Focus Xplore plc (FOX.L)* 9 April 2025

New Focus in Data Rich Ontario for Focus Xplore.

In this research note, we analyse and examine the re-positioned and renamed '**Focus Xplore plc'** (previously Katoro Gold plc) following its recent acquisition of projects in Ontario to understand the valuation catalysts and potential equity upside within its new assets. These are centred on energy and critical minerals in areas essential to meet global growth in electric vehicle usage (lithium), carbon free energy power (uranium) and new technology applications (Rare Earth Elements - REE).

- The acquisition of 31 Explore Ltd was for an all-warrant based consideration. Share dilution is essentially **contingent on exploration success**, with warrants exercisable at over double (0.10p) and triple (0.15p) the current share price.
- All projects are **100% owned**, providing scope to secure JV partners at an appropriate time to accelerate exploration and discovery opportunity potential.
- The new projects are all in the mining friendly, target and data rich Canadian province of Ontario, which has an **established mining industry** with over 30 active mining operations, along with pro-active government policies and investment to establish Ontario as a global leader in the supply of critical minerals.
- Focus Xplore's projects benefit from being near main highways, with direct access from logging tracks. This should help **minimise exploration expenditure** to avoid, for example, the need for helicopters and camp set up costs typical of more remote locations.
- The Group has already **expanded its footprint** by staking additional licence areas adjacent to the original acquired Ontario projects at both Iva and Pearl. **Further project acquisitions** similar in value, deal structure and prospectivity to the recently acquired 31 Explore assets could follow in the coming year.
- FOX intends to apply cutting edge **Artificial Intelligence (AI)** technology developed by Planetary AI Limited to identify and rank exploration targets.
- The exploration remit is now on **critical minerals** lithium and uranium, along with **rare earth elements** such as beryllium, caesium, dysprosium, niobium, neodymium and tantalum.

Recommendation & Value - The current £1m market cap represents just a baseline stock market listing value than the potential of its underlying new projects within the critical mineral and REE arena. This tiny value we believe is a result of investor perception being anchored in the past towards former Kibo Mining legacy assets from 2017 than the new projects added in Ontario.

Recent changes to management, a new suite of exploration projects and plc change of name to Focus Xplore should all help in uncoupling the Group from its Kibo perceived past. We look forward to further updates in the near term on the Group's new exploration projects, with the 2025 field season beginning in northwest Ontario in late April or early May.

The importance of critical metals and REE has come to the fore with the US government expressing its desire to acquire such resources in Greenland and Ukraine, along with China's recent implementation of tight export controls on certain REE's such as dysprosium in response to Trump's global tariff war. We believe investor attention could soon switch to companies such as Focus Xplore with the technical ability and possible project assets to meet global demand within these vital areas.

Given the range and wealth of technically compelling targets across the new exploration project suite centred on critical metals and REE, within a prolific and established mining province, we believe the market cap should be in the region of at least £3m at this pre-discovery stage. This computes to a price per share of at least **0.13p**, and upside of 188% from the current share price of 0.045p. To this end, we recommend the shares as a '**Buy'**.

BUY

TP 0.13p

MARKET DATA:

Name:	**Focus Xplore plc**
Ticker:	**FOX.L**
Price:	**0.045p**
SII:	**2,229m**
Market Cap:	**£1m**
Sector:	**Resources**
Listing:	**AIM – London**

FINANCIALS / KEY DATES

Last Placing:	£317.5K – Mar '25.
Y/E:	31 Dec
Last Results:	Interims- 30/09/24
GM	28/02/25

ACTIVITIES:

Exploration & development of critical metal and rare earth mineral projects in Ontario, Canada.

KEY PROJECTS / ASSETS:

Iva
Pearl
Burrows
Bay Road
Ellie
Oba
Wapesi
White Pine

DIRECTORS & MANAGEMENT:

Sean Wade (Non-Ex Chairman)
Patrick Cullen (CEO)
Louis Scheepers (Non-Ex)
Lukas Marthinus (Tinus) Maree (Non Ex)
Jamie Tosh (Non-Ex)

SHAREHOLDINGS: (>3%)

Armstrong Inv.	9.0%
Charlemont Capital	7.2%
Kibo Energy plc	6.0%
Yakoub Yaboubov	3.6%

First Equity Limited acts as Joint Broker to Focus Xplore Plc.

