does not enter into binding commitments for exploration expenditure. Cash forecasts are updated continuously. The financial exposure of the Group is substantially reduced by partnering with third parties in exploration joint ventures.

Future developments

The Company advances its exploration projects on the basis of analysing results to date, deciding on the most cost effective techniques for the next stage and raising funds to support those activities as appropriate. In addition, the Company regularly reviews potential new exploration projects at various stages of development, and based within the European and African time-zones.

Key performance indicators

The Board monitors the following KPI's on a regular basis:

- Share price versus its peer group;
- Exploration expenditure as a percentage of total expenditure. The Board has established a 60% or more target for this metric and in 2021 achieved 63%. Due to the impact of Covid-19 on the exploration programme, there is no valid comparison for 2020.

SECTION 172(1) STATEMENT

Promotion of the Company for the benefit of the members as a whole.

The Board of Director's believe they ('the Directors' or 'we/our') have acted in the way 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.

The requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term,
- Act fairly between the members of the Company,
- Maintain a reputation for high standards of business conduct,
- Consider the interests of the Company's employees,
- Foster the Company's relationships with suppliers, customers and others, and
- Consider the impact of the Company's operations on the community and the environment.

The Company operates as a gold-exploration business, which is inherently speculative in nature and, without regular income, is dependent upon fund-raising for its continued operation. The pre-revenue nature of the business is important to the understanding of the Company by its members, employees and suppliers, and the Directors are as transparent about the cash position and funding requirements as is allowed under the regulations for quoted companies and of the AIM Market.

The application of the s172 requirements can be demonstrated in relation to some of the key decisions made during 2021:

- Fundraising to support drilling at Bibemi, Cameroon: following the maiden drilling programme at Bibemi completed in April 2021, the Board determined that the results of that work justified a follow up campaign of further exploration drilling in order to move the project towards resource definition. Whilst mindful of difficult market conditions, the Board nevertheless determined that the value to be generated by drilling would outweigh the dilutionary impact of an equity raise, and that an equity raise was in the interests of shareholders. Consequently a £1.75m equity raise was executed in Autumn 2021 in order to ensure we could perform significant project advancement in the 2021/22 dry season in Cameroon.
- Fundraising to support early-stage exploration at the Central Licence Package ('CLP') project, Cameroon: the fund raise referred to above also provided working capital for the first stages of exploration work at the newly acquired CLP project in Cameroon. This extensive package of land provides an opportunity for the Group to establish a brand-new gold district, and the Board believed raising funds to support this early-stage work was justified by the prospectivity of the ground, and will ultimately provide significant value accretion for the Group.
- Pursuit of an aggressive asset realisation strategy: the Board continues to believe an asset realisation strategy is in the best interests of shareholders, in order to provide funds for exploration work on our primary projects. Two royalty and one investment position were realised in the prior year, and the Board continues to actively look for further opportunities.
- Appointment of a third Executive Director: During the year the Directors decided to promote Claire Bay to the position of Executive Director, Exploration & Business Development in recognition of her importance in the management of the Group's activities and the need to develop and retain our key employees. At the same time, the Board considered the need for a third Non-Executive Director in order to maintain Board balance and decided that a newly formed Nomination Committee, comprising the two Non-Executive Directors, would keep this matter under review.

As a gold exploration company operating in West Africa, the Board takes seriously its ethical responsibilities to the communities and environment in which it works. We abide by the local and relevant UK laws on anti-corruption & bribery. Wherever possible, local communities are engaged in the geological operations and support functions required for field operations, providing much needed employment and wider economic benefits to the local communities. In addition, we follow international best practise on environmental aspects of our work. Our goal is to meet or exceed international standards, in order to ensure we obtain and maintain our social licence to operate from the communities with which we interact.

The interests of our employees are a primary consideration for the Board. An inclusive share-option programme allows them to share in the future success of the Company, personal development opportunities are supported and a health and security support network is in place to assist with any issues that may arise on field expeditions or as a result of the Covid-19 pandemic.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

At Oriole, ethical and responsible stakeholder engagement and protection of the environments in which we work is at the core of everything we do, ensuring that all parties benefit from our operations.

In 2021, we went a step further by beginning to align ourselves with the United Nations' Sustainable Development Goals. Of the 17 goals, Oriole has initially focussed on the following eight that we believe are most aligned with our core business and with our responsibilities as a corporate citizen.

Of the 17 goals, Oriole Resources has initially focused on the following eight

Good health and well-being

The health and well-being of our employees is of utmost importance. During the year, in addition to Covid-19 testing and precautionary measures such as the wearing of face masks, the Company ran a voluntary Covid-19 vaccination programme for its teams in Cameroon. A total of 23 team members opted to receive the Johnson & Johnson one shot vaccine, as well as some members of the local community that requested it. During the pandemic, we also introduced hybrid working for our UK team, reducing exposure to potential Covid-19 transmission whilst ensuring the Group still operates effectively. In Cameroon, basic provisions such as a water well and a fridge for medical supplies might seem relatively small contributions, but they are meaningful to the communities in which we operate and can have a big impact on their health and well-being. Our local teams are empowered to bring forward suggestions that can improve lives and continue to build our social licence to operate.

Quality education

Exploration and mining companies have always been at the forefront of upskilling the local population in what are often remote areas of the World where educational facilities are sometimes less well established. Operating in Cameroon, with its relatively embryonic mining industry, gives us exposure to this opportunity and we work closely with the local communities and universities to deliver on this. In fact, across all our operations, we source our employees in-country wherever possible and provide appropriate training at all levels to ensure everyone has an equal opportunity. During the year, the Company supported Cameroonian student Edith Yalda on her Masters' project at the University of Ngoundéré. Edith's project utilised diamond drill core from our Bibemi project to study the importance of magnetic susceptibility as a prospecting tool in orogenic gold systems. In November, management attended Edith's thesis defence and the award of her degree; she is now a full-time employee with the Company. A number of other students, both in the UK and Cameroon, have also been supported at various levels, from internships to BSc and MSc projects.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) CONTINUED

Gender equality

5 GENDER EQUALITY

Diversity within a workforce brings wide-ranging benefits and can often be fundamental to a company's success. Oriole promotes diversity throughout the Group, building its teams based on merit and not gender – or any other prejudice - and ensuring that everyone has equal rights, responsibilities and opportunities. Despite being a male-dominated industry, Oriole strongly supports and empowers women in mining. The Company has female roles at all levels of the business, from junior staff through to management, and has recently appointed two women to the Board.

Decent work and economic growth

8 DECENT WORK AND ECONOMIC GROWTH

Exploration, and the resultant mining operations, drive significant growth in developing economies and are associated with a multiplier effect at both a local and national level. Oriole is committed to providing all of its employees with fair incomes, job security and safe working conditions. We support the development of all our employees and aim to provide an environment which will attract, retain, and motivate people, helping them to maximise their potential and share in the Group's successes. During the year, we expanded our core team to include six Cameroonian employees, bringing them on to full time contracts and giving them financial security by ensuring they are paid all year round, not just when the exploration programmes are running. We also trained and then employed technicians and casual workers from the local communities, which has had a significant positive impact both financially and in terms of upskilling the local workforce.

Industry, Innovation & Infrastructure

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Exploration and mining is at the front line of discovering the very resources that are critical to the delivery of global infrastructure and technological advancements and that are important to many of the sustainability challenges facing the world today. Whilst we are gold-focussed, during our exploration work we also test for a wide range of other elements, including the battery metals that are crucial to meeting the UN's sustainability goals. The importance of gold in building resilient infrastructure and promoting sustainable industrialisation is often overlooked and yet, due to its inherent properties, 11% of all gold produced is used in industry, with applications in medical, electronics, automotive, defence and aerospace industries, as well as climate-controlled buildings. Gold is also increasingly used as a catalyst in many industrial processes, and new research reported this year claims that gold holds the answer to reducing global greenhouse gas emissions by converting waste CO_2 into jet fuel.

At a more local level, we aim to support governmental sustainability programmes. In Senegal, through the option agreement with IAMGOLD, the Company provides annual contributions to the country's Social Mining Programme, a fund dedicated to benefiting local communities, and an integral part of the Senegalese Mining Code.

Reduced inequalities

Oriole leads by example in the countries and communities in which it operates, by building diverse teams that do not discriminate on the basis of sex, age, disability, sexual orientation, race, class, ethnicity, or religion. Throughout the business, we fully embrace the individuality of each and every one of our employees and operate a zero-tolerance approach to anyone that does not adhere to these values. Within the business, our team of 19 employees are from four different counties, practise a number of different religions and have ages ranging from 22 to over 65 years old.

Life on Land

The Company is committed to minimising any adverse impacts of its activities on the natural environment and, as a minimum standard, we comply with any relevant legislation and environmental regulations within the territories in which we operate. During all of our programmes, we ensure that we have a minimal impact on the environment by planning our programmes as efficiently as possible and we have protocols in place to ensure that all of our sites are rehabilitated before we move on. Where trenches have to remain open for sampling and logging purposes, measures are put in place to ensure the safety of animals and people in the area. During the year, our other efforts towards protecting the environment included building our Bibemi exploration camp out of up-cycled shipping containers, sourced locally in Cameroon, and installing solar panels to generate electricity for that camp.

Partnerships for the Goals

Oriole has a diverse array of stakeholders and is committed to understanding and meeting their needs. In all the countries we operate, we have local partners that help us to foster good relationships with local communities and the local administration to ensure that our goals are aligned. We also use in-country suppliers wherever possible to support communities and local businesses. In Cameroon specifically, we have also continued to work closely with the Ministry of Mines, the UK Honorary Consul and the British High Commission, and strongly support the efforts they are making to attract foreign investment and promote the sustainable development of Cameroon. During the year we registered our interest in signing-up to the British High Commission's sustainability goals for UK businesses in Cameroon that we understand will be launched during 2022.

CORPORATE GOVERNANCE

The Chairman of the Board of Directors of Oriole Resources PLC ('Oriole' or 'the Company' or' the Group' or 'we/our') has a responsibility to ensure that Oriole has a sound corporate governance policy and an effective Board.

The Board has adopted the Quoted Companies Alliance ('QCA') Corporate Governance Code. The QCA code identifies ten principles to be followed in order for companies to deliver growth in long-term shareholder value, encompassing effective management with regular and timely communication to shareholders. This report follows the structure of those principles and explains how we have applied the guidance as well as disclosing any areas of non-compliance.

We will provide annual updates on our compliance with the QCA Corporate Governance Code. The Company notes that it does not comply with the QCA Corporate Governance Code as no Audit Committee Report has been prepared in this Annual Report. The Board has assessed that, having regard to the nature and current stage of development of the Company and its projects, it is not currently required for the Audit Committee to produce such a report for the Company to maintain its corporate governance and will continue to review this in the future. The sections below set out how the Group applies the ten principles of the QCA code and sets out areas of non-compliance.

There have been no significant governance changes during the year.

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

The Company is a gold and base metals exploration specialist, with operations in Africa and Turkey. Our goal is to deliver long term value for our shareholders. We aim to do this by identifying good quality grassroots and early-stage exploration projects. Consequently we:

- use our expertise to identify those areas with economically feasible deposits,
- assess the business environment of the target country and its attractiveness for prospecting and eventual mining operation,
- understand existing interests in a licence area in order to ensure we can earn-in to existing interests on terms favourable to our shareholders.

Early stage mineral exploration is by its nature speculative and we aim to reduce the risks inherent in the industry by careful application of funds throughout individual projects. We do that by:

- Reviewing existing exploration data;
- Establishing close in-country partnerships for our projects;
- Applying the most appropriate cost-effective exploration techniques in order to determine whether further work, using increasingly expensive exploration techniques, is justified; and
- Appreciating the likely realisation routes that will be available to us as the project moves towards development.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Company is committed to engaging with its shareholders to ensure that its strategy, operational results and financial performance are clearly understood. We aim to engage with our shareholders via roadshows, attending investor conferences and through our regular reporting on the London Stock Exchange. In 2021, due to the continuing Covid-19 restrictions, roadshows and investor conferences could not happen in their traditional format. Instead, we moved our engagement with shareholders on-line, running a number of seminars providing the opportunity for presentations followed by question and answer sessions. These seminars remain available for later viewing, and have proven an effective way of engaging with shareholders and potential investors. We also attended on-line investor conferences and as restrictions in the United Kingdom relaxed, have had face to face meetings with investors and prospective investors. We actively encourage investors to submit questions, primarily via our website, and seek to answer those questions received within the restrictions placed on us by AIM.

LSE announcements include details of the website, Twitter page and phone numbers to contact the Company and its professional advisors.

Private shareholders

The AGM is the main forum for dialogue with retail shareholders and the Board. The Notice of Meeting is sent to shareholders at least 21 days before the meeting. During 2021, the AGM was conducted remotely in line with UK Government guidance. Question and answer sessions were scheduled for a week before the meetings, in order to let Shareholders ask questions in advance of submitting proxy votes. For each vote, the number of proxy votes received for, against and withheld is announced at the meeting. The results of the AGM are announced via the London Stock Exchange. Investors can contact us via our website (https://www.orioleresources.com) or by email (info@oriolereources.co.uk).

Retail shareholders also regularly attend our seminar presentations and we publicise our attendance via LSE announcements and Twitter. In addition, our up to date Corporate presentation is made available on our website.

