

RNS Number : 5169M  
URA Holdings PLC  
30 April 2024

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### **URA Holdings plc**

("URA" or the "Company")

### **FINAL RESULTS**

URA Holdings plc (LSE: URAH), the gemstone mining company currently focused on the restart of production at the Gravelotte Emerald Mine ("GEM"), is pleased to announce its final audited results for the year ended 31 December 2023. The Annual Report is available to view on the Company's website at [uraholdings.co.uk](http://uraholdings.co.uk).

In accordance with Listing Rule 9.6.1 of the UK Financial Conduct Authority ("FCA"), a copy of the 2023 Annual Report will also be submitted to the FCA via the National Storage Mechanism and will shortly be available to the public for inspection at:

<https://www.fca.org.uk/markets/primary-markets/regulatory-disclosures/national-storage-mechanism>

#### **Key Highlights**

- **GEM Commences Production:** as announced yesterday, production has begun and first batch of emeralds produced from optical sorter
- **Acquisition of GEM Completed:** preconditions satisfied in March 2023 at which time URA became full majority owner of GEM
- **Strong Financial Initiatives:** Raised £1,570,000 in total through a number off fundraisings in 2023, with significant board contributions , providing essential capital for GEM refurbishment and restart.
- **Financial Performance:** Strict financial controls on operational expenses, reflecting our proactive approach to managing the challenges of fundraising and operational activities.

Fuller details of these developments are contained in the Chairman's Statement below.

#### **Chairman's Statement**

As we look back on a transformative year for URA Holdings Plc, I am proud to share with you the significant strides we have made towards realizing our strategic ambitions, underscored by the restart of production and the first emeralds recovered at our pivotal acquisition of the Gravelotte Emerald Mine (GEM) in South Africa as completed in March 2023. The period under review, has marked a significant leap in our journey towards becoming a significant contributor in the gemstone mining sector.

#### **Strategic Acquisitions and Milestones**

The acquisition of GEM, in 2023, is the cornerstone of our strategic vision, reinvigorating a historic mining asset with the potential to become a major producer once again. Leveraging the comprehensive ACA Howe-penned JORC compliant resource statement, we are poised to unlock significant value from this asset. The efforts in refurbishing and upgrading Gravelotte's facilities during 2023 were instrumental in setting the stage for the commencement of a new era of production with the actual restart of production announced yesterday. The processing of stockpiled ore is well underway, with the first emeralds already successfully recovered, signalling the effectiveness of the newly installed equipment and processes.

### **Fundraising and Financial Resilience**

The year 2023 was characterized by significant financial activities aimed at strengthening our operational capabilities and ensuring the successful resumption of activities at Gravelotte. In May 2023, we successfully raised £280,000 through a placement and subscription for new ordinary shares and an additional £50,000 via a convertible loan note, demonstrating the confidence our investors place in our vision and strategy. In September 2023, we raised an additional £240,000 through a placing and subscription. Moreover, an accelerated bookbuild in November 2023 raised £1,000,000, essential for the refurbishment of Gravelotte and general working capital. All three fundraisings were strongly supported by the Directors who contributed between 12% and 25% in all three placements conducted during 2023.

Since the end of 2023, we have raised a further £475,000 from two significant investment institutions, that already had a smaller holding in the Company - an investment which showed confidence in the future of URA and provided the final tranche of funds to enable us to bring the mine once again into production.

In the period in question, the Group incurred a loss of £1.170 million before tax. This figure includes £25,000 related to the costs of completing the fundraising activities mentioned earlier and the publishing of a prospectus to approve the £1,000,000 fundraise. Additionally, £24,000 represents operational and due diligence costs associated with our strategic initiatives. Net assets at the period end were £1.785 million underscoring our solid financial standing and strategic investments.

We always felt that we could bring this historic mine back into production swiftly and economically, far more so than is the case with new exploration projects, rather than initially extend exploration over the wider licence area - which we will of course do over time. We have done this through strict control on operational expenses, reflecting our proactive approach to operational activities and managing the challenges of fundraising in these difficult investment times.