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INTRODUCTION AND BACKGROUND

Focus Xplore plc, under its previous guise of Katoro Gold plc, gained an AIM listing in May 2017 following the reverse takeover of shell company Opera Investments plc and effective spin out of Tanzanian gold assets from parent company Kibo Mining plc (now Kibo Energy plc – KIBO.L). This was accompanied by a £1.5m gross fund raising at an issue price of 6p. Over the last eight years, the Group was unable to progress its Tanzanian Kibo spin-out projects, such as Haneti, sufficiently along the exploration/development cycle to sustain market interest.

During 2024 the Group started to seek a new direction. This began with the appointment of Sean Wade as non-executive Chairman in February. Sean is the CEO of Power Metal Resources plc. Patrick Cullen, a geologist with extensive executive level and leadership skills in the mining and exploration industry, joined the board a few months later as CEO. The new management team have shifted the focus towards exploration projects within the battery metals arena, with Ontario, Canada, now being the sole geographic project destination.

Given the new direction, leadership and assets, the Group changed its name from 'Katoro Gold plc' to 'Focus Xplore plc' (FOX.L) in April 2025.

The field exploration season in Northwest Ontario opens in late April or early May, after which we anticipate management will update investors on exploration activities over its new projects.

New Assets

The first asset added under new management leadership was White Pine, a uranium prospective project in Ontario, Canada in September 2024. This marked the Group's first move into uranium exploration and projects outside of Africa.

A substantial suite of critical metal and rare earth mineral projects in Ontario were added in February/March 2025 with the acquisition of 31 Explore Ltd for an-all warrant consideration. This was completed in parallel with an equity Placing to raise £317,500 in gross funds at a placing price of 0.05p per share, along with attached Investor Warrants exercisable at 0.07p for a period of three years.

The warrant consideration to 31 Explore Ltd comprised of 375m warrants exercisable at 0.10p and 375m at 0.15p. This has a Black-Scholes valuation, we estimate of just over £100K. FOX shares would need to rise by 100% from the 0.05p placing price, before any part of the project consideration is dilutive to shareholders and increase by 200% from the placing price before all Acquisition Warrants are "in-the-money", and equity dilutive if exercised. If all Acquisition and Placing warrants were exercised this would provide the Group with a cash injection of £1.9m.

Focus Xplore is in discussions with UK-based Planetary AI limited to utilise Artificial Intelligence (AI) to identify and rank exploration targets by using Planetary's in-house technology. The application of cutting-edge technology is highly beneficial in a geological data rich province such as Ontario, where the Group can access, for example LiDAR and Ontario Geological Survey (OGS) data.

We understand further acquisitions such as 31 Explore Ltd could follow over the coming year, where, amongst other criteria, the valuation and deal structure are considered attractive.

ONTARIO POTENTIAL

Ontario is an established mining and exploration discovery province, with over 30 active mining operations. In 2023, Ontario's mining sector produced C$15.7bn worth of minerals, with the mining industry supporting 31,000 jobs directly and 46,000 jobs associated with mineral processing and mining supply and services from over 1,400 mining supply and service companies *(Source: Ontario Mining Association).*

It is interesting to note the Canadian government's support and commitment towards battery metal and lithium development infrastructure. For example, on 4 March 2025, Frontier Lithium (TSX-V:FL) announced conditional government support at the federal and provincial level of at least C$120m to help finance construction of a lithium conversion facility in the City of Thunder Bay, northwest Ontario.

Fig 1: Ontario province projects and operating mines (Source: Ontario.ca).

PROJECTS OVERVIEW

Most of the Group's projects are near main highways, logging tracks or partially overgrown trails. This helps minimise exploration expenditure by avoiding expensive helicopter support hire and camp establishment costs at remote sites. Along with considering accessibility, proximity to power infrastructure is also evaluated when selecting projects.

The management has been able to access historical exploration reports and data from the OGS to determine the prospectivity of new projects. A useful resource is OGS's Operation 'Treasure Hunt' data gathered between 1999 and 2002 that investigated Ontario's mineral potential using geochemical, geophysical and geological methods. This data has been studied to locate areas with potential for lithium and rare earth elements.

Ontario, Canada			
Project	**Owned %**	**Hectares (Ha)**	**Target Metals**
Bay Road	100%	425 Ha	REE (including Dysprosium, Neodymium)
Burrows	100%	2,400 Ha	Lithium
Ellie	100%	642 Ha	Lithium
Iva	100%	1,130 Ha	Lithium
Oba	100%	1,175 Ha	Lithium
Pearl	100%	1,475 Ha	Lithium
Wapesi	100%	2,109 Ha	Lithium
White Pine	100%	8,036 Ha	Uranium

Fig 2: Group Projects Summary.