Institutional shareholders

The Directors actively seek to build a relationship with institutional shareholders. Shareholder relations are managed primarily by the Chief Executive Officer and Chief Financial Officer. The Chief Executive Officer and Chief Financial Officer make presentations to institutional shareholders and analysts throughout the year, both in virtual forums and where possible, in person in London and Cape Town, through events such as Mines and Money and 121 Group. We also have ad-hoc meetings with our shareholders via conference call and email. The Board as a whole is kept informed of the views and concerns of major shareholders by the Chief Executive Officer. Any significant investment reports from analysts are also circulated to the Board. The Non-Executive Chair and Non-Executive Director are available to meet with major shareholders if required to discuss issues of importance to them and are considered to be Independent from the executive management of the Company.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long term success.

Aside from our shareholders, our most important stakeholder groups are our employees, local partners and those local communities that may be impacted by our exploration activities. The Board is regularly updated on stakeholder issues and their potential impact on our 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 is paramount for the long-term success of the Company.

Employees

We maintain only a small permanent staff across the UK, Africa and Turkey and as such, employee engagement with the Executive Directors is frequent with scheduled weekly team calls as well as daily conference calls and discussions. We aim to provide an environment which will attract, retain and motivate our team and monitor the effectiveness by regular one-on-one discussions and an annual appraisal system. We have an employee handbook in order to provide a comprehensive document detailing all the policies and procedures covering all aspects of employment with Oriole Resources PLC. Our key value underpinning the Employee Handbook is to treat all employees fairly and equally and to promote ethical behaviour, diversity and non-discrimination.

Relevant, cost-effective training courses are available to all employees and are discussed during the annual appraisal process.

Local partners and communities

Our operations provide employment in remote areas of developing countries. Essential to our success is the establishment of close working relationships with local partners. We seek local partners who have a good understanding of the local exploration and mining industry and regulations within their country, and with the capacity and capability to assist with the management and maintenance of the project.

We are mindful of our obligations to the local environment and operate to high levels of health and safety in respect of both our local workers and the local community. Employee training focuses on operating safely and considerately in these communities. Engagement with local communities is dependent on jurisdiction and the stage of exploration but is typically by public forum or with local or regional leaders, including site visits and workshops. Social projects in the local communities are dependent on local need and also the stage of exploration/level of project investment. Examples of our previous social projects include drilling new boreholes for drinking water, provision of medical clinics, supply of equipment to a local school and building a new road.

As projects move forward, towards potential mining activities, we seek to bring in partners who can credibly make the investments to move towards mine production. In doing so we 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. We enter agreements that allow us to monitor their activities and have monthly updates on project progress.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

Audit, risk and internal control

Financial controls

The Company has an established framework of internal financial controls, the effectiveness of which is regularly reviewed by the Executive Management, the Audit Committee and the Board. 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, tax and dividend policy. Monthly results and variances from plans and forecasts are reported to the Board;

CORPORATE GOVERNANCE CONTINUED

- The Audit Committee, comprising the Non-Executive Directors, 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;
- Regular budgeting and forecasting is performed to monitor the Company's ongoing cash requirements and cash flow forecasts are circulated to the Board on a monthly basis;
- Actual results are reported against budget and prior year and are circulated to the Board;
- The Company has an investment appraisal system that considers expected costs against a range of potential outcomes arising from the exploration opportunities that we are invited to participate in;
- Regular reviews of exploration results are performed as the basis for decisions regarding future expenditure commitments;
- Due to the international nature of the business there are, at times, significant foreign exchange rate movement exposures. Cash flow forecasting is done at the 'required currency' level and foreign currency balances are maintained to meet expected requirements; and
- For exploration projects, we manage the 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 Group's system of internal control and for reviewing its effectiveness. However, any such system of internal control 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 Group. The principal elements of the Group's internal control system include:

- Close management of the day-to-day activities of the Group by the Executive Directors;
- 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.

The Group reviews 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 Group's plans we continue 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 are aware of their obligations under anti-bribery and corruption legislation and detailed information is provided in the Employee Handbook. In addition, whistle-blowing procedures have been established and publicised to all employees.

Principle 5: Maintaining the Board as a well-functioning, balanced team led by the Chair

The Board comprises a Non-Executive Chair, three Executive Directors and one Non-Executive Director. All current Directors were appointed during or since 2018, as part of a full Board refresh. John McGloin served as Independent Non-Executive Chairman, but resigned on 17 February 2022, to be replaced by Eileen Carr at that date. David Pelham serves as an independent Non-Executive Director. Both the Non-Executive Directors have extensive experience in the mining industry and have considerable experience of serving on the Board of public companies. Given the current board structure, the Company has not designated a Senior Independent Director.

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. The Nomination Committee keeps the need for an additional Non-Executive Director under regular review. All Directors are encouraged to use their independent judgement and to challenge all matters, whether strategic or operational.

The Company has issued options to all Directors including the Non-Executive Directors under a Director share option remuneration plan (the 'Plan'), enacted to maximise funds available for exploration by conserving cash, by granting options in lieu of contractual salary payments for a limited term during 2019 and 2020. In this regard, options are preferable to the issue of full-paid shares, as the tax deferral that options provide allows more cash conservation in the Company. The grant of options to the Non-Executive Directors is not considered to be part of any incentive plan nor to impair their independence.

The Board aim to meet at least monthly. The agenda is set by the Company Secretary in consultation with the Chairman and CEO. The standard agenda points include:

- Review of previous meeting minutes and actions arising therefrom;
- A report by the Executive Director, Exploration & Business Development, covering all operational matters;
- A report from the CFO covering all financial matters;
- Any other business including update of Register of Conflicts.

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. A Register of Conflicts is maintained and is a standard agenda item at each Board Meeting. The Board has access to the Company's nominated adviser, its brokers and its lawyers. 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.

Board meetings are deemed quorate if two Board members are present and providing 7 days' notice of such meeting has been given and waived by the non-attending Directors. During 2021, Board Meetings were held both remotely using video conference facilities, and face to face wherever possible.

Directors and Officers Liability insurance is maintained for all Directors and key employees.

The table below sets out the attendance statistics for all current Board members through 2021:

	Meetings attended	Meetings held during the year or since date of appointment
Tim Livesey	11	11
Bob Smeeton	11	11
Claire Bay (appointed 12 July 2021)	5	5
John McGloin	11	11
David Pelham	11	11

Principle 6: Ensure that between them the Directors have the necessary up-to-date 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 gold and base metal exploration and development. Biographies of the Directors are available on the company website, www.orioleresources.com. All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings by the Company Secretary. Contracts are available for inspection at the Company's registered office and at the Annual General Meeting ("AGM").

New Directors are 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.

In accordance with the Company's Articles of Association, only the Non-Executive Directors are subject to the requirement to retire by rotation.

Appointment, removal and re-election of Directors

The Board have established a Nominations Committee, comprising the Non-Executive Directors, to consider the need for further Board appointments, and to identify suitable candidates for recommendation to the Board. The Board makes decisions regarding the appointment and removal of Directors, and there is a formal, rigorous and transparent procedure for appointments. The Company's Articles of Association require that one-third of the Non-Executive Directors must stand for re-election by shareholders annually in rotation and that any new Directors appointed during the year must stand for re-election at the AGM immediately following their appointment.

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, the nominated adviser, brokers and other professional advisors that they deem relevant. In addition, the Directors have direct access to the advice and services of the Company Secretary and Chief Financial Officer, who, due to the size of the Company, are currently the same individual.

CORPORATE GOVERNANCE CONTINUED

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

The Board of Directors was fully refreshed in 2018, and has since been added to. During 2019 the Board adopted a policy to evaluate the Board's performance based on clear and relevant objectives, seeking continuous improvement. The clear and relevant objectives that the Board has identified are as follows:

- suitability of experience and input to the Board;
- knowledge of Corporate Governance matters including Environmental Social Governance ('ESG');
- attendance at Board and committee meetings; and
- interaction with management in relevant areas of expertise to ensure insightful input into the Company's business.

The Board recognises the importance of formally reviewing on a regular basis the effectiveness of its performances as a unit, as well as that of its committees and the individual directors, based against the criteria set out above. During the year the Board carried out a Board Effectiveness Review, held internally but based on guidelines available from the Quoted Company Alliance. The review led to a number of other actions, including:

- Establishment of ESG as a regular Board agenda item, and formalisation of our reporting around ESG matters;
- A full review of risks across the Group;
- Establishment of a Nominations Committee;
- Holding of a 'refresher' briefing on Director's Responsibilities, provided by our professional advisors.

This review is to be performed annually, and actions arising are monitored on a regular basis at Board Meetings. This ongoing process will include development or mentoring needs of individual directors or the wider senior management team, and identify any succession planning issues and put in place processes to provide for succession planning.

Principle 8: Promote 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. We operate in remote and under-developed areas and ensure our employees understand their obligations towards the environment and in respect of anti-bribery and corruption.

Details of the Company's values are set out in the Employee Handbook that was published to all employees during 2018. This document brings together various policies that have been distributed to all employees previously. Regular calls and meetings serve to refresh and re-iterate the Company's ethical standards as they apply to the operational issues that are discussed on that call.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

Board programme

The Board aims to meet approximately monthly and as and when required, and has regular update calls. The Board sets direction for the Company through a formal schedule of matters reserved for its decision. During the year to December 2021 the Board met for eleven scheduled meetings. The Board and its Committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting and Board and Committee papers are distributed by the Company Secretary 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 or relevant Committee and are then followed up by the Company's management.

Roles of the Board, Chair 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 Group 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 Chair is responsible for running the business of the Board and for ensuring appropriate strategic focus and direction.

The CEO is responsible for proposing the strategic focus to the Board, implementing it once it has been approved and overseeing the management of the Company. The CEO, together with the other Executive Directors and other senior employees, are responsible for establishing and enforcing systems and controls, and liaison with external advisors. The CEO has responsibility for communicating with shareholders, assisted by the other Executive Directors.

All Directors receive regular and timely information on the Group's operational and financial performance. Relevant information is circulated to the Directors in advance of meetings. The Board reviews the update on performance and any significant variances are reviewed at each meeting.

Board committees

The Board is supported by the Audit, Remuneration and Nomination committees. Each committee has access to such resources, information and advice as it deems necessary, at the cost of the Company, to enable the committee to discharge its duties. The three committees comprise the Non-Executive Directors.

The Audit Committee provides a formal review of the effectiveness of the internal control systems, the Group's financial reports and results announcements and the external audit process. The Committee meets twice per year to review the published financial information and to meet with the Auditors.

Notable work undertaken during 2021 by the Audit Committee included meeting with the Company's independent auditor in connection with the audit of the Group financial statements for the year ended 31 December 2020. The formal audit sign off meeting, held in March 2021, covered the following significant matters:

- A confirmation of the materiality levels used by the Auditor's in the performance of their duties,
- Confirmation to the Auditors of the Boards view of:
  - The appropriateness of the use of the going concern principle in drawing up the financial statements;
  - The appropriateness of the judgments and estimates made to support items disclosed in note 4 to the financial statements ('Critical Accounting Estimates and Judgements'), and
  - The review for impairment of the assets of the Company.
- A discussion of the Auditors findings on internal controls and unadjusted errors;
- A review of the matters included in the Auditor's requested Management Representations Letter.

The conclusion of the meeting was that there were no material matters arising.

The Audit Committee has not provided a separate report on its activities.

The Remuneration Committee provides a formal and transparent review of the remuneration of the Executive Directors and senior employees and makes recommendations to the Board on individual remuneration packages. The Committee met once during the year.

The Remuneration Committee has produced a report on its activities as set out on pages 34.

The Nomination Committee had its terms of reference established in June 2021, and met once during the year.

Principle 10: Communicate how the Company 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 AGM and one-to-one meetings with large existing or potential new shareholders. The Company regularly posts regulatory announcements covering operational and corporate matters, such as drilling results and significant changes in ownership positions across historic projects in which it still retains an investment. 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.orioleresources.com and also on its Twitter feed @OrioleResources.

The Board receives regular updates on the views of shareholders through briefings and reports from Investor Relations, the CEO, CFO and the Company's brokers. The Company communicates with institutional investors frequently through briefings with management. In addition, analysts' notes and brokers' briefings are reviewed to achieve a wide understanding of investors' views.

This Strategic Report was approved by the Board of Directors on 8 March 2022.

Tim Livesey
Chief Executive Officer

REPORT OF THE REMUNERATION COMMITTEE

The Remuneration Committee of the Board is responsible for providing recommendations to the Board on matters including the composition of the Board and competencies of directors, the appointment of directors, the performance of the executive directors and senior management, and making recommendations to the Board on matters relating to their remuneration and terms of employment.

The committee will also make recommendations to the Board on proposals for the granting of annual bonuses, shares awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time to time. The remuneration and nominations committee meet at least once a year. The members of the committee during 2021 were John McGloin (chair of the committee) and David Pelham. Following the resignation of John McGloin as a director of the Company, he has stepped down and Eileen Carr will take over as Chair of the Remuneration Committee.

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

The Board recognises that the remuneration of Directors (both Executive and Non-Executive) and senior management is of legitimate concern to shareholders and is committed to following current best practice. The Group operates within a competitive environment and its performance depends upon the individual contributions of the Directors and senior management. Throughout the year, the Company paid remuneration to Directors and senior management in accordance with Contracts for Services (in respect of Non-Executive directors) and Service Agreements (in respect of officers and senior management). No annual bonuses, share options or other long-term incentives have been awarded to any of the Directors during the period under review.

