Company No. 11170056

Cobra Resources plc

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

Cobra Resources plc

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Cobra Resources plc

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS
Craig Moulton - Executive Director
Greg Hancock - Non-Executive Chairman
Daniel Maling - Non-Executive Director
David Clarke - Non-Executive Director

SECRETARY
Ben Hodges

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107 Cheapside
London, EC2V 6DN

REGISTERED NUMBER
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46 Bridge Street
Godalming
Surrey, GU7 1HL

Peterhouse Capital Limited
80 Cheapside
London, EC2V 6EE

AUDITOR
PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus, Canary Wharf
London, E41 4HD

SOLICITORS
Orrick, Herrington & Sutcliffe (UK) LLP
107 Cheapside
London EC2V 6DN

PRINCIPAL BANKERS
National Australia Bank

REGISTRARS
Link Group
10th Floor, Central Square
29 Wellington Street, Leeds, LS1 4DL

Cobra Resources plc

BOARD OF DIRECTORS

The Directors of the Company at the end of the year are listed below. The Directors have held office for the entire year unless otherwise stated:

DIRECTORS

Craig Moulton

Executive Director – BSc (Hons), MSc Mineral Economics, MAusIMM, FGS

Craig Moulton is a geologist / mineral economist with over 25 years of global experience in the mining industry including Rio Tinto, Cliffs and Wood Mackenzie. Craig has broad commodity experience with diverse project experience in various countries including Australia, Mongolia, USA and Indonesia. Craig has a strong commercial and technical background drawn from a career in exploration, production and resource development, including strategic mine option analysis, scenario planning and structured due diligence of greenfield and brownfield projects.

Greg Hancock

Non-Executive Chairman - BA (Econs) B.Ed. (Hons), F. Fin

Greg Hancock has over 25 years' experience in capital markets practicing in the area of Corporate Finance. He has extensive experience in both Australia and the United Kingdom through his close links to the stockbroking and investment banking community. In this time, he has specialised in mining and natural resources and has had a background in the finance and management of small companies. He was a founding shareholder and first Chairman of Cooper Energy Ltd, an exploration and production oil and gas company. He is Chairman of AusQuest Limited, an Australian mining exploration company with projects in Peru and Australia, Chairman of BMG Resources Ltd, and Non-Executive Director of Zeta Petroleum Plc, King Island Scheelite Ltd and Golden State Mining Limited. Greg continues his close association with the capital markets in Australia and the United Kingdom through his private company Hancock Corporate Investments Pty Ltd.

Daniel Maling (appointed 1 May 2020)

Non-Executive Director

Daniel Maling is a member of the Chartered Accountants of Australia & New Zealand. He has over 20 years of senior corporate and commercial management experience primarily in the natural resource and technology sectors. He has worked with several AIM, ASX and TSX listed companies providing corporate finance, business development and strategic advice. Daniel is a partner of Orana Corporate LLP, an accounting and corporate advisory boutique based in London.

David Clarke (appointed 1 May 2020)

Non-Executive Director

David is a geologist with more than 50 years professional experience and more than 25 years' experience as a director of Australian public companies. Before public company life he was a senior geologist with the Commonwealth Department of the Interior and a Chief Geologist at Santos Limited. He was the founder and Chairman of Australian Vintage Limited, a winemaking company based in the Riverland of South Australia. David was the founder, and remains a co-owner of, Thorn-Clarke Wines, a family-owned wine producer in the Barossa Valley of South Australia.

Cobra Resources plc

CHAIRMAN'S STATEMENT

INTRODUCTION

2020 will be remembered as a challenging year, profoundly impacting the lives of many people. The pandemic also impacted both equity and commodity markets, resulting in strong demand for safehaven commodities such as gold and copper, reflected through strong support for precious and base metals explorers on the London Stock Exchange. During the year, Cobra raised sufficient funds to conduct three detailed soil programmes, and then test priority targets via a significant Reverse Circulation (RC) drilling programme. The results of this drilling, particularly at Clarke, were spectacular, realising one of the largest high-grade intercections in the Wudinna Gold Projects' history.

BACKGROUND

Cobra Resources began life as publicly listed company with the aim of finding suitable precious, base or energy metals exploration or mining projects in either Australia or Africa. During 2019 the Board identified several potentially suitable projects, which were reviewed in detail to evaluate their strengths, growth potential and likely longer-term value to shareholders.

Following an extensive due diligence process, the Wudinna Gold Project was identified as the most compelling opportunity primarily due to its technical and commercial merits which could be efficiently explored and grown with Cobra's infrastructure and skilled resources. This included having an existing gold resource of over 200,000 ounces with significant upside potential, being located in a jurisdiction that was stable, with low sovereign risk, and having a large number of prospects which could be efficiently explored and expanded with Cobra's infrastructure and skilled resources.

The Group has retained a team with the core competencies required to deliver on its strategic objectives. During the course of 2020, the Company sought to strengthen the existing board with the appointment of two new members:

- David Clarke - Non-Executive Director. David is an eminent and renowned geologist, responsible for the discovery of Tuckabianna amongst others. David is tasked with providing technical oversight.
- Daniel Maling – Non-Executive Director. Daniel has extensive commercial and business development experience in the oil & gas, mining and technology sectors.

OPERATIONAL REVIEW

The Company's articulated strategy to utilise staged geochemical sampling to identify priority targets as a means to reduce risk was demonstrably successful during the 2020 exploration campaign. These initial three programmes focused on:

> **Programme 1**: Calibration of surface and drillhole geochemistry to characterise primary immobile pathfinder elements directly associated with mineralisation.
> **Programme 2**: Collection of surface samples and re-analysis of historic surface and drillhole pulps to charaterise the orientation and extension of existing brownfields resources.
> **Programme 3**: Re-analysis of historic surface pulps to charaterise priority areas for greenfields discoveries.

In total 5,185 samples were analysed for a broad multi-element suite, with this extensive dataset providing excellent information to target priority drilling areas. With increased confidence in the planned drilling targets gained from this pathfinder strategy, the Company then raised £1.5m to progress the drilling during the second half of 2020.

Drilling commenced at Wudinna on 23rd September 2020 . Four primary drilling areas were planned, focusing on testing the orientation and continuity of mineralisation at the Baggy Green, Clarke, Laker and Barns deposits. Unfortunately access conditions meant that the Laker drilling did not proceed, and was deferred.
The total drilling programme of included 41 holes for 6,090 metres and was completed by 14th November 2020. Following some assay laboratory and Christmas holiday delays the company was able to report the following signature intersections post year end:

1. CBRC009 31m @ 3.06g/t from 69m inc. 15m @ 5.25 g/t
2. CBRC008 16m @ 1.37g/t from 43m inc. 4m @ 4.19 g/t
3. CBRC027 37m @ 1.38g/t from 151m inc. 13m @ 3.25g/t
4. CBRC026 6m @ 2.3g/t from 85m inc. 1m @ 8.72g/t

The drilling programme satisfied the Stage 1 Earn