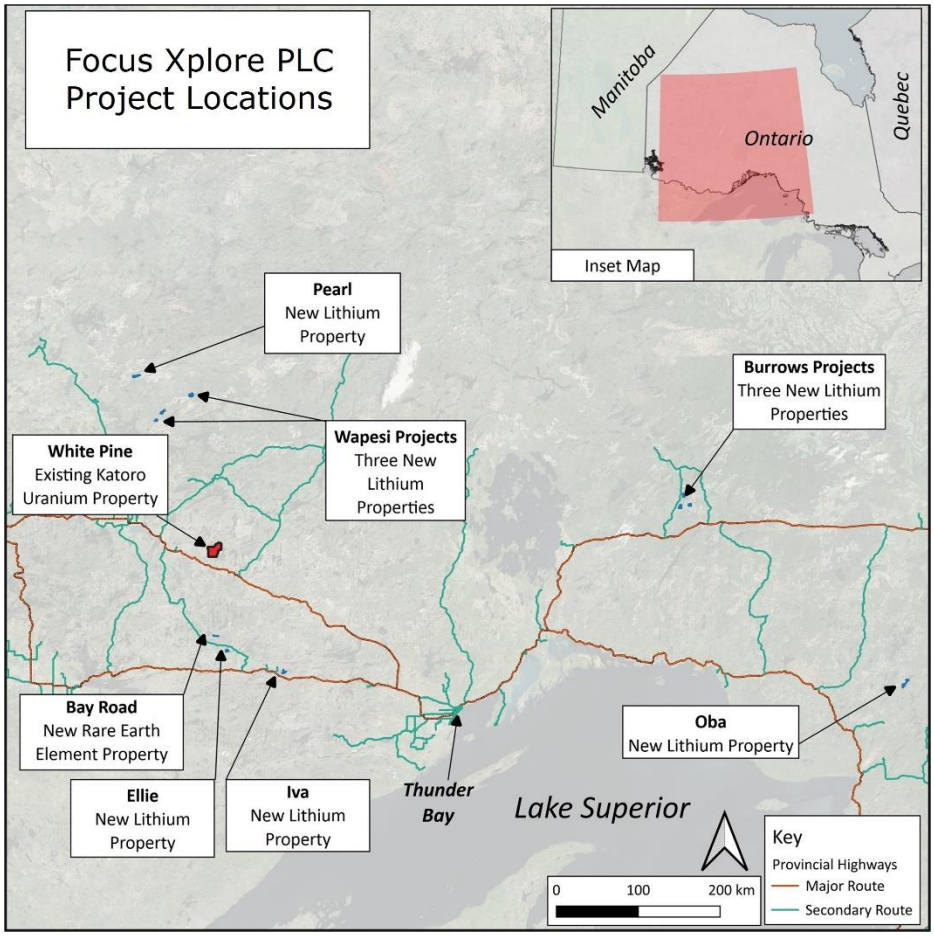

Fig 3: Group Projects Locations (Source: Focus Xplore plc).

Iva - Lies just 3km from the provincial highway. Both Patriot Lithium's (ASX:PAT) Bull Project located 11km to the east and the OGS identified Niobe-Nym Lakes LCT pegmatites 20 km away have similar geology to Iva.

The objective here is on the detection of lithium minerals in pegmatites (hard rock source) in areas where anomalous lake sediment assays have previously been recorded to the northeast and other anomalous readings of elements associated with lithium-bearing pegmatites (such as beryllium and niobium) in lake sediments elsewhere.

Although no exploration is known to have been completed within the Iva licence area, mapping by the OGS in the vicinity has identified multiple pegmatites which appear to form an east-west trend across the project area.

In late March '25, Focus Xplore expanded its Iva licence area from 640 to 1,130 hectares (Fig 4) to include newly interpreted pegmatite targets prospective for lithium-bearing minerals over a trend of 5.5 km. Analysis of newly available LiDAR data from the Ontario Ministry of Natural Resources and Forestry and its comparison with mapped surface features has aided the Group's technical team's decision process in securing this expanded area. The CEO described this new opportunity over the extended trend as "clear-cut".

Iva will be the first property the Group can gain access to when the snow melts for the 2025 exploration season.