Details of Director's shareholdings and are set out on page 39 and interests in share options are set out on page 35. Whilst the Company has no formal shareholding requirement, the Directors have collectively participated in fund raisings, acquired shares on the open market, and accepted share options in lieu of salary. The Committee considers that, because the Company regularly raises equity finance to progress its exploration projects, a formal shareholding policy requirement would potentially be detrimental to the interests of the Company, as decisions on financing need to be made based solely on the interests of the Company. The Remuneration Committee have considered whether, and are satisfied that, the Executive Directors have sufficient exposure to the equity of the Company to satisfactorily align their interests with the interests of shareholders.

Remuneration paid to the Directors is set out below:

	Salaries and other short-term benefits		Post employment benefits		
2021	Salary £	Taxable benefits £	Pension £	Share based payments £	Total £
Tim Livesey	**150,000**	**3,157**	**4,500**	**2,988**	**160,645**
Robert Smeeton	**120,000**	**–**	**3,600**	**2,648**	**126,248**
Claire Bay (appointed 12 July 2021)	**43,065**	**20**	**1,292**	**652**	**45,029**
John McGloin	**36,000**	**–**	**–**	**–**	**36,000**
David Pelham	**28,000**	**–**	**–**	**–**	**28,000**
Total	**377,065**	**3,177**	**9,392**	**6,288**	**395,922**

	Salaries and other short-term benefits		Post employment benefits		
2020	Salary £	Taxable benefits £	Pension £	Share based payments £	Total £
Tim Livesey	101,250	2,752	3,038	49,101	156,141
Robert Smeeton	85,000	–	2,550	39,516	127,066
John McGloin	27,600	–	–	11,496	39,096
David Pelham	21,464	–	–	8,771	30,235
Total	235,314	2,752	5,588	108,884	352,538

Details of share options held by Directors over the ordinary shares of the Company are set out below. The market price of the Company's shares at the end of the financial year was 0.345p per 0.1p share (2020: 0.43p) and the range of market prices during the year was between 0.335p and 1.71p.

Director	At 1/1/21	Granted	At 31/12/21	Exercise Price (p)	Issue Date	Vesting Date
Tim Livesey	2,000,000	–	2,000,000	0.90	1/3/18	1/3/19
Tim Livesey	2,000,000	–	2,000,000	0.90	1/3/18	1/3/20
Tim Livesey	2,000,000	–	2,000,000	0.90	1/3/18	1/3/21
Tim Livesey	2,000,000	–	2,000,000	0.37	19/3/19	19/3/20
Tim Livesey	2,000,000	–	2,000,000	0.37	19/3/19	19/3/21
Tim Livesey	2,000,000	–	2,000,000	0.37	19/3/19	19/3/22
Tim Livesey	17,979,940	–	17,979,940	0.10	19/8/20	19/8/20
Tim Livesey	2,000,000	–	2,000,000	0.37	22/12/20	1/1/21
Tim Livesey	2,000,000	–	2,000,000	0.37	22/12/20	1/1/22
Tim Livesey	2,000,000	–	2,000,000	0.37	22/12/20	1/1/23
Robert Smeeton	666,666	–	666,666	0.62	4/6/18	4/6/19
Robert Smeeton	666,667	–	666,667	0.62	4/6/18	4/6/20
Robert Smeeton	666,667	–	666,667	0.62	4/6/18	4/6/21
Robert Smeeton	2,000,000	–	2,000,000	0.37	19/3/19	19/3/20
Robert Smeeton	2,000,000	–	2,000,000	0.37	19/3/19	19/3/21
Robert Smeeton	2,000,000	–	2,000,000	0.37	19/3/19	19/3/22
Robert Smeeton	14,383,952	–	14,383,952	0.10	19/8/20	19/8/20
Robert Smeeton	2,000,000	–	2,000,000	0.37	22/12/20	1/1/21
Robert Smeeton	2,000,000	–	2,000,000	0.37	22/12/20	1/1/22
Robert Smeeton	2,000,000	–	2,000,000	0.37	22/12/20	1/1/23
Claire Bay*	10,000	–	10,000	2.70	5/12/14	5/12/15
Claire Bay*	10,000	–	10,000	2.70	5/12/14	5/12/16
Claire Bay*	10,000	–	10,000	2.70	5/12/14	5/12/17
Claire Bay*	50,000	–	50,000	1.50	4/6/15	4/6/16
Claire Bay*	50,000	–	50,000	1.50	4/6/15	4/6/17
Claire Bay*	50,000	–	50,000	1.50	4/6/15	4/6/18
Claire Bay*	50,000	–	50,000	2.00	2/9/16	2/9/17
Claire Bay*	50,000	–	50,000	2.00	2/9/16	2/9/18
Claire Bay*	50,000	–	50,000	2.00	2/9/16	2/9/19
Claire Bay*	1,166,667	–	1,166,667	0.37	19/3/19	19/3/20
Claire Bay*	1,166,667	–	1,166,667	0.37	19/3/19	19/3/21
Claire Bay*	1,166,666	–	1,166,666	0.37	19/3/19	19/3/22
Claire Bay*	1,000,000	–	1,000,000	0.37	22/12/20	1/1/21
Claire Bay*	1,000,000	–	1,000,000	0.37	22/12/20	1/1/22
Claire Bay*	1,000,000	–	1,000,000	0.37	22/12/20	1/1/23
John McGloin	4,230,574	–	4,230,574	0.10	19/8/20	19/8/20
David Pelham	3,290,446	–	3,290,446	0.10	19/8/20	19/8/20

* Claire Bay held these options as an employee and they are now disclosed here following her appointment to the Board of Directors on 12 July 2021.

REPORT OF THE REMUNERATION COMMITTEE CONTINUED

Three of the Directors participated in the fund raise that completed on 27 October 2020, and as a consequence received warrants to purchase ordinary shares on the same terms as the other investors in that fund raise. Details of these warrants are set out in the table below:

Director	At 1/1/21	Exercised	At 31/12/21	Exercise Price (p)	Issue Date	Vesting Date
Tim Livesey	735,294	(735,294)	–	0.68	27/10/20	27/10/20
Robert Smeeton	735,294	(735,294)	–	0.68	27/10/20	27/10/20
John McGloin	2,205,882	(2,205,882)	–	0.68	27/10/20	27/10/20

The three Directors above exercised the warrants on 25 January 2021 at the exercise price of 0.68p. All three Directors continue to hold the shares so acquired.

In compliance with the Pensions Act 2008 the Company has established a Workplace Pension Scheme for its UK based Directors and employees. The Executive Directors and employees are members of the scheme and contributions are in line with the statutorily prescribed minimum contributions for employees and employers. The Non-Executive Directors have individually elected to opt-out of the Workplace Pension Scheme.

Report approved on behalf of the Remuneration Committee on 8 March 2022, by

Eileen Carr
Chairman


CAPITAL DRILLING
SANDVIK
NO UNAUTHORIZED ENTRY
DRILLING IN PROGRESS
ROTATING RODS
AUCUNE ENTRÉE EST AUTORISÉE
FORAGE EN COURS
TIGES ROTATIVES

DIRECTORS’ REPORT

Oriole Resources PLC
Company number: 05601091

The Directors present their report, together with the Financial Statements and auditor’s report, for the year ended 31 December 2021.

General Information

Certain information required by the Companies Act 2006 relating to the information to be provided in the Directors’ Report is set out in the Group Strategic Report and includes: principal activities, future developments and principal risks and uncertainties.

Statement of Directors’ Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with applicable law and regulations. Under that law the Directors have prepared the Group and Parent Company Financial Statements in accordance with UK-adopted international accounting standards and, as regards the Parent Company Financial Statements, as applied in accordance with the Companies Act 2006.

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 Group as at the end of the financial year and of the profit and loss of the Group for that period. 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 the Financial Statements comply with UK-adopted international accounting standards , subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company’s transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group 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 Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The maintenance and integrity of the website is the responsibility of the Directors. The work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the information contained in the Financial Statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements and other information included in annual reports may differ from legislation in other jurisdictions. The Company is compliant with AIM Rule 26 regarding the Company’s website.

Substantial shareholdings

As at 15 January 2022, the Company had not been informed of any holdings of 3% or more in the Company’s issued share capital.

Directors and their interests

The current Directors are listed on page 3.

In compliance with the Company's Articles of Association, David Pelham, will retire and, being eligible, offer himself for re-election at the forthcoming Annual General Meeting.

Those Directors serving at the end of the year, or at the date of this report, had beneficial interests in the issued share capital and share options of the Company as follows:

	As at 31 December 2021			As at 31 December 2020		
	Ordinary Shares	**Share Warrants**	**Share Options**	Ordinary Shares	Share Warrants	Share Options
Tim Livesey	**11,559,132**	**–**	**35,979,940**	7,785,857	735,294	35,979,940
Robert Smeeton	**8,131,150**	**–**	**28,383,952**	5,042,915	735,294	28,383,952
Claire Bay	**765,392**	**–**	**6,830,000**	294,804	–	6,830,000
John McGloin	**6,617,647**	**–**	**4,230,574**	4,411,765	2,205,882	4,230,574
David Pelham	**1,653,987**	**–**	**3,290,446**	948,105	–	3,290,446
Total	**28,727,308**	**–**	**78,714,912**	18,483,446	3,676,470	78,714,912

Provision of information to Auditor

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

Going Concern

The Company raises money for exploration and capital projects as required. There can be no assurance that the Group's projects will be developed in accordance with the current plans. Future work on these projects, the levels of production and the financial returns arising there from, may be adversely affected by factors (e.g. Covid-19) outside of the control of the Group.

Notwithstanding the loss incurred during the year under review, the Directors have a reasonable expectation that the Group will have sufficient access to funds to provide adequate resources to continue in operational existence for the foreseeable future being a period of 12 months from the date of signing of these financial statements. The Group has therefore continued to adopt the going concern basis in preparing the Annual Report and Financial Statements. Further details on Directors assumptions and conclusions thereon are included in the statement on going concern in note 2 to the Financial Statements.

The auditors have made reference to going concern by way of a material uncertainty within their audit report.

Events after the Reporting Period

On 17 February 2022, Eileen Carr was appointed as Non-Executive Chair of the company, following the retirement of John McGloin.

On 21 February 2022, the Company announced that is had been notified by IAMGOLD that it had met the $4 million commitment to exercise its first option on the Senala licence and move to a 51% ownership position.

Auditor

PKF Littlejohn LLP has signified its willingness to continue in office as auditor.

Approved by the Board on 8 March 2022 and signed on its behalf.

R J Smeeton
Company Secretary

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ORIOLE RESOURCES PLC

Opinion

We have audited the financial statements of Oriole Resources Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the Statement of Consolidated Comprehensive Income, the Statement of Consolidated and Parent Company Financial Position, the Statement of Consolidated and Parent Company Changes in Equity, the Statement of Consolidated and Parent Company Cash Flows and the notes to the financial statements, including a summary of 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 December 2021 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 entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.1 in the financial statements, which indicates that further funding will be required within the 12 months following the date of approval of the financial statements in order to meet working capital needs and to fund further exploration programmes. As stated in note 2.1, 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 director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included obtaining management's assessment of going concern and associated cash flow forecasts for 12 months from the date of approval of the financial statements. We have reviewed the inputs to the cash flow forecast for reasonableness, compared to historic financial information, and stress-tested where appropriate.

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

Group materiality 2021	Group materiality 2020	Basis for materiality
£315k	£320k	2.5% of net assets

The calculated level of materiality is broadly similar to the prior year as net assets have remained broadly unchanged year on year.

We consider net assets to be the most significant determinant of the group's financial position and performance used by shareholders, with the key financial statement balances being exploration and evaluation assets, investment in associate and cash.

Whilst materiality for the financial statements as a whole was set at £315k, significant components of the group were audited to a level of materiality ranging between £135k - £235k. Performance materiality for the group and components was set at 75% (2020: 70%) to ensure sufficient coverage of key balances. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. At the planning stage materiality is used to determine the financial statement areas that are included within the scope of our audit and the extent of sample sizes during the audit.

We agreed with the audit committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of £16k (2020: £16k). There were no misstatements identified during the course of our audit that were individually, or in aggregate, considered to be material.

Our approach to the audit

Our group audit scope focused on the principal areas of operation being:

- West Africa - the Senala gold project (Senegal);
- East Africa through its investment in associate, Thani Stratex Resources Limited, and equity investment in Thani Stratex Djibouti, the Hodine concession (Egypt) and the Pandora project (Djibouti); and
- Cameroon - exploration on Bibemi & Wapouzé projects and the Central licenses.

Together with the parent Company and its group consolidation, which was also subject to a full scope audit, these represent the financially significant components of the group.

The audits of significant components was performed in London, conducted by PKF Littlejohn LLP using a team with specific experience of auditing mineral exploration entities and publicly listed entities.

Our work scope included audit procedures to address the key audit matters, being the capitalisation and impairment of exploration and evaluation expenditure, and the valuation of investments and intercompany receivables.

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.