As a responsible and forward-thinking company listed on the London Stock Exchange, the Company is dedicated to ensuring its long-term viability through strategic planning, prudent risk management, and a steadfast commitment to sustainable growth.

Financial prudence is a cornerstone of our approach to long-term viability. We rigorously manage our costs to optimize efficiency and preserve profitability.

URA is committed to safeguarding its long-term viability by managing risks, fostering stakeholder engagement, and upholding the highest standards of corporate governance and conduct. We are confident in our ability to deliver sustainable value to our shareholders and stakeholders for many years to come.

### **Gravelotte**

Shareholders are already fully aware that we conditionally acquired Gravelotte in 2022 on exceptionally favourable terms and that we completed the acquisition unconditionally on 27<sup>th</sup> February 2023. As announced last year, we commissioned a report from A.C.A Howe which showed a very significant emerald resource and indicated the much larger potential over the licence area as a whole. As already stated, we decided that the best route forward would be to refurbish the mine and bring it back into production as quickly and cost effectively as possible, thereby reducing our exposure to the currently challenging capital

markets, leaving more detailed exploration of the larger site for the future once production is well established.

Work continued onsite throughout 2023 and it had reached an advanced stage by the year end. I am pleased to report that following a successful commissioning phase in 2024 we have now started phased emerald production. This has been achieved through the efforts and hard work of our small but experienced production team.

### **Zambian Exploration Licenses**

Our strategic exploration licences in Zambia and the potential of the assets under our stewardship represent future pathways for growth and value creation. While Gravelotte remains our immediate focus, we are poised to leverage our broader asset portfolio to ensure sustainable growth and shareholder value in the years to come. We are investigating various options available to us to unlock value from the Zambian exploration licences, including the potential sale or Joint Venture of the licences and have had initial high-level engagement with potential Joint Venture partners.

### **Looking Ahead**

Following the successful commissioning of our processing and sorting plants, phased production at GEM has commenced as scheduled and within budget as per our announcement of 29 April 2024. Over the coming months, production will be increased and systems, processes, and equipment will be optimised leading to our first trial sales event in the second half of 2024. We are proud and excited about this transition from an exploration company to a producer of the increasingly popular gem, emeralds, on an increasing scale.

### **Acknowledgments**

I wish to extend my deepest appreciation to our shareholders, the board of directors, and our dedicated team for their unwavering support and commitment. The collective efforts of everyone involved have been crucial in navigating the challenges and opportunities of the past year.

As we move forward, our journey is marked by a clear strategic vision and a commitment to operational excellence. Together, we stand on the brink of a promising future, poised for growth and success.

Thank you for your continued support and belief in URA Holdings Plc.

Edward Nealon

Chairman, URA Holdings Plc

### **Enquiries:**

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## CONSOLIDATED AND COMPANY STATEMENT OF COMPREHENSIVE INCOME

	Note	GROUP		COMPANY	
		31 Dec 2023 £'000s	31 Dec 2022 £'000s <i>Restated</i>	31 Dec 2023 £'000s	31 Dec 2022 £'000s <i>Restated</i>
<b>Continuing operations</b>					
Operating expenses		(1,166)	(600)	(906)	(570)
Loan amounts written off		-	(264)	-	(264)
Amortisation / Impairment		-	(199)	-	(200)
Finance costs		(4)	-	-	-
<b>Loss before taxation</b>		<b>(1,170)</b>	<b>(1,063)</b>	<b>(906)</b>	<b>(1,034)</b>
Taxation	3	-	-	-	-
<b>Loss for the period from continuing operations</b>	4	<b>(1,170)</b>	<b>(1,063)</b>	<b>(906)</b>	<b>(1,034)</b>
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive loss for the period</b>		<b>(1,170)</b>	<b>(1,063)</b>	<b>(906)</b>	<b>(1,034)</b>
<b>Earnings per share</b>					
Basic earnings per share (pence)	17	(0.46p)	(0.79p)	(0.36p)	(0.76p)

Diluted earnings per share (pence) 17 (0.46p) (0.79p) (0.36p) (0.76p)