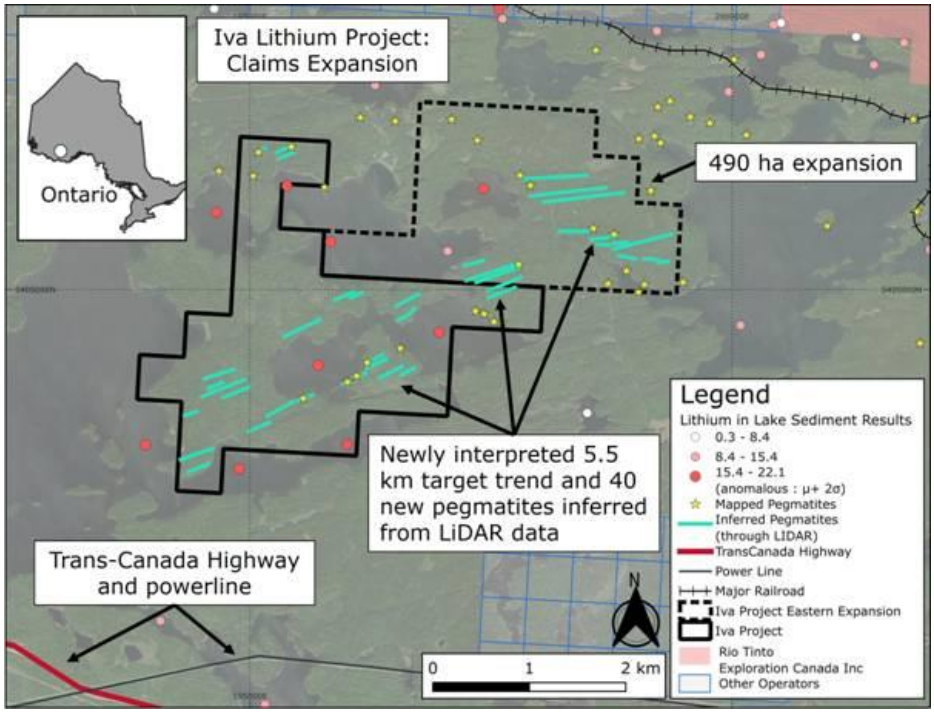

Fig 4: Iva Project (Source: Focus Xplore plc).

Pearl - During the 31 Explore Ltd acquisition process in February, the Pearl project area was expanded to the west of the original 880 hectares site, with an additional 595 hectares staked. The project shows many geological features consistent with pegmatites prospective for lithium-bearing mineralisation.

Bordering Pearl to the north is Kenorland Minerals' (TSXV:KLD) South Uchi project which is targeting gold and lithium. Also directly to the east is Collective Metals' (CSE: COMT) Whitemud Lake property acquired in 2023 for C$1.24m which is prospective for caesium, niobium, tin, beryllium, mercury and titanium.