In addition to the matter described in the Material uncertainty related to going concern section we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our scope addressed this matter
Capitalisation and impairment of exploration and evaluation expenditure under IFRS 6 **Group & Company** There is a risk that the carrying values of the group's exploration assets are not fully recoverable and should be impaired in line with IFRS 6. The group is engaged in various exploration projects, predominantly in Cameroon and Senegal (through Stratex EMC). The Directors use their judgement to assess whether the projects require an impairment and therefore this gives rise to a significant risk. This risk also relates to the appropriate capitalisation of exploration costs in accordance with IFRS 6. Related disclosures are included in Note 4 and Note 12 to the financial statements.	Our work included the following: • Substantive testing of a sample of exploration and evaluation expenditures to assess their eligibility for capitalisation under IFRS 6; • Obtaining valid exploration licences and relevant agreements relating to project partnerships and reviewing key terms to ensure compliance; • Making enquiries of management regarding future plans for each project including obtaining cashflow projections where necessary and corroborating to minimum spend requirements attached to licences, where appropriate; • Considering whether there are indications of impairment on a project by project basis in accordance with IFRS 6; and • Reviewing management's impairment paper in respect of the carrying value of intangible assets and providing challenge, corroborating any key assumptions used. We consider Management's assessment of impairment is reasonable in concluding no impairment is required to be recognised at year-end.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ORIOLE RESOURCES PLC - CONTINUED

Key Audit Matter	How our scope addressed this matter
Valuation of investments in associates and subsidiaries (including intercompany receivables) **Group & Company** There is a risk of material misstatement regarding the recoverability of investments in associates, subsidiaries (including intercompany receivables i.e. the net investment in each subsidiary) and other equity investments. The carrying value of investments is ultimately dependent on the value of the underlying assets. Many of the underlying assets are exploration projects which are at an early stage of exploration making it difficult to definitively determine their value. Valuations for these sites are therefore based on judgments and estimates made by the Directors, which leads to a risk of misstatement. Similar considerations apply to the recoverability of loans to group undertakings disclosed as investments. Related disclosures are included in Note 4, Note 11 , Note 14 and Note 15 to the financial statements.	Our work included the following: ◦ Reviewing the value of investment balances against the value of the underlying assets, including reference to work performed in respect of the carrying value of exploration expenditure in accordance with IFRS 6; ◦ Obtaining evidence of ownership for all investments held within the group; and ◦ Reviewing management's impairment paper in respect of the recoverability of investment balances (including intragroup receivables at the parent level) and providing appropriate challenge, corroborating any key assumptions used. We consider Management's assessment of impairment is reasonable in concluding no impairment is required to be recognised at year end.

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

As explained more fully in the 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.

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 detailed discussions with management about and potential instances of non compliance with laws and regulations both in the UK and in overseas subsidiaries. We also selected a specific audit team based on experience with auditing entities within this industry of a similar size.
- We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from:
    - Companies Act 2006
    - AIM Rules
    - Local industry regulations in Senegal and Cameroon
    - Local tax and employment law

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ORIOLE RESOURCES PLC - CONTINUED

- 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:
  - Making enquiries of management
  - A review of Board minutes
  - A review of legal ledger accounts
  - A review of RNS announcements
- We also identified the risks of material misstatement of the financial statements due to fraud. Aside from the non-rebuttable presumption of a risk of fraud arising from management override of controls, we did not identify any significant fraud risks.
- 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: testing over all journals on a risk based approach to identify any unusual transactions that could be indicative of fraud; reviewing accounting estimates for evidence of bias; evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and reviewing transactions through the bank statements to identify potentially large or unusual transactions that do not appear to be in line with our understanding of business operations.

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David Thompson
(Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

8 March 2022

STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME

Continuing operations	Notes	Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000
Revenue		–	–
Administration expenses	8	(1,083)	(1,018)
Other (losses)/profits	7	(361)	682
Operating loss		(1,444)	(336)
Share of losses of associates	14	(30)	(69)
Loss on change of ownership interest	6	(133)	(63)
Loss before income tax		(1,607)	(468)
Income tax credit	10	38	148
Loss for the year		(1,569)	(320)
Other comprehensive income for the year			
Items that may be subsequently reclassified to profit or loss			
Exchange differences on translating foreign operations		44	(50)
Other comprehensive income for the year, net of tax		44	(50)
Total comprehensive income for the year		(1,525)	(370)
Loss for the year attributable to:			
Owners of the Parent Company		(1,687)	(278)
Non-controlling interests	24	118	(42)
Loss for the year		(1,569)	(320)
Total comprehensive income for the year attributable to:			
Owners of the Parent Company		(1,643)	(328)
Non-controlling interests		118	(42)
Total comprehensive income for the year		(1,525)	(370)
Earnings per share for losses from continuing operations attributable to the owners of the Company (expressed in pence per share)			
- basic and diluted	21	(0.10)	(0.03)

The notes on pages 52 to 75 form part of these financial statements.

STATEMENT OF CONSOLIDATED FINANCIAL POSITION

Company number: 05601091

	Notes	As at 31 December 2021 £'000	As at 31 December 2020 £'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	13	**48**	61
Intangible assets	12	**9,376**	7,771
Investments in equity-accounted associates	14	**1,449**	1,449
Financial assets at fair value through other comprehensive income	15	**395**	395
Trade and other receivables	16	**394**	389
Deferred tax asset	17	**–**	14
		11,662	**10,079**
Current Assets			
Trade and other receivables	16	**137**	139
Cash and cash equivalents	18	**1,361**	1,751
		1,498	1,890
Total Assets		**13,160**	**11,969**
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	20	**6,200**	5,667
Share premium	20	**24,758**	22,862
Other reserves	23	**1,606**	1,591
Retained earnings		**(19,838)**	(18,187)
Total equity attributable to owners of the Company		**12,726**	**11,933**
Non-controlling interest	24	**(133)**	(251)
Total equity		**12,593**	**11,682**
LIABILITIES			
Non-Current Liabilities			
Employee termination benefits		**22**	3
Current Liabilities			
Trade and other payables	25	**545**	284
Total Liabilities		**567**	287
Total Equity and Liabilities		**13,160**	**11,969**

The notes on pages 52 to 75 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 8 March 2022 and were signed on its behalf by:

Eileen Carr
Non-Executive Chair

Robert Smeeton
Chief Financial Officer

STATEMENT OF CONSOLIDATED CHANGES IN EQUITY

	Attributable to owners of the Company						
	Share capital £'000	Share premium £'000	Other reserves (see note 23) £'000	Retained earnings £'000	Total £'000	Non-controlling interest £'000	Total equity £'000
Balance at 1 January 2020	**4,908**	**21,253**	**1,185**	**(17,578)**	**9,768**	**(209)**	**9,559**
Loss for the year	–	–	–	(278)	(278)	(42)	(320)
Other comprehensive income	–	–	(50)	–	(50)	–	(50)
Total comprehensive income for the year	**–**	**–**	**(50)**	**(278)**	**(328)**	**(42)**	**(370)**
Issue of share capital net of expenses	759	1,609	–	–	2,368	–	2,368
Share-based payments	–	–	125	–	125	–	125
Share options expired	–	–	(76)	76	–	–	–
Total transactions with owners of the Company	**759**	**1,609**	**49**	**76**	**2,493**	**–**	**2,493**
Transfer between reserves	**–**	**–**	**407**	**(407)**	**–**	**–**	**–**
Balance at 31 December 2020 and 1 January 2021	**5,667**	**22,862**	**1,591**	**(18,187)**	**11,933**	**(251)**	**11,682**
Loss for the year	–	–	–	(1,687)	(1,687)	118	(1,569)
Other comprehensive income	–	–	44	–	44	–	44
Total comprehensive income for the year	**–**	**–**	**44**	**(1,687)**	**(1,643)**	**118**	**(1,525)**
Issue of share capital net of expenses	533	1,896	–	–	2,429	–	2,429
Share-based payments	–	–	7	–	7	–	7
Share option exercised	–	–	(34)	34	–	–	–
Share options expired	–	–	(2)	2	–	–	–
Total transactions with owners of the Company	**533**	**1,896**	**(29)**	**36**	**2,436**	**–**	**2,436**
Balance at 31 December 2021	**6,200**	**24,758**	**1,606**	**(19,838)**	**12,726**	**(133)**	**12,593**

The share capital account includes the nominal value of all ordinary shares issued by the Company, as well as the nominal amount of the deferred shares created as part of the 2018 capital re-organisation.

The share premium account includes the amounts received over and above the nominal value of each share upon issue of such shares, net of any expenses of that issue.

Other reserves are described in note 23.

Retained earnings comprises the retained profits and losses arising on the Group's activities since inception.

Non-controlling interests relates to the 15% holding of our local partner in the Group's activities in Senegal.

The notes on pages 52 to 75 form part of these financial statements.

STATEMENT OF CONSOLIDATED CASH FLOWS

	Notes	Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000
Cash flow from operating activities:			
Net cash used in operating activities	27	**(1,072)**	**(927)**
Cash flow from investing activities:			
Purchase of property, plant and equipment		**(15)**	(46)
Proceeds from disposal of financial asset		–	172
Purchase of intangible assets		**(1,778)**	(144)
Tax received	10	**46**	165
Interest received		–	–
Net cash (used in)/generated from investing activities		**(1,747)**	**147**
Cash flow from financing activities:			
Net proceeds from the issue of shares	20	**2,429**	2,368
Net cash generated from financing activities		**2,429**	**2,368**
Net (decrease)/increase in cash and cash equivalents		**(390)**	1,588
Cash and cash equivalents at beginning of the period		**1,751**	163
Cash and cash equivalents at end of the period	18	**1,361**	**1,751**

The notes on pages 52 to 75 form part of these financial statements.

STATEMENT OF COMPANY FINANCIAL POSITION

Company number: 05601091

	Notes	As at 31 December 2021 £'000	As at 31 December 2020 £'000
ASSETS			
Non-Current Assets			
Property, plant and equipment	13	**45**	60
Intangible assets	12	**3,192**	1,202
Financial assets at fair value through other comprehensive income	15	**395**	395
Investments in equity-accounted associates	14	**657**	657
Investment in subsidiaries	11	**3,871**	3,302
Trade and other receivables	16	**394**	389
		8,554	**6,005**
Current Assets			
Trade and other receivables	16	**74**	38
Cash and cash equivalents	18	**1,262**	1,714
		1,336	1,752
Total assets		**9,890**	**7,757**
EQUITY			
Capital and reserves attributable to owners of the Company			
Share capital	20	**6,200**	5,667
Share premium	20	**24,758**	22,862
Other reserves	23	**169**	198
Retained earnings		**(21,724)**	(21,187)
Total equity		**9,403**	**7,540**
LIABILITIES			
Current Liabilities			
Trade and other payables	25	**487**	217
		487	217
Total Equity and Liabilities		**9,890**	**7,757**

As permitted by section 408 of the Companies Act 2006, the profit and loss account of the parent company has not been separately presented in these accounts. The Parent Company loss for the year was £573,000 (2020: loss of £1,379,000).

The notes on pages 52 to 75 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 8 March 2022 and were signed on its behalf by:

Eileen Carr
Non-Executive Chair

Robert Smeeton
Chief Financial Officer

STATEMENT OF COMPANY CHANGES IN EQUITY

	Share capital £'000	Share premium £'000	Other Reserves (see note 23) £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2020	**4,908**	**21,253**	**149**	**(19,884)**	**6,426**
Loss for the year	–	–	–	(1,379)	(1,379)
Other comprehensive income	–	–	–	–	–
Total comprehensive income for the year	**–**	**–**	**–**	**(1,379)**	**(1,379)**
Issue of share capital net of expenses	759	1,609	–	–	2,368
Share-based payments	–	–	125	–	125
Share options expired	–	–	(76)	76	–
Total transactions with owners of the Company	**759**	**1,609**	**49**	**76**	**2,493**
Balance at 31 December 2020 and 1 January 2021	**5,667**	**22,862**	**198**	**(21,187)**	**7,540**
Loss for the year	**–**	**–**	**–**	**(573)**	**(573)**
Other comprehensive income	**–**	**–**	**–**	**–**	**–**
Total comprehensive income for the year	**–**	**–**	**–**	**(573)**	**(573)**
Issue of share capital net of expenses	**533**	**1,896**	**–**	**–**	**2,429**
Share based payments	**–**	**–**	**7**	**–**	**7**
Share options exercised	**–**	**–**	**(34)**	**34**	**–**
Share options expired	**–**	**–**	**(2)**	**2**	**–**
Total transactions with owners of the Company	**533**	**1,896**	**(29)**	**36**	**2,436**
Balance at 31 December 2021	**6,200**	**24,758**	**169**	**(21,724)**	**9,403**

Information in respect of the Company's reserves is set out on page 47.

The notes on pages 52 to 75 form part of these financial statements.

STATEMENT OF COMPANY CASH FLOWS

	Notes	Year ended 31 December 2021 £'000	Year ended 31 December 2020 £'000
Cash flow from operating activities			
Net cash used in operating activities	27	**(900)**	(885)
Cash flow from investing activities			
Purchase of property, plant and equipment		**(9)**	(46)
Investment in intangible assets		**(1,750)**	(144)
Funding of subsidiary exploration companies		**(268)**	126
Tax received		**46**	165
Interest received		**–**	–
Net cash (used in)/generated from investing activities		**(1,981)**	101
Cash flow from financing activities			
Net proceeds from share issues		**2,429**	2,368
Net cash generated from financing activities	20	**2,429**	2,368
Net (decrease)/ increase in cash and cash equivalents		**(452)**	1,584
Cash and cash equivalents at beginning of the period		**1,714**	130
Cash and cash equivalents at end of the period	18	**1,262**	1,714

The notes on pages 52 to 75 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. General information

The principal activity of Oriole Resources Plc ('the Company') and its subsidiaries (together 'the Group') is the exploration and development of precious and high-value base metals. The Company's shares are quoted on the AIM Market of the London Stock Exchange. The Company is incorporated and domiciled in the UK.

The address of its registered office is 180 Piccadilly, London, W1J 9HF.