## CONSOLIDATED AND COMPANY STATEMENT OF FINANCIAL POSITION

GROUP		31 Dec 2023 £'000s	31 Dec 2022 £'000s <i>Restated</i>	1 Jan 2022 £'000s <i>Restated</i>
<b>ASSETS</b>	<b>Note</b>			
<b>Non-current assets</b>				
Exploration asset	10	153	11	-
Goodwill	11	1,550	995	-
Investment in Subsidiary	7	-	-	-
Property, plant and equipment	8	31	-	-
Right of use asset	9	34	-	-
<b>Total Non-current Assets</b>		<b>1,768</b>	<b>1,006</b>	<b>-</b>
<b>Current assets</b>				
Other receivables	6	159	27	37
Cash and cash equivalents		674	362	99
<b>Total Current Assets</b>		<b>833</b>	<b>389</b>	<b>136</b>
<b>Total Assets</b>		<b>2,601</b>	<b>1,395</b>	<b>136</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Lease liabilities	9	(26)	-	-
Other payables	13	(436)	-	-
<b>Total non-current liabilities</b>		<b>(462)</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Trade and other payables	12	(345)	(132)	(82)
Lease liabilities	9	(9)	(132)	-
<b>Total Current-liabilities</b>		<b>(354)</b>	<b>(132)</b>	<b>(82)</b>
<b>Total liabilities</b>		<b>(816)</b>	<b>(132)</b>	<b>(82)</b>
<b>Net Assets</b>		<b>1,785</b>	<b>1,263</b>	<b>54</b>
<b>EQUITY</b>				
Share capital	14	25	14	3
Share premium	14	3,938	2,546	342
Other reserves	14	291	57	-
Retained earnings		(2,469)	(1,354)	(291)
<b>Total Equity</b>		<b>1,785</b>	<b>1,263</b>	<b>54</b>

COMPANY		31 Dec 2023 £'000s	31 Dec 2022 £'000s	1 Jan 2022 £'000s
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<b>ASSETS</b>	<b>Note</b>		<i>Restated</i>	<i>Restated</i>
<b>Non-current assets</b>				
Exploration asset	10	-	-	-
Goodwill	11	-	-	-
Investment in Subsidiary	7	1,536	1,000	-
Property, plant and equipment	8	-	-	-
Right of use asset	9	-	-	-
<b>Total Non-current Assets</b>		<b>1,536</b>	<b>1,000</b>	<b>-</b>
<b>Current assets</b>				
Other receivables	6	502	48	37
Cash and cash equivalents		667	362	99
<b>Total Current Assets</b>		<b>1,169</b>	<b>410</b>	<b>136</b>
<b>Total Assets</b>		<b>2,705</b>	<b>1,410</b>	<b>136</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Lease liabilities	9	-	-	-
Other payables	13	(436)	-	-
<b>Total non-current liabilities</b>		<b>(436)</b>	<b>-</b>	<b>-</b>
<b>Current liabilities</b>				
Trade and other payables	12	(145)	(118)	(82)
Lease liabilities	9	-	-	-
<b>Total Current-liabilities</b>		<b>(145)</b>	<b>(118)</b>	<b>(82)</b>
<b>Total liabilities</b>		<b>(581)</b>	<b>(118)</b>	<b>(82)</b>
<b>Net Assets</b>		<b>2,124</b>	<b>1,292</b>	<b>54</b>
<b>EQUITY</b>				
Share capital	14	25	14	3
Share premium	14	3,938	2,546	342
Other reserves	14	392	57	-
Retained earnings		(2,231)	(1,325)	(291)
<b>Total Equity</b>		<b>2,124</b>	<b>1,292</b>	<b>54</b>

#### CONSOLIDATED AND COMPANY STATEMENTS OF CHANGES IN EQUITY

<b>GROUP</b>	<b>Share Capital</b>	<b>Share premium</b>	<b>Other Reserves</b>	<b>Retained earnings</b>	<b>Total shareholders' equity</b>
	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>	<b>£'000s</b>
<b>Balance at 1 January 2022</b>	<b>3</b>	<b>342</b>	<b>-</b>	<b>(291)</b>	<b>54</b>