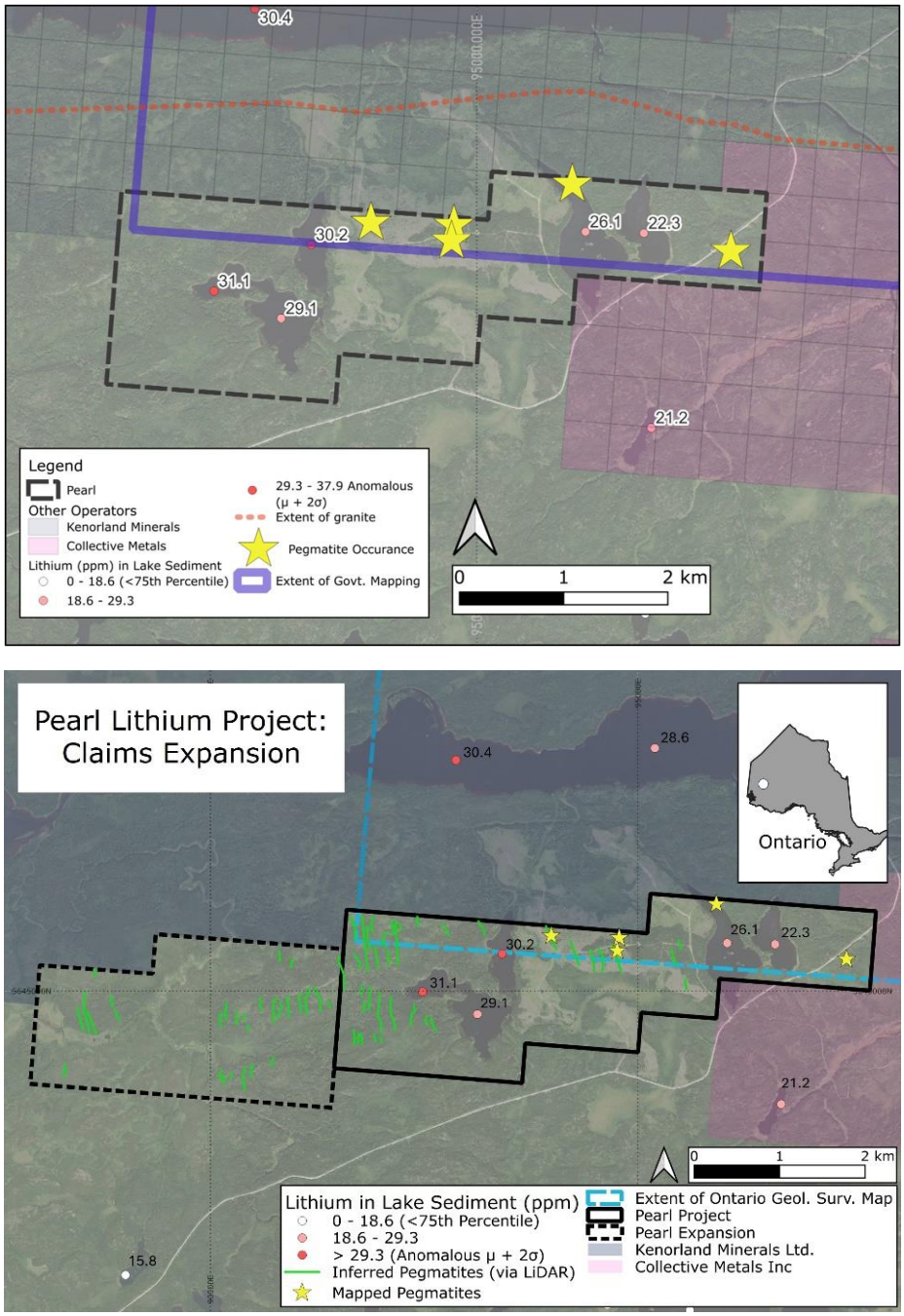

Fig 5: Pearl Project (Source: Focus Xplore plc).

White Pine - Project covers 384 cells over 8,036 hectares in northwest Ontario and located conveniently just 5 kms from the Trans-Canadian Highway.

Ontario is a prolific uranium district that has hosted 15 previous uranium mines, where production occurred from 1955 to the 1990s.

White Pine was acquired and directly staked based on highly anomalous uranium in lake sediments, encouraging geophysical signatures suggesting the presence of radioactive minerals and its prospective geological setting between two granite rock bodies.

According to publicly available data, uranium in lake sediment values within the project area are very highly anomalous and extremely anomalous when compared to regional data from lake sediment surveys as conducted by the OGS. Lake sediment results are up to 142 parts per million (ppm), which represent some of the highest recorded by the OGS in their province wide lake sediment surveys. Fig 6 illustrates results from 4,000 samples gathered, with the White Pine project area shown as a prospective uranium target.

The Group started exploration work at White Pine in late 2024, with initial reconnaissance fieldwork along with desktop analysis on OGS lake sediment data, LiDAR data and airborne geophysical survey reports.