2. Summary of significant accounting policies

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

2.1 Basis of preparation

These financial statements have been prepared in accordance with UK-adopted international accounting standards. The financial statements were prepared under the historical cost convention as modified by the measurement of certain investments at fair value.

Going Concern

It is the prime responsibility of the Board to ensure the Company and the Group remains a going concern. At 31 December 2021 the Group had cash and cash equivalents of £1,361k and no borrowings. Having considered the prepared cashflow forecasts, likely availability of investor support, the prospects for asset disposals, and Group budgets, the Directors consider that they will have access to adequate resources in the 12 months from the date of the signing of these financial statements. As a result, they consider it appropriate to continue to adopt the going concern basis in the preparation of the financial statements. There can be no assurance that the cash received from fund raises and asset sales will match the Board's expectations, and this may affect the Group's ability to carry out its work programmes as expected. Should the Group and Company be unable to continue trading as a going concern, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for further liabilities which might arise and to classify non-current assets as current. The financial statements have been prepared on the going concern basis and do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

The auditors have made reference to going concern by way of material uncertainty within their audit report.

Changes in Accounting Policies

(a) New and amended standards adopted by the Group

There were no new IFRS or IFRIC interpretations effective for the first time for the financial year beginning 1 January 2021 that had a material effect on the Group or Company financial statements.

(b) New and amended standards not yet adopted by the Group

Standards/ interpretations	Application
Amendments to IFRS 3	Business Combinations – Reference to the Conceptual Framework – effective 1 January 2022*
Amendments to IAS 37	Provisions, Contingent Liabilities and Contingent Assets – effective 1 January 2022*
Amendments to IAS 16	Property, Plant and Equipment – effective 1 January 2022*
Annual Improvements	Annual Improvements to IFRS Standards 2018-2020 Cycle – effective 1 January 2022*
Amendments to IAS 1	Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Amendments to IAS 1: Classification of Liabilities as Current or Non-current – Deferral of Effective Date – effective 1 January 2023*
Amendments to IAS 8	Accounting policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates – effective 1 January 2023*

*Subject to UK endorsement.

There are no IFRS's or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company or Group.

2.2 Basis of consolidation

Oriole Resources PLC was incorporated on 24 October 2005 as Stratex International PLC. On 21 November 2005 the Company acquired the entire issued share capital of Stratex Exploration Ltd by way of a share for share exchange. The transaction was treated as a Group reconstruction and was accounted for using the merger accounting method.

Subsidiaries are entities controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee;
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. The business acquisition method is used to account for the acquisition of subsidiaries.

Any contingent consideration is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or a liability is recognised in accordance with IFRS9 either in profit or loss or as a change in other comprehensive income. The unwinding of the discount on contingent consideration liabilities is recognised as a finance charge within profit or loss.

Acquisition related costs are expensed as incurred.

The Group measures goodwill at the acquisition date as the excess of the fair value of the consideration transferred, plus the recognised amount of any non-controlling interests, less the recognised amount of the identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All significant intercompany transactions and balances between group entities are eliminated on consolidation.

When the Group ceases to consolidate a subsidiary as a result of losing control and the Group retains an interest in the subsidiary and the retained interest is an associate, the Group measures the retained interest at fair value at that date and the fair value is regarded as its cost on initial recognition. The difference between the net assets de-consolidated and the fair value of any retained interest and any proceeds from disposing of a part interest in the subsidiary is included in the determination of the gain or loss on disposal. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that subsidiary had directly disposed of the related assets or liabilities.

Associates are all entities over which the Group has significant influence but not control over the financial and operating policies.

References to joint venture agreements do not refer to arrangements which meet the definition of joint ventures under IFRS 11 "Joint Arrangements" and therefore these Financial Statements do not reflect the accounting treatments required under IFRS 11.

Investments in associates and jointly controlled entities are accounted for using the equity method of accounting and are initially recognised at cost. The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses exceeds its interest in an equity-accounted investee the carrying amount of the investment, including any other unsecured receivables, is reduced to zero, and the recognition of further losses is discontinued, unless the Group has incurred obligations or made payments on behalf of the investee.

Unrealised gains on transactions between the Group and equity–accounted investees are eliminated to the extent of the Group's interest in the investee. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of equity–accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in equity–accounted investees are recognised in profit or loss.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. Gains or losses on disposals to non-controlling interests are recorded in equity.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or when the investment is classified as held for sale. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

When the Group reduces its ownership interest in an associate but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

2.3 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The consolidated financial statements are presented in sterling, which is the Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. 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 profit or loss.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position.
- income and expenses in profit or loss for each statement of comprehensive income presented are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income. On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future are taken to other comprehensive income. When a foreign operation is sold, exchange differences that were recorded in equity are recognised in profit or loss as part of the gain or loss on sale.

2.4 Intangible assets – Exploration and evaluation assets

The Group capitalises expenditure in relation to exploration and evaluation of mineral assets when the legal rights are obtained. Expenditure included in the initial measurement of exploration and evaluation assets and which are classified as intangible assets relate to the acquisition of rights to explore, research into the topographical, geological, geochemical and geophysical characteristics of the asset, exploratory drilling, trenching, sampling and activities to research the technical feasibility and commercial viability of extracting a mineral resource.

Exploration and evaluation assets are not amortised but are assessed for impairment, with an impairment test being required when facts 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. Whenever the exploration for and evaluation of mineral resources does not lead to the discovery of commercially viable quantities of mineral resources or the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to profit or loss.

2.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. The chief operating decision makers, who are responsible for allocating resources and assessing performance of the operating segments, have been identified as the executive Board of Directors.

2.6 Impairment of non-financial assets

The carrying amount of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount.

In assessing the carrying values of major exploration assets, the Directors would use cash flow projections for each of the projects where a JORC – compliant indicated or measured resource had been calculated. The Group currently has no such directly controlled projects.

Certain of the other exploration projects are at an early stage of development and no JORC-compliant resource estimate has been completed. In these cases, the Directors have assessed the impairment of the projects based on future exploration plans and estimates of geological and economic data. The Board does not believe that the key assumptions will change so as to cause the carrying values to exceed the recoverable amounts.

To date impairment losses recognised have followed the decision of the Board not to continue exploration and evaluation activity on a particular project licence area where it is no longer considered an economically viable project or where the underlying exploration licence has been relinquished.

2.7 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and demand deposits with banks and other financial institutions.

2.8 Financial instruments

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income ('OCI') or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or in OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). See Note 15 for further details.

(b) Recognition

Purchases and sales of financial assets are recognised on trade date (that is, the date on which the Group commits to purchase or sell the asset). Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of profit or loss.

The Group's financial assets at amortised cost include trade and other receivables.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established. Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(d) Impairment

The Group assesses, on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and other receivables due within 12 months the Group applies the simplified approach permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but rather recognises a loss allowance based on the financial asset's lifetime expected credit losses at each reporting date.

A financial asset is impaired if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset, and that loss event(s) had an impact on the estimated future cash flows of that asset that can be estimated reliably.

The Group considers evidence of impairment for financial assets measured at amortised cost at both a specific asset and collective level.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

2.9 Deferred taxation

Deferred tax is accounted for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability settled. Deferred tax is charged or credited in profit or loss, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. No liability to UK corporation tax arose on ordinary activities for the current period or prior periods. The Group has losses to be carried forward on which no deferred tax asset is recognised. Deferred tax assets are recognised on tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable.

Current and deferred tax is charged or credited in the profit or loss, except when it relates to items charged or credited directly to equity, in which case the related tax is also dealt with in equity.

2.10 Share-based payments

The fair value of the services received from employees and third parties in exchange for the grant of share options is recognised as an expense. The fair value of the options granted is calculated using the Black-Scholes pricing model and is expensed over the vesting period. At each reporting period the Group revises its estimate of the number of options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in profit or loss, and a corresponding adjustment to equity over the remaining vesting period. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

2.11 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds.

2.12 Finance income

Finance income comprises bank interest receivable. Interest revenue is recognised using the effective interest method.

2.13 Other income

Other income represents income from activities other than normal business operations. Royalty payments, arising from the involvement of exploration partners, are recognised as other income once payment has been received.

2.14 Post-employment benefits

Retirement benefit costs are calculated by applying the Projected Unit Credit Method and the resulting adjustments are recognised in profit or loss.

2.15 Leases

The Group assesses at contract inception, all arrangements to determine whether they are, or contain, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group is not a lessor in any transactions, it is only a lessee.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right of use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date when the underlying asset is available for use). Right of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

- Computer equipment – 5 years

Right of use assets are subject to impairment (see Note 2.6).

(b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable.

Note that the lease liability recorded in the financial statements has not been discounted to present value as any impact of discounting would be immaterial to the financial statements.

3. Risk management

3.1 Financial risk management

The main financial risks facing the Group are the availability of adequate funding, movements in interest rates and fluctuations in foreign exchange rates. Constant monitoring of these risks ensures that the Group is protected against any potential adverse effects of such risks so far as it is possible and foreseeable. The Group only deals with high-quality banks. It does not hold derivatives, does not trade in financial instruments and does not engage in hedging arrangements.

In keeping with similar sized mineral exploration groups, its continued future operations depend on the ability to raise sufficient working capital. The Group finances itself through the monetisation of exploration assets and the issue of equity share capital and has no borrowings. Management monitors its cash and future funding requirements through the use of on-going cash flow forecasts. All cash, with the exception of that required for immediate working capital requirements, is held on short term deposit.

The Group's only exposure to interest rate fluctuations is restricted to the rates earned on its short-term deposits. These deposits returned an interest rate of between 0.1% and 0.25% during the past year.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Turkish Lira, Euro and US Dollar, see note 19. Foreign exchange risk arises from future commercial transactions and net investments in foreign operations. The Group does not hedge its exposure to foreign currencies and recognises the profits and losses resulting from currency fluctuations as and when they arise.

The Group will continue to make substantial expenditures related to its exploration and development activities. The financial exposure of the Group has been substantially reduced as a result of entering into agreements with third parties.

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, or issue new shares.

4. Critical accounting estimates and judgements

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date, most importantly the carrying values assigned to intangible assets, associates, and financial assets designated as fair value through other comprehensive income. Actual results may vary from the estimates used to produce these financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Exploration asset carrying value

The most significant judgement for the Group is the assumption that exploration at the various sites will ultimately lead to a commercial mining operation, which includes the assumption that any licenses held will be renewed as required upon expiry. Failure to do so could lead to the write-off of the intangible assets relating to the particular site (see note 2.4).

Thani Stratex Resources carrying value

The Directors have given consideration to the carrying value of the 24.92% holding in Thani Stratex Resources Limited ('TSR') which has a book value of £1.45m and in the Directors' judgment this value is recoverable. In 2021, TSR signed an earn-in agreement with Red Sea Resources Limited, who are to spend approximately $2.4m to advance the current resources on the licence (JORC Inferred Resource of 209,000 ounces of gold at Anbat and a non-JORC Inferred Resource of 520,000 ounces of gold at Hutite). Whilst this will lead to dilution, the Directors believe the proposed investment will enhance the value of the Group's shareholding. The carrying value has therefore been maintained, with £135,000 of the £1.4m impairment provision booked in 2018 reversed in 2021 in order to maintain the carrying value of TSR at £1.45m, being the Directors' best estimate using all information available at this time.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

Local taxes

The Group is subject to income taxes in numerous jurisdictions. Judgement is required in determining the worldwide provision for such taxes. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will affect the current and deferred income tax assets and liabilities in the period in which such determination is made. No deferred tax balances are currently recognised in the accounts in respect of temporary timing differences relating to the Group's untangible assets or unutilised losses.

Provision for bad debts

The Group is currently due $425,000 from Anadolu Export Maden Sanayi ve Ticaret Limited Şirketi in respect of a success-based payment of $500,000 that was due on the basis of an exploration partnership with that company. The Directors continue to pursue payment, but have made full provision against the debt in these financial statements.

5. Segment reporting

The Group's main exploration operations are located in Turkey, East Africa and West Africa. The Group's head office is located in the UK and provides corporate and support services to the Group and researches new areas of exploration opportunities. The management structure and the management reports received by the Directors and used to make strategic decisions reflect the split of operations.