Total comprehensive income	-	-	-	(1,012)	(1,012)
Net equity issued	11	2,204	-	-	2,215
Share option reserve	-	-	6	-	6
<b>Balance at 31 December 2022</b>	<b>14</b>	<b>2,546</b>	<b>6</b>	<b>(1,303)</b>	<b>1,263</b>
Prior period adjustment (Note 20)	-	-	51	(51)	-
<b>As at 01 January 2023(restated)</b>	<b>14</b>	<b>2,546</b>	<b>57</b>	<b>(1,354)</b>	<b>1,263</b>
Total comprehensive income	-	-	-	(1,115)	(1,115)
Net equity issued	11	1,392	-	-	1,403
FX translation reserve	-	-	(101)	-	(101)
Share warrant reserve	-	-	250	-	250
Share option reserve	-	-	85	-	85
<b>Balance at 31 December 2023</b>	<b>25</b>	<b>3,938</b>	<b>291</b>	<b>(2,469)</b>	<b>1,785</b>

COMPANY	Share Capital	Share premium	Other Reserves	Retained earnings	Total shareholders' equity
	£'000s	£'000s	£'000s	£'000s	£'000s
<b>Balance at 1 January 2022</b>	<b>3</b>	<b>342</b>	<b>-</b>	<b>(291)</b>	<b>54</b>
Total comprehensive income	-	-	-	(983)	(983)
Net equity issued	11	2,204	-	-	2,215
Share option reserve	-	-	6	-	6
<b>Balance at 31 December 2022</b>	<b>14</b>	<b>2,546</b>	<b>6</b>	<b>(1,274)</b>	<b>1,292</b>
Prior period adjustment (Note 20)	-	-	51	(51)	-
<b>At 01 January 2023 (restated)</b>	<b>14</b>	<b>2,546</b>	<b>57</b>	<b>(1,325)</b>	<b>1,292</b>
Total comprehensive income	-	-	-	(906)	(906)
Net equity issued	11	1,392	-	-	1,403
Foreign Exchange	-	-	-	-	-
Share warrant reserve	-	-	250	-	250
Share option reserve	-	-	85	-	85
<b>Balance at 31 December 2023</b>	<b>25</b>	<b>3,938</b>	<b>392</b>	<b>(2,231)</b>	<b>2,124</b>

## CONSOLIDATED AND COMPANY STATEMENT OF CASH FLOWS

	Note	GROUP		COMPANY	
		31 Dec 2023 £'000s	31 Dec 2022 £'000s	31 Dec 2023 £'000s	31 Dec 2022 £'000s
<b>Cash flows from operating activities</b>			<i>Restated</i>		<i>Restated</i>
Loss for the period	4	(1,170)	(1,063)	(906)	(1,034)
Finance costs		4			
Amortisation /Depreciation and impairment		22	199	-	200
Share warrant reserve		250	-	250	-
Share based payment		85	57	85	57
Contingent consideration		436	-	436	-
(Increase)/decrease in receivables	6	(131)	10	(453)	(12)
Increase/(decrease) in payables	10	36	50	27	36
<b>Net cash used in operating activities</b>		<b>(468)</b>	<b>(747)</b>	<b>(561)</b>	<b>(753)</b>
<b>Investing activities</b>					
Purchase of subsidiary, Property plant and equipment and intangible asset	7, 9	(559)	(1,206)	(536)	(1,200)
<b>Net cash used in investing activities</b>		<b>(559)</b>	<b>(1,206)</b>	<b>(536)</b>	<b>(1,200)</b>
<b>Financing activities</b>					
Issue of shares for cash, net of costs		1,402	2,216	1,402	2,216
Finance costs		(4)	-	-	-
<b>Net cash from financing activities</b>		<b>1,398</b>	<b>2,216</b>	<b>1,402</b>	<b>2,216</b>
<b>Increase / (Decrease) in cash and cash equivalents</b>		<b>371</b>	<b>263</b>	<b>305</b>	<b>263</b>
Foreign exchange translation differences		(59)	-	-	-
Cash and cash equivalents at beginning of the period		362	99	362	99
<b>Cash and cash equivalents at the end of the period</b>		<b>674</b>	<b>362</b>	<b>667</b>	<b>362</b>



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