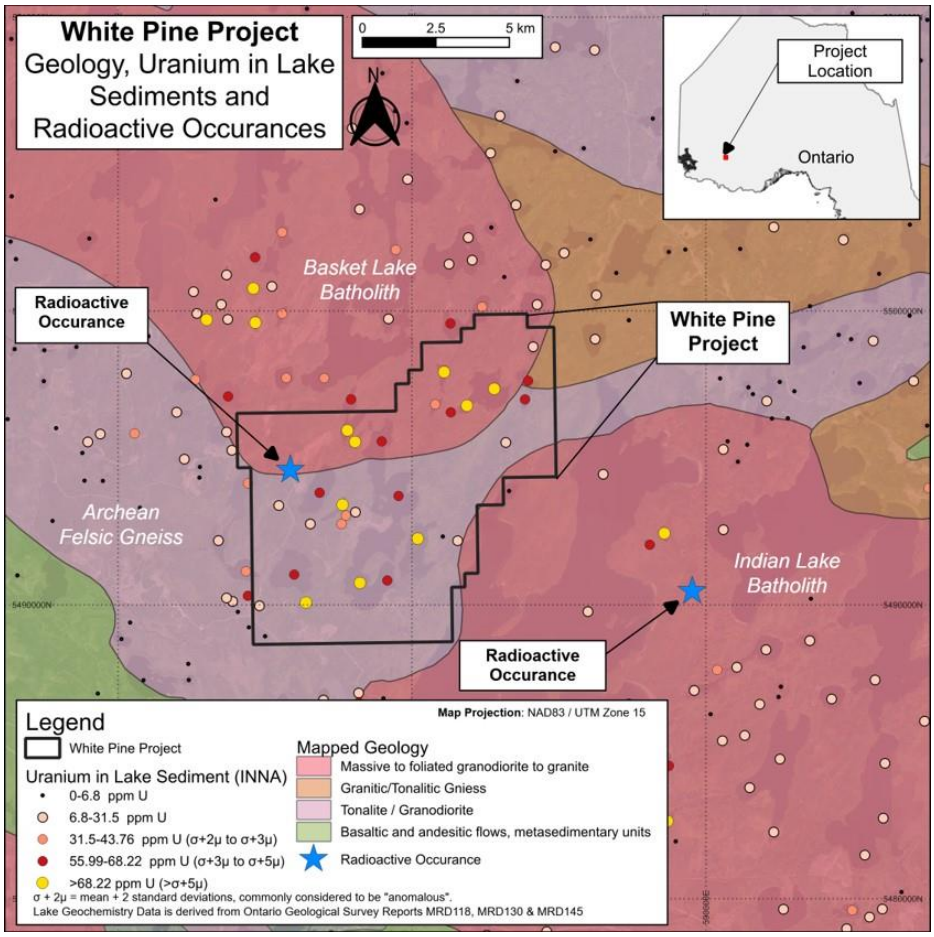

Fig 6: White Pine (Source: Focus Xplore plc).

Bay Road - The property is close to paved highway and accessed via gravel tracks. The Bay Road project is believed to be prospective for rare earth elements, dysprosium, neodymium and niobium, given the presence of a 6 km mapped felsic intrusive rock. Bay Road has never been formally tested and no historic exploration records exist over the project area.

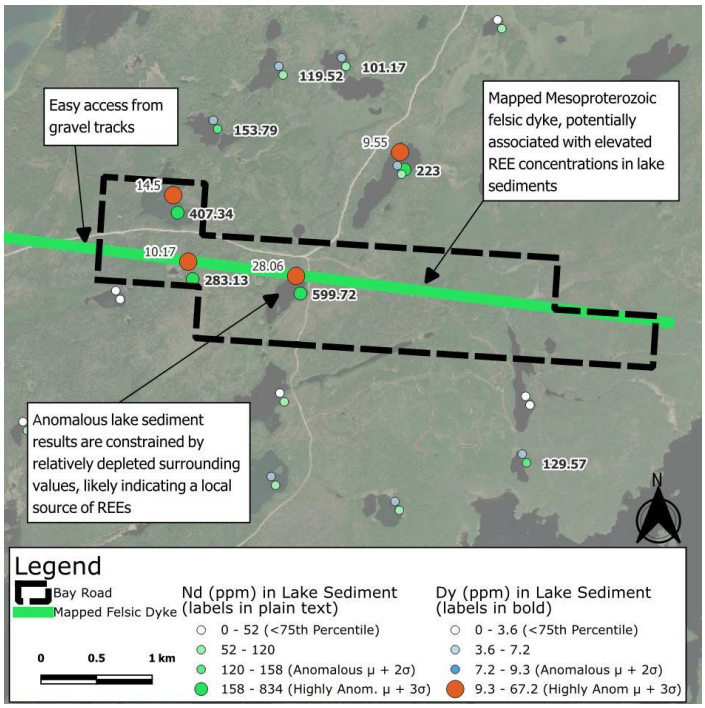

Fig 7: Bay Road (Source: Focus Xplore plc).

Burrows Projects - This consists of three properties; Biscuit Creek (1,060 Ha), Snowberry (750 Ha) and Kowka (590 Ha). Strong lake sediment lithium anomalies have driven the selection of these properties. The underlying geology is believed to be conducive for lithium-caesium-tantalum pegmatites. The properties lie between 2km and 10km from the Trans-Canada Highway.

In the 1960s, pegmatites of 5 metre thickness were drilled within 1km of the Snowberry property but not assayed for lithium and rare-earth elements. The management believe the Burrows Projects, "offer significant exploration upside" given that they have been under-explored for critical minerals.