(a) The allocation of assets and liabilities by segment is as follows:

	Exploration				
	Turkey £'000	East Africa £'000	West Africa £'000	UK support & other £'000	Group Total £'000
At 31 December 2021					
Intangible assets	**–**	**–**	**9,376**	**–**	**9,376**
Property, plant and equipment	**–**	**–**	**36**	**12**	**48**
Investment in associate companies	**–**	**1,449**	**–**	**–**	**1,449**
Cash and other assets	**81**	**789**	**79**	**1,338**	**2,287**
Liabilities	**(43)**	**–**	**(20)**	**(504)**	**(567)**
Inter-segment	**(3,281)**	**–**	**(2,849)**	**6,130**	**–**
Net assets	**(3,243)**	**2,238**	**6,622**	**6,976**	**12,593**
Additions to property, plant and equipment	**3**	**–**	**8**	**3**	**14**

	Exploration				
	Turkey £'000	East Africa £'000	West Africa £'000	UK support & other £'000	Group Total £'000
At 31 December 2020					
Intangible assets	–	–	7,771	–	7,771
Property, plant and equipment	1	–	46	14	61
Investment in associate companies	–	1,449	–	–	1,449
Cash and other assets	58	784	95	1,751	2,688
Liabilities	(47)	–	(19)	(221)	(287)
Inter-segment	(3,264)	–	(2,354)	5,618	–
Net assets	**(3,252)**	**2,233**	**5,539**	**7,162**	**11,682**
Additions to property, plant and equipment	–	–	47	–	47

The capitalised cost of the principal projects and the additions during the year are as follows:

	Capitalised cost		Additions in year	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
West Africa				
Senegal	**6,177**	6,568	**22**	–
Cameroon	**3,199**	1,203	**1,996**	184
Total Intangible assets	**9,376**	7,771	**2,018**	184

(b) The allocation of profits and losses for the year by segment is as follows:

	Exploration				
	Turkey £'000	East Africa £'000	West Africa £'000	UK support & other £'000	Group Total £'000
2021					
Revenue	**–**	**–**	**–**	**–**	**–**
Administration expenses	**(38)**	**–**	**(114)**	**(922)**	**(1,074)**
Depreciation charge	**(3)**	**–**	**(4)**	**(2)**	**(9)**
Other income/(losses)	**75**	**135**	**–**	**–**	**210**
Share of associate company losses	**–**	**(163)**	**–**	**–**	**(163)**
Exchange gains/(losses)	**(18)**	**28**	**(579)**	**(2)**	**(571)**
Inter-segment charges	**–**	**–**	**(291)**	**291**	**–**
Income tax	**(8)**	**–**	**–**	**46**	**38**
Profit/(loss) for year	**8**	**–**	**(988)**	**(589)**	**(1,569)**

	Exploration				
	Turkey £'000	East Africa £'000	West Africa £'000	UK support & other £'000	Group Total £'000
2020					
Revenue	–	–	–	–	–
Administration expenses	(62)	–	(87)	(861)	(1,010)
Depreciation charge	–	–	–	(8)	(8)
Other income/(losses)	162	203	–	–	365
Share of associate company losses	–	(132)	–	–	(132)
Exchange gains/(losses)	(11)	(71)	470	(71)	317
Inter-segment charges	–	–	(218)	218	–
Income tax.	(17)	–	–	165	148
Profit/(loss) for year	**72**	**–**	**165**	**(557)**	**(320)**

6. Loss on change of ownership interest

	2021 £'000	2020 £'000
Loss for the year on change of ownership interest	**(133)**	(63)

Small changes to the Company's interest in Thani Stratex Resources Limited during the year have resulted in a loss of £133,000, which has been recognised in the consolidated statement of comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

7. Other (losses)/profits

	2021 £'000	2020 £'000
Exchange (losses)/ gains	**(571)**	317
Reversal of impairment (see note 14)	**135**	203
Other profits	**75**	162
Net other (loss)/profit for the year	**(361)**	682

8. Expenses by nature

Administration expenses comprise:

	2021 £'000	2020 £'000
Personnel expenses (see note 9)	**833**	752
Legal and professional expenses	**187**	255
Amounts paid to the Company's auditors (see below)	**27**	25
Office costs	**65**	57
Travel costs	**17**	39
Depreciation expense	**9**	8
Other expenses	**(55)**	(118)
Total for year	**1,083**	1,018

During the year the Group obtained the following services from the Company's auditor:

Auditor's remuneration	2021 £'000	2020 £'000
Fees payable for the audit of parent and consolidated financial statements	**27**	25
Total for year	**27**	25

9. Personnel expenses

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Wages and salaries	**770**	569	**531**	322
Social security costs	**40**	49	**40**	49
Share options granted to Directors and employees	**7**	125	**7**	125
Employee benefits-in-kind	**3**	1	**3**	1
Employee pensions	**13**	8	**13**	8
Total for year	**833**	752	**594**	505
Average number of employees, including Directors	**13**	13	**9**	8

Details of the Directors' remuneration is shown in the Report of the Remuneration Committee on page 34.

10. Income tax

Analysis of income tax expense:

	2021 £'000	2020 £'000
Current taxation:		
UK Corporation tax credit for the year	**46**	165
Deferred taxation:		
Deferred tax charge for the year	**(8)**	(17)
Total tax on loss for the year	**38**	148

The Group does not anticipate a UK corporation tax charge for the year due to the availability of tax losses. The Group did not recognise deferred income tax assets of approximately £770,000 (2020: £1,700,000).

Reconciliation of tax credit:

	2021 £'000	2020 £'000
Loss before tax	**(1,607)**	(468)
Current tax credit at 19% (2020: 19%)	**305**	89
Effects of:		
Expenses not deductible for tax purposes	**(4)**	25
Tax losses carried forward – UK	**(442)**	(167)
Tax losses carried forward – outside UK	**(199)**	(14)
Origination and reversal of temporary differences	**332**	50
Prior year differences (research and development credits claim)	**46**	165
Tax credit	**38**	148

11. Investment in subsidiaries

The cost of shares in subsidiary companies is as follows:

Company	2021 £'000	2020 £'000
Cost of investment at 1 January	**2,701**	2,699
Impairment provision	**(1,000)**	(1,000)
	1,701	1,699
Loans to subsidiary companies	**2,170**	1,603
At 31 December	**3,871**	3,302

During the prior year the Company made a provision for impairment against its investment in Stratex Exploration Limited.

There are no significant restrictions in relation to the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

11. Investment in subsidiaries continued

Investments in subsidiaries are stated at cost and are as follows:

	Country of incorporation	% owned by the Company	% owned by subsidiary	Nature of Business
Stratex Exploration Ltd	UK	100	–	Holding company
Stratex Gold AG	Switzerland	100	–	Holding company
Stratex West Africa Limited	UK	100	–	Exploration
RMC Cameroon (BVI) Corp	British Virgin Islands	56.7	–	Holding company
Reservoir Minerals Cameroon SARL	Cameroon	–	90 for effective 51% Group holding	Exploration
Oriole Cameroon SARL	Cameroon	90	–	Exploration
OrrCam2 SARL	Cameroon	90	–	Exploration
Stratex Madencilik Sanayi Ve Ticaret Ltd. Şti	Turkey	–	100	Exploration
Stratex EMC SA	Senegal	–	85	Exploration

	Registered office
Stratex Exploration Ltd	180 Piccadilly, London, W1J 9HF, UK
Stratex Gold AG	Goethestrasse 61, St Gallen, 9008, Switzerland
Stratex West Africa Limited	Wessex House, Upper Market Street, Eastleigh, Hampshire, SO50 9FD, UK
RMC Cameroon (BVI) Corp	Tropic Isle Building, Nibbs Street, Road Town, Tortola, VG1110, British Virgin Islands
Reservoir Minerals Cameroon SARL	Yaoundé-Rue Marie Gocker, Place De L'Intendance, BP 11792, Yaoundé, Cameroon
Oriole Cameroon SARL	Yaoundé-Rue Marie Gocker, Place De L'Intendance, BP 11792, Yaoundé, Cameroon
OrrCam2 SARL	Yaoundé-Rue Marie Gocker, Place De L'Intendance, BP 11792, Yaoundé, Cameroon
Stratex Madencilik Sanayi Ve Ticaret Ltd. Sti	Cukurambar Mahallesi 1458. Sokak, Elit Aprt. No: 17/6, Ankara, Turkey
Stratex EMC SA	Wessex House, Upper Market Street, Eastleigh, Hampshire, SO50 9FD, UK

12. Intangible assets

The Group's Intangible assets comprise entirely of exploration assets.

	Group		Company	
Cost	**2021 £'000**	2020 £'000	**2021 £'000**	2020 £'000
Cost at 1 January	**7,771**	7,244	**1,202**	1,018
Exchange movements	**(413)**	343	**–**	–
Additions	**2,018**	184	**1,990**	184
At 31 December	**9,376**	7,771	**3,192**	1,202

13. Property, plant, and equipment

	Group			
	Motor Vehicles £'000	Field Equipment £'000	Office furniture and equipment £'000	Total £'000
Cost				
At 1 January 2020	**30**	**19**	**189**	**238**
Additions	–	47	–	47
At 31 December 2020	**30**	**66**	**189**	**285**
Exchange movements	–	(1)	(31)	(32)
Additions	–	–	14	14
Disposals	(30)	–	–	(30)
At 31 December 2021	–	**65**	**172**	**237**
Depreciation				
At 1 January 2020	(30)	(19)	(168)	(217)
Additions	–	–	(7)	(7)
At 31 December 2020	(30)	(19)	(175)	(224)
Exchange movements	–	1	30	31
Additions	–	(16)	(10)	(26)
Disposals	30	–	–	30
At 31 December 2021	–	(34)	(155)	(189)
Net Book Value				
at 1 January 2020	–	–	21	21
at 31 December 2020	–	47	14	61
at 31 December 2021	–	**31**	**17**	**48**
Right of use assets included above	–	–	**7**	**7**

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

13. Property, plant, and equipment continued

	Company			
	Motor Vehicles £'000	Field Equipment £'000	Office furniture and equipment £'000	Total £'000
Cost				
At 1 January 2020	**–**	**–**	**108**	**108**
Additions	–	47	–	47
At 31 December 2020	**–**	**47**	**108**	**155**
Additions	–	–	8	8
At 31 December 2021	**–**	**47**	**116**	**163**
Depreciation				
At 1 January 2020	**–**	**–**	**(88)**	**(88)**
Additions	–	–	(7)	(7)
At 31 December 2020	**–**	**–**	**(95)**	**(95)**
Additions	–	(16)	(7)	(23)
At 31 December 2021	**–**	**(16)**	**(102)**	**(118)**
Net Book Value				
at 1 January 2020	–	–	20	20
at 31 December 2020	–	47	13	60
at 31 December 2021	**–**	**31**	**14**	**45**
Right of use assets included above	**–**	**–**	**7**	**7**

14. Investment in equity-accounted associates

	Group		Company	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
At 1 January	**1,449**	2,250	**657**	1,458
Exchange movements	**28**	(71)	**–**	–
Share of losses	**(30)**	(69)	**–**	–
Transfer to other financial assets	**–**	(801)	**–**	(801)
Loss on change of ownership interest	**(133)**	(63)	**–**	–
Release of impairment provision	**135**	203	**–**	–
At 31 December	**1,449**	1,449	**657**	657

The Company's shareholding interest in Thani Stratex Resources Limited ("TSRL") was maintained at 24.92% during the course of the year, however TSRL's interest in the underlying Hodine licence was reduced by 7%, leading to a loss on change of ownership. £135,000 of the impairment provision recognised in 2018 has been reversed in 2021, as the Directors believe the value of the investment has been maintained over the year (see note 4).

14. Investment in equity-accounted associates continued

The following entity has been included in the consolidated financial statements using the equity accounting method:

	2021			2020		
	%	Value £'000	Change £'000	%	Value £'000	Change £'000
Thani Stratex Resources Limited	**24.9**	**1,449**	**–**	24.9	1,449	–

Thani Stratex Resources Limited has a reporting date of 31 December and its registered office is PO Box 173, Kingston Chambers, Road Town, Tortola, British Virgin Islands.

Summarised financial information for investments accounted for using an equity accounting method is shown below. This information reflects the amounts presented in the draft financial statements of the associates (and not Oriole Resources PLC's share of those amounts) adjusted for differences in accounting policies between the Group and associates:

Statement of financial position for Thani Stratex Resources Limited

	2021 £'000	2020 £'000
As at 31 December		
Current Assets		
Cash and equivalents	**1**	1
Net current liabilities	**(289)**	(283)
Total current liabilities	**(288)**	(282)
Non-current assets		
Furniture, fittings and equipment	**1**	1
Intangible assets	**14,758**	14,102
Total non-current assets	**14,759**	14,103
Non-current liabilities	**(4,174)**	(4,088)
Net assets	**10,297**	9,733

Statement of comprehensive income for Thani Stratex Resources Limited

	2021 £'000	2020 £'000
As at 31 December		
Administration expenses	**(120)**	(267)
Depreciation	**–**	(1)
Exchange gains	**–**	(1)
Loss from continuing operations	**(120)**	(269)
Income tax expenses	**–**	–
Loss after tax for continuing operations	**(120)**	(269)
Share of associated company loss	**–**	–
Total comprehensive income	**(120)**	(269)

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

15. Financial Assets and Liabilities

(a) Financial Assets

	Group		Company	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Financial assets at amortised cost:				
Trade and other receivables	**137**	132	**74**	38
Deposits and guarantees	**46**	7	**–**	–
Cash and cash equivalents	**1,315**	1,751	**1,262**	1,714
Loan note receivable	**394**	389	**394**	389
Financial assets at fair value through other comprehensive income	**395**	395	**395**	395
Total	**2,287**	2,674	**2,125**	2,536

(b) Financial Liabilities

	Group		Company	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Financial liabilities at amortised cost:				
Trade creditors	**80**	87	**67**	65
Amounts due to related parties and employees	**23**	29	**–**	–
Social security and other taxes	**54**	62	**36**	48
Leases	**7**	12	**7**	12
Accrued expenses	**403**	97	**377**	92
Total	**567**	287	**487**	217

(c) Assets by quality

Trade Receivables:

Trade receivables includes net receivables from exploration partners of £30,000 (2020: £7,000). None of the exploration partners have external credit ratings.