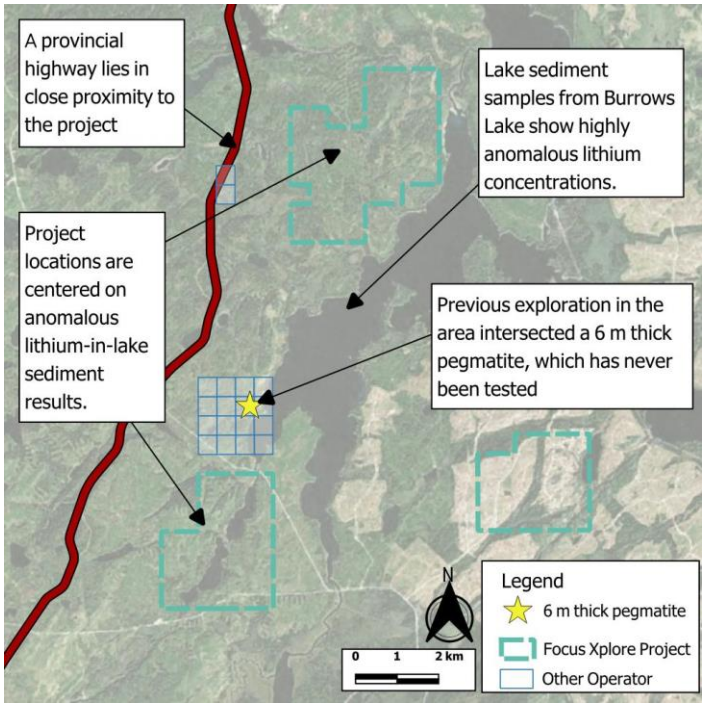

Fig 8: Burrows Projects (Source: Focus Xplore plc).

Ellie – This is another logistically well-located property, with Highway 622 just 2 kms to the north. The property has never been subject to lithium exploration but lies interestingly very near geological features with anomalous lithium, beryllium and niobium in-lake sediment results, elements all associated with lithium pegmatites. Adjoining Ellie to the south is Kenorland Minerals (TSXV-KLD) project which is prospective for gold, lithium and caesium.

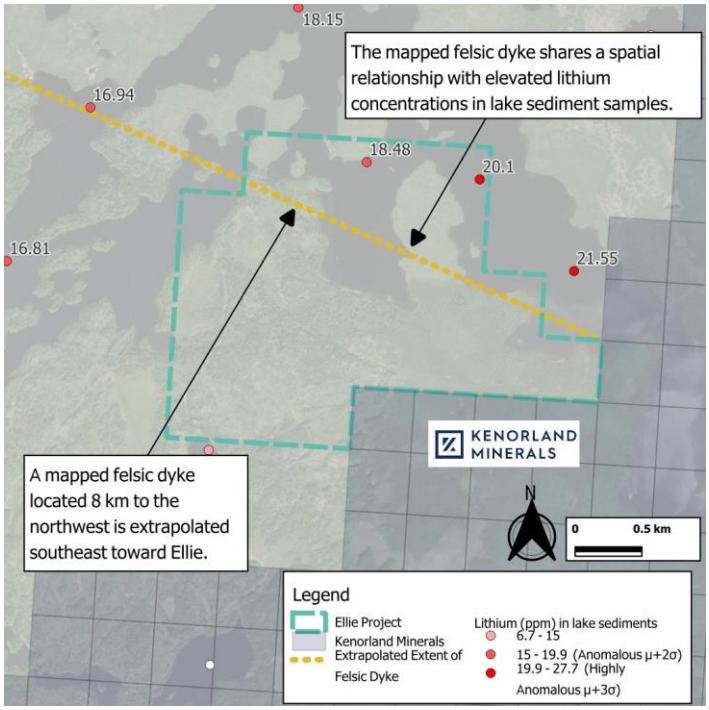

Fig 9: Ellie (Source: Focus Xplore plc).

Oba - Has multiple mapped occurrences of pegmatites in an area of highly anomalous lithium, caesium and beryllium in-lake sediment values. These have never been tested for lithium.

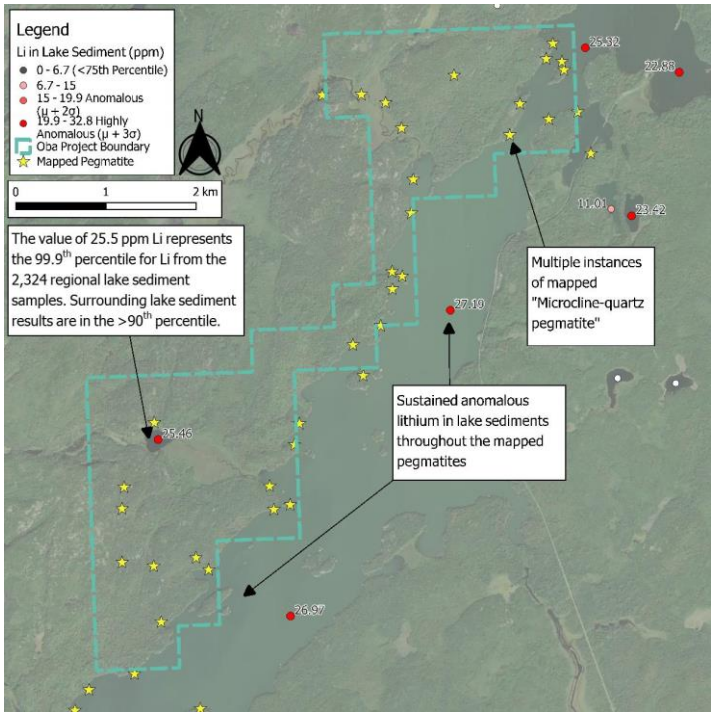

Fig 10: Oba (Source: Focus Xplore plc).