Cash and cash equivalents:

External ratings of cash at bank and short-term deposits:

	2021 £'000	2020 £'000
A	**1,262**	1,714
Ba, Bb & Bbb	**99**	37
Total	**1,361**	1,751

(d) Financial Assets at Fair Value Through Other Comprehensive Income ('FVOCI')

	Group		Company	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
At 1 January	**395**	165	**395**	–
Transfer from equity-accounted associates	**–**	395	**–**	395
Disposals	**–**	(165)	**–**	–
Fair value adjustment	**–**	–	**–**	–
At 31 December	**395**	395	**395**	395

15. Financial Assets and Liabilities continued

Equity investments at FVOCI comprise the following individual investments:

	Group		Company	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Thani Stratex Djibouti – Unlisted Equity Security	**395**	395	**395**	395
At 31 December	**395**	395	**395**	395

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

Information about the methods and assumptions used in determining fair value is provided in (f) below. The assets are held in non-sterling currencies but there are no significant exchange rate risks associated with these investments.

Financial assets at fair value through other comprehensive income comprise equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

(e) Financial Assets at Fair Value Through Profit and Loss ('FVPL')

The Group classifies the following financial assets at fair value through profit or loss:

1. **Equity instruments for which the entity has not elected to recognise fair value gains and losses through OCI.**

The Group's investment in Muratdere Madencilik Sanayi ve Ticaret AS ('Muratdere') is held at £Nil (2020: £Nil) in the consolidated financial statements following its write down in 2017.

(f) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under Accounting Standards, as set out and explained below:

Recurring fair value measurements At 31 December 2021	Level 3 £'000	Total £'000
Financial assets at fair value through other comprehensive income:		
Djibouti unlisted equity securities	**395**	**395**
Total Financial Assets	**395**	**395**
At 31 December 2020		
Financial assets at fair value through other comprehensive income:		
Djibouti unlisted equity securities	395	395
Total Financial Assets	**395**	**395**

There were no transfers of assets between levels for recurring fair value measurements during the year. The Group has no level 1 or 2 financial instruments.

Level 3 – if one or more of the significant valuation inputs is not based on observable market data, the instrument is held at level 3. This is the case for unlisted securities.

Specific valuation techniques used to value financial instruments include:

- The use of quoted market prices to provide comparative pricing for Level 3 instruments when reviewed against comparable companies at similar stages of asset development.
- Cost of asset development work to date, together with a review of exploration results and a view of market values of similar companies.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

16. Trade and other receivables

The fair value of trade and other receivables equate to their carrying values, which also represents the Group's maximum exposure to credit risk. No collateral is held as security.

	Group		Company	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Receivables from exploration partners	**381**	333	**–**	–
Bad debt provision	**(326)**	(326)	**–**	–
Deposits and guarantees given	**–**	7	**–**	–
Loans	**43**	91	**–**	–
Loan note (see below)	**394**	389	**394**	389
Prepayments and other current assets	**39**	34	**74**	38
Total	**531**	528	**468**	427
Non-current	**394**	389	**394**	389
Current	**137**	139	**74**	38
Total	**531**	528	**468**	427

The loan note for $530,806 is interest-free and is repayable by Thani Stratex Djibouti Limited in accordance with a loan note instrument dated 14 November 2019.

$425,000 of a success-based payment due from Anadolu Export Maden Sanayi ve Ticaret A.S. is past due, and has been fully provided against in these, and the prior year, financial statements.

17. Deferred tax asset and liabilities

Group	**2021 £'000**	2020 £'000
Deferred tax assets		
Temporary timing differences arising on:		
Intangible assets	**–**	12
Employee termination benefits	**–**	2
Total	**–**	14

The movement in the year on the net deferred tax assets is:

	2021 £'000	2020 £'000
At 1 January	**14**	38
Exchange movements	**(6)**	(7)
Movement in year	**(8)**	(17)
At 31 December	**–**	14

18. Cash and cash equivalents

	Group		Company	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Cash at bank and on hand	**1,315**	1,751	**1,262**	1,714
Short-term deposits	**46**	–	**–**	–
Total	**1,361**	1,751	**1,262**	1,714

19. Currency risk

The Group's exposure to foreign currency is as follows:

	2021			2020		
GBP £'000	**US$**	**Euro**	**Turkish Lira**	US$	Euro	Turkish Lira
Trade and other receivables	**–**	**–**	**30**	–	–	74
Cash and cash equivalents	**142**	**273**	**52**	459	441	12
Trade and other payables	**(200)**	**(160)**	**(43)**	–	(19)	(47)
Net exposure	**(58)**	**113**	**39**	459	422	(39)
The following year end spot rates to sterling have been applied	**1.1584**	**1.1907**	**17.9514**	1.365	1.118	10.1243
A 20% fluctuation in the sterling exchange rate would have affected profit and loss as follows:	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000
Strengthening of sterling*	**–**	**–**	**7**	–	–	(3)
Weakening of sterling*	**–**	**–**	**(7)**	–	–	3

* Dollar and Euro amounts shown above were acquired specifically to fund the foreign currency elements of capital expenditure and as such fluctuations would have no impact on profit and loss.

20. Share capital and share premium

Group and Company	Number of Ordinary shares issued	Ordinary shares £'000	Deferred shares £'000	Share premium £'000	Total £'000
At 1 January 2021	**1,461,155,197**	**1,461**	**4,206**	**22,862**	**28,529**
Issued during the year	**532,866,139**	**533**	**–**	**1,999**	**2,532**
Expenses of share issue	**–**	**–**	**–**	**(103)**	**(103)**
At 31 December 2021	**1,994,021,336**	**1,994**	**4,206**	**24,758**	**30,958**

During the year the Company raised capital by way of an equity placing upon one occasion:

- On 4 October 2021 the Company issued 416,470,880 Ordinary 0.1p shares at a price of 0.425p per share.

In addition, during the year existing share options and share warrants over the Ordinary 0.1p shares of the Company were exercised as follows:

- 1,550,000 share options were exercised at a price of 0.37p per share;
- 13,470,000 share warrants were exercised at a price of 0.5p per share
- 1,630,298 share warrants were exercised at a price of 0.6p per share; and
- 99,744,961 share warrants were exercised at a price of 0.68p per share.

The Ordinary shares have a nominal value of 0.1p and all shares have been fully paid.

At the 2018 as part of a capital re-organisation, 467,311,276 deferred shares were created, each with a nominal value of 0.9p. The Deferred Shares have no right to vote, attend or speak at general meetings of the Company and have no right to receive any dividend or other distribution and have only limited rights to participate in any return of capital on a winding-up or liquidation of the Company, which will be of no material value.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

21. Earnings per share

The calculation of the basic earnings per share is based on the loss attributable to the equity holders of the Company and a weighted average number of Ordinary shares in issue during the year, as follows:

	2021 £'000	2020 £'000
Loss attributable to owners of the Company from continuing operations	**(1,687)**	(278)
Weighted average number of ordinary shares in issue	**1,661,670,893**	917,570,302
Basic and diluted loss per share from continuing operations (pence per share)	**(0.10)**	(0.03)

There is no difference between basic and diluted loss per share as the effect on the exercise of the options would be to decrease the earnings per share.

At 31 December 2021 there were 81,592,912 (2020: 83,192,912) share options and 208,385,020 (2020: 323,230,279) warrants that could potentially dilute the earnings per share in the future.

Deferred shares have no rights to dividends or retained profits and are excluded from the calculation of earnings per share.

22. Share options and warrants

Share options

The Directors have discretion to grant options to Group employees to subscribe for Ordinary Shares up to a maximum of 10% of the Company's issued share capital. The Company runs two schemes, one is the Enterprise Management Incentive scheme and the other is the Unapproved Share Option scheme.

As at 31 December 2021, the Company had in issue 71,471,892 (2020: 79,042,912) options to Group employees granted under the Enterprise Management Incentive scheme and 9,787,687 (2020: 3,650,000) options to Group employees granted under the unapproved scheme. In addition, there are 333,333 (2020: 500,000) unexercised options held by past employees. All options vest over one to three years from the grant date and lapse on the tenth anniversary of the grant date, except for the 39,884,912 options granted to Directors during the prior year, in lieu of salary, which vested immediately.

The granting of the share options has been accounted for as equity-settled share-based payment transactions. The total expenses recognised in the loss for the year arising from share-based payments was £7,000 (2020: £125,000). The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	2021		2020	
Group and Company	**Number of options**	**Weighted average exercise price pence**	Number of options	Weighted average exercise price pence
Outstanding at 1 January	**83,192,912**	**0.31**	32,469,067	0.97
Issued	–	–	56,234,912	0.18
Exercised	**(1,550,000)**	**0.37**	–	–
Expired	**(50,000)**	**7.0**	(5,251,067)	3.17
Cancelled	–	–	(260,000)	(0.81)
Outstanding at 31 December	**81,592,912**	**0.29**	83,192,912	0.31
Exercisable at 31 December	**64,542,912**	**0.27**	51,842,912	0.26

The weighted average contractual life of the outstanding options at 31 December 2021 was 9.15 years (2020: 8.94 years).

22. Share options and warrants continued

Details of share options outstanding at 31 December 2021 are as follows:

Life of option		Outstanding 31 December 2021	Option Price pence
Start date	**Expiry date**		
5 December 2014	5 December 2024	**60,000**	2.7
4 June 2015	4 June 2025	**150,000**	1.5
2 September 2016	2 September 2026	**198,000**	2.0
1 March 2018	1 March 2028	**6,000,000**	0.9
4 June 2018	4 June 2028	**2,000,000**	0.62
19 March 2019	19 March 2029	**16,950,000**	0.37
19 August 2020	19 August 2030	**39,884,912**	0.10
22 December 2020	22 December 2030	**16,350,000**	0.37
Total options outstanding		**81,592,912**	

Share Warrants

	2021		2020	
Group and Company	**Number of warrants**	**Weighted average exercise price pence**	Number of warrants	Weighted average exercise price pence
Outstanding at 1 January	**323,230,279**	**0.61**	48,469,987	0.57
Issued	–	–	274,760,292	0.68
Exercised	**(114,845,259)**	**0.66**	–	–
Outstanding at 31 December	**208,385,020**	**0.66**	323,230,279	0.61

Life of warrant		Outstanding 31 December 2021	Warrant Price Pence
Start date	**Expiry date**		
3 June 2020	3 June 2022	**33,369,689**	0.60
29 October 2020	29 October 2022*	**175,015,331**	0.68
Total warrants outstanding		**208,385,020**	

* The Company have the right to force exercise of those warrants in the event the 10-day volume weighted average share price exceeds 1.02 pence at any time. This condition was fulfilled during 2021.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

23. Other reserves

Group	Merger reserve £'000	FVOCI reserve £'000	Share option reserve £'000	Translation reserve £'000	Total £'000
At 1 January 2020	**(485)**	**(407)**	**149**	**1,928**	**1,185**
Share based payments	–	–	125	–	125
Share options expired	–	–	(76)	–	(76)
Other comprehensive income	–	–	–	(50)	(50)
Transfer to retained earnings	–	407	–	–	407
At 31 December 2020	**(485)**	**–**	**198**	**1,878**	**1,591**
Share based payments	**–**	**–**	**7**	**–**	**7**
Share options exercised	**–**	**–**	**(34)**	**–**	**(34)**
Share options expired	**–**	**–**	**(2)**	**–**	**(2)**
Other comprehensive income	**–**	**–**	**–**	**44**	**44**
Transfer to retained earnings	–	–	–	–	–
At 31 December 2021	**(485)**	**–**	**169**	**1,922**	**1,606**

Company	Share option reserve £'000	Total £.000 £'000
At 1 January 2020	**149**	**149**
Share based payments	125	125
Share options expired	(76)	(76)
At 31 December 2020	**198**	**198**
Share based payments	**7**	**7**
Share options exercised	**(34)**	**(34)**
Share options expired	**(2)**	**(2)**
At 31 December 2021	**169**	**169**

The Merger reserve arose on consolidation as a result of the merger accounting for the acquisition of the entire issued share capital of Stratex Exploration Limited during 2005 and represents the difference between the nominal value of shares issued for the acquisition and that of the share capital and share premium account of Stratex Exploration Limited.

The Group has elected to recognise changes in the fair value of certain investments in equity securities through Other Comprehensive Income, as explained in Note 15 and the accounting policies. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are realised.

The Share option reserve balance relates to the fair value of outstanding share options measured using the Black-Scholes method.

The Translation reserve comprises the exchange differences from translating the net investment in foreign entities and of monetary items receivable from subsidiaries for which settlement is neither planned nor likely in the foreseeable future (see Note 2.3).

24. Non-controlling interest

Effect on equity of transactions with non-controlling interests:

Balance attributable to NCI	Stratex EMC SA £'000	Total £'000
At 1 January 2020	**(209)**	**(209)**
Losses for the year	(42)	(42)
At 31 December 2020	**(251)**	**(251)**
Gain for the year	**118**	**118**
At 31 December 2021	**(133)**	**(133)**

The non-controlling interest arises in the 15% holding by a third party in Stratex EMC SA, whose financial statements include the following balances:

Stratex EMC SA	2021 £'000	2020 £'000
Intangible assets	**5,811**	6,223
Other assets	**952**	1,030
Intercompany loans	**(8,633)**	(8,416)
Other creditors	**(22)**	(19)
Net liabilities	**(1,892)**	(1,182)
(Loss)/profit for the year	**(806)**	265
Cash flows:		
Cash flows from operations	**(219)**	(183)
Cash flows from intercompany funding	**217**	174
Net cash flow	**(2)**	(9)

25. Trade and other payables

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade payables	**80**	87	**67**	65
Amounts due to related parties and employees	**1**	26	**–**	–
Social security and other taxes	**54**	62	**36**	48
Lease liability	**7**	12	**7**	12
Accrued expenses	**403**	97	**377**	92
At 31 December	**545**	284	**487**	217

All financial liabilities, except those for accrued expenses, are stated where material at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS CONTINUED

26. Leases

The Group has in place one lease contract for computer equipment used in its operations. The lease has a term of 5 years.