Wapesi Projects – These consist of three projects; Mining Creek (861 Ha), Altimeter Bay (858 Ha) and Sunlight Bay (390 Ha) which are prospective for lithium and caesium.

These are all in and around a batholith rock, considered to be fertile for lithium pegmatites. Electric Royalties (TSX:ELEC) and other operators also hold licences on nearby properties.

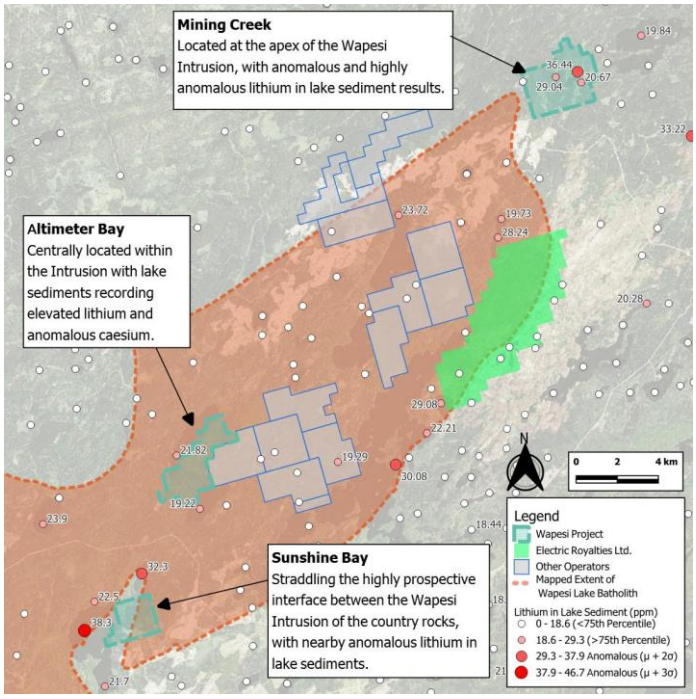

Fig 11: Wapesi Projects (Source: Focus Xplore plc).

GLOSSARY

Batholith – A type of igneous rock that forms when magma rises from the earth's crust but does not erupt onto the surface.

Beryllium – A silvery-white metal that is relatively soft which has low density. It is used in alloys with copper or nickel to make gyroscopes, springs, electrical contacts, spot-welding electrodes and non-sparking tools.

Caesium – A soft silver-white alkaline metal with a melting point of 28c and is one of only five elemental metals that are liquid at or near to room temperature. Applications include atomic clocks, optical glass, vacuum tubes and radiation monitoring equipment.

Critical Mineral – Although there is no universally accepted definition of a 'Critical Mineral', it is commonly agreed that critical minerals have specific industrial, technological or strategic applications for which there are few viable substitutes. Such minerals are economically important and can be very sensitive to supply risk.

Dysprosium – Used in alloys for neodymium-based magnets to improve their strength and temperature stability, along with nuclear reactor control rods.

LiDAR – 'Light Detection and Ranging', a remote sensing method that uses light in the form of a pulsed laser to measure ranges (variable distances) commonly used to generate precise, three-dimensional information of the elevation of the Earth's surface.

Neodymium – Has strong magnetic qualities when combined with iron and baron. Used in electronic devices, mobile phones, microphones, loudspeakers, car windscreen wipers and wind turbines.

Niobium – A silvery metal which is very resistant to corrosion due to a layer of oxide on its surface. It is used in alloys including stainless steel in the building industry, in engineering applications, aircraft turbines, MRI machines, CT Scanners, pacemakers, space probes, rocket components, nuclear reactors and gas pipelines.

Pegmatite – Igneous rock with a very coarse, irregular texture that forms during the final stages of a magma's crystallisation.

Tantalum – A shiny, silvery metal which is very resistant to corrosion. Its main use is in the production of electronic components. Tantalum can be used to coat other metals with a very thin layer, providing high capacitance in a small volume, making it very useful for portable electronics such as mobile phones. Tantalum alloys can be extremely strong and can be used for turbine blades, rocket nozzles and nose caps on supersonic aircraft. As tantalum causes no immune response in mammals, it can be used for surgical implants and to replace bone, in for example skull plates.

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