The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group is restricted from assigning and subleasing the leased asset. There are no variable lease payments attached.

The right of use asset recognised in respect of this lease has a carrying value of £8,000 (2020: £10,000) and is included within tangible fixed assets. Depreciation of £3,000 (2020: £3,000) has been recorded in the year.

The lease liability is included within trade and other payables and has a carrying value of £7,000 (2020: £12,000). Cash payments of £5,000 (2020: £3,000) have been made in payment of the liability during the year.

Neither the right of use asset nor the lease liability have been recorded separately on the statement of consolidated or company financial position as the values are not material.

27. Cash flow from operating activities

	Group		Company	
	2021 £'000	2020 £'000	**2021 £'000**	2020 £'000
Loss before income tax	**(1,607)**	(468)	**(619)**	(1,543)
Adjustments for:				
Issue of share options	**7**	125	**7**	125
Depreciation	**9**	8	**6**	7
Impairment of FAFVPL	**–**	–	**–**	747
Share of losses of associates	**163**	203	**–**	–
Other Income and deductions	**(135)**	(203)	**–**	–
Interest income on intercompany indebtedness	**–**	–	**(18)**	(21)
Intercompany management fees	**–**	–	**(281)**	(69)
Foreign exchange movements on operating activities	**498**	(428)	**(5)**	15
Changes in working capital, excluding the effects of exchange differences on consolidation:				
Trade and other receivables	**(65)**	44	**(37)**	11
Trade and other payables	**58**	(208)	**47**	(157)
Cash used in operations	**(1,072)**	(927)	**(900)**	(885)

28. Related party transactions

(a) Transactions with non-controlling interests:
During the year the Company spent £3,000 (2020: £3,000) with Minexia Limited, a company in which Tim Livesey and Robert Smeeton have 10.33% and 2.35% shareholdings respectively.

(b) Parent company and ultimate controlling party:
In the opinion of the Directors there is no ultimate controlling party.

(c) Amounts provided to subsidiaries:
During the year the Company provided funds amounting to £567,000 (2020: £101,000) to its subsidiaries and charged its subsidiary companies £281,000 (2020: £70,000) for the provision of management services. The total gross receivable from subsidiaries at 31 December 2021 was £5,339,000 (2020: £4,832,000).

(d) Transactions with Directors and Key Management Personnel:
During the year the Directors were remunerated for services performed on behalf of the Company. Details of this remuneration are included in the Report of the Remuneration Committee. All Directors during the year were remunerated through the UK payroll. There are not considered to be any key management personnel other than Directors.

29. Contingencies and capital commitments

There are no contingencies or capital commitments at 31 December 2021.

30. Parent company statement of comprehensive income

As permitted by section 408 of the Companies Act 2006, the statement of comprehensive income of the parent company is not presented as part of these financial statements.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Oriole Resources Plc (the "Company") will be held at the offices of Grant Thornton UK LLP, located at 30 Finsbury Square, London, EC2A 1AG on 26 April 2022, at 11:00am. The business of the meeting will be to consider and, if thought fit, pass the following Resolutions:

Ordinary resolutions

1. THAT the Directors' Report and the Financial Statements of the Company for the year ended 31 December 2021 be received and adopted.
2. THAT, having retired by rotation in accordance with the Company's Articles of Association, and being eligible, David Pelham be re-appointed as a Director of the Company.
3. TO re-elect Director Claire Bay, who was appointed since the last Annual General Meeting and retires in accordance with the Company's Articles of Association, and being eligible, offers herself for re-appointment.
4. TO re-elect Director Eileen Carr, who was appointed since the last Annual General Meeting and retires in accordance with the Company's Articles of Association, and being eligible, offers herself for re-appointment.
5. THAT PKF Littlejohn LLP be re-appointed as auditors of the Company, and that the Directors be authorised to determine the auditors' remuneration.
6. THAT, in addition to the existing authorities, and in accordance with section 551 of the Companies Act 2006 (the "Act") the Directors be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("Rights") up to an aggregate nominal amount of £1,600,000 provided that:
   a. this authority shall, unless previously revoked, varied or extended by the Company at a general meeting, expire at the conclusion of the next annual general meeting of the Company; and
   b. that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

Special resolutions

7. THAT, subject to the passing of resolution 6 and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by resolution 6, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall:
   a. be limited to the allotment of equity securities up to an aggregate nominal amount of £1,000,000; and
   b. expire with the authority granted by resolution 6 (unless previously revoked, varied or extended by the Company at a general meeting) at the conclusion of the next Annual General Meeting, save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.
8. THAT, in addition to the authority granted by resolution 7 above, subject to the passing of resolution 6 and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred by resolution 6, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall:
   a. be limited to the allotment of equity securities up to an aggregate nominal amount of £600,000; and
   b. expire with the authority granted by resolution 6 (unless previously revoked, varied or extended by the Company at a general meeting) at the conclusion of the next Annual General Meeting, save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

By order of the Board

R J Smeeton
Company Secretary

8 March 2022

Registered Office
180 Piccadilly
London
W1J 9HF

Notes:

Eligibility to attend and vote

1. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of determining the number of votes a member may cast), members must be entered on the Register of Members of the Company by 11:00am on 22 April 2022.

Appointment of proxies

2. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chair of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chair) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share.
5. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be completed and signed and sent or delivered to the Company's registrars, Share Registrars Limited, 3 Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX, to be received by Share Registrars Limited no later than 11.00am on 22 April 2022. Proxy forms may also be emailed to voting@shareregistrars.uk.com
7. In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

8. In the case of joint holders, where more than one of the joint holder's purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

NOTICE OF ANNUAL GENERAL MEETING CONTINUED

Changing proxy instructions

9. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

10. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

    - By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited, 3 Millennium Centre, Crosby Way, Farnham, Surrey, GU9 7XX.
    - In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
    - Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. In either case, the revocation notice must be received by Share Registrars Limited no later than 11.00am on 22 April 2022.
    - If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid. Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Communication

11. Except as provided above, members who have general queries about the Meeting should contact Share Registrars Limited on 01252 821390 or by email enquiries@shareregistrars.uk.com (no other methods of communication will be accepted).

12. You may not use any electronic address provided either in this notice of Annual General Meeting or any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

Documents available for inspection

13. The following documents will be available for inspection during normal business hours at the Company's registered office up until the date of the Annual General Meeting and at the place of the meeting from 11.00am on 24 April 2022 until the end of the meeting:

    - the audited consolidated accounts of the Company for the financial period ended 31 December 2021;
    - the Register of Directors' interests in the capital of the Company and copies of the service contracts of the Directors of the Company.

ADVISORS & OFFICES

Nominated advisor

Grant Thornton UK LLP
30 Finsbury Square
London
EC2A 1AG

Group Auditors

PKF Littlejohn LLP Statutory Auditor
15 Westferry Circus
Canary Wharf
London,
E14 4HD

Brokers

Shard Capital Partners LLP
23rd Floor
20 Fenchurch Street
London EC3M 3BY

Group Solicitors

Edwin Coe LLP
2 Stone Buildings Lincoln's Inn
London,
WC2A 3TH

Bankers

Lloyds TSB Bank plc
High Street
Slough
Berkshire,
SL1 1DH

Registered Office

180 Piccadilly
London
W1J 9HF
UK

UK Exploration Office

Oriole Resources PLC
Wessex House
Upper Market Street
Eastleigh
Hampshire,
SO50 9FD
UK

Turkish Office

Stratex Madencilik Sanayi ve Ticaret Ltd. Sti.
Çukurambar Mahallesi
1458. Sk. Elit Apt. 1716
Çankaya
Ankara
Turkey

West Africa Office

Stratex EMC SA
c/o Energy & Mining Corporation S.A. Sacré Coeur 111/VON
No 9231
Dakar BP. 45.409
Senegal

GLOSSARY

Term	Definition
Au	Chemical symbol for gold.
breccia	A rock composed of sharp-angled fragments embedded in a fine-grained matrix. It can also be used to describe localised areas of sharp-angled fragments within a fine-grained matrix within any rock type.
Cu	Chemical symbol for copper.
cut-off	The lowest grade value that is included in a resource statement. It must comply with JORC requirement 19: "reasonable prospects for eventual economic extraction" the lowest grade, or quality, of mineralised material that qualifies as economically mineable and available in a given deposit. It may be defined on the basis of economic evaluation, or on physical or chemical attributes that define an acceptable product specification.
dyke	A tabular body of intrusive igneous rock emplaced vertically or at a steeply included angle to the horizontal and usually cross-cuts the host rock.
felsic	A general term used to describe an igneous rock that contains an abundance of 'light-coloured' silicate minerals such as quartz and feldspar. Also defined by a silica content of > 69%.
g/t	Grammes per tonne, equivalent to parts per million.
granite	A medium to coarse grained igneous rock that is rich in quartz and feldspar minerals. Granites are the most common 'plutonic' rock in the Earth's crust, formed by the cooling of magma at depth.
greenstone belt	An area, typically in Precambrian shields, occupied by igneous (± sedimentary) rocks of variable compositions that have been subjected to 'Greenschist facies' metamorphism and defined by the presence of green-coloured metamorphic minerals such as chlorite, epidote and actinolite. Globally, 'greenstone belts' host district scale economic mineralisation for a range of commodities including gold, silver, copper, zinc and lead.
hydrothermal solution	Typically a high temperature saline solution that is capable of dissolving a wide range of elements including economic metals such as gold, silver, copper, zinc, and lead. The movement of hydrothermal solutions through the Earth's crust enables transportation of economic metals/minerals and are generally required to form mineral deposits e.g. orogenic gold deposits.
igneous	A term used to describe rocks that have solidified from lava or magma.
indicated resource	The part of a Mineral Resource for which tonnage, densities, shape, physical characteristics grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.
inferred resource	The part of a Mineral Resource for which tonnage, grade, and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.
JORC	The Australasian Joint Ore Reserves Committee Code of Reporting of Exploration Results, Mineral Resources and Ore Resources, 2004 (the 'JORC Code' or 'the Code'). The Code sets out minimum standards, recommendations and guidelines for Public Reporting of Exploration Results, Mineral Resources and Ore Resources in Australasia.
limestone	A sedimentary rock made from calcium carbonate ($CaCO_3$) usually in the form of calcite or aragonite. Limestones typically form at or below the seafloor when calcite and/or aragonite precipitates out of water containing dissolved calcium.
mafic	A general term used to describe an igneous rock that contained an abundance of 'dark coloured' minerals such as olivine, amphibole, pyroxene, and biotite. Also defined by a silica content of between 45 and 52%.
metamorphic	A term used to describe a rock that has undergone transformation typically by a combination of heat and/or pressure conditions, or other processes, that were significantly different from those encountered at the surface of the earth.
metasediment	A term used for a metamorphic rock formed when a sedimentary rock undergoes partial or completed recrystallisation under conditions of temperature and pressure that were significantly different from those encountered at the surface of the earth.

Term	Definition
mineral resource	A concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated, or interpreted from specific geological evidence, into Inferred, Indicated and Measured categories when reporting under the JORC Code.
moz	Million troy ounces.
orogenic gold deposits	A mineral deposit type formed from hydrothermal solutions at depths of between 6,000 and 20,000m and in the temperature range of 300-550˚C. Typically these deposits are controlled and shaped by the structural deformation that occurs during mountain building events known as orogenies.
oxide gold	Gold mineralisation that occurred within the 'oxide zone' as free gold.
oxide zone	A zone of weathered rock occurring at or close to the Earth's surface.
oz	Troy ounce (=31.103477 grammes).
porphyry	A general term for any igneous rock in which relatively large crystals (phenocrysts) constitute 25% or more of the volume and are set in a fine-grained ground mass. Can also be used in conjunction with a mineral where the rock is rich in that component or rock descriptor where appropriate e.g. quartz-feldspar porphyry.
schist	A general term for a medium grained metamorphic rock defined by the presence of schistose texture, which is where elongate minerals are aligned into thin, often repeating, parallel layers. Can be used in conjunction with a mineral or rock descriptor where appropriate e.g. quartz-pyrite schist or mafic schist.
sedimentary	A term used to describe a rock that has formed by the accumulation of deposition of minerals and/or organic particles at the Earth's surface followed by cementation.
shear zone	A tabular zone of rock showing evidence of shear stress i.e. a stress field that is acting parallel to a plane passing through any point in the body. Shear zones are a common feature of orogenies and present a structural control that can be favourable for the formation of orogenic gold deposits.
silica	A white or colourless crystalline compound (SiO_2), occurring abundantly as crystalline quartz. This term also includes materials such as sand, flint, agate, and many other industrial related minerals used in the construction of glass and concrete etc.
sulphide gold	Gold mineralisation occurring within the 'sulphide zone', can occur as both free gold or locked within the sulphide crystal structure.
sulphide zone	Un-weathered rock occurring below the 'oxide zone' and containing metal-sulphide minerals.
tonalite	An igneous rock composed of crystals that are clearly visible to the naked eye and defined by a composition of greater than 20% silica.
tonne (t)	1 million grammes.

ORIOLE RESOURCES PLC

Phone: +44 (0)207 830 9650
Fax: +44 (0)207 830 9651
Email: info@orioleresources.co.uk
www.orioleresources.com

180 Piccadilly,
London, W1J 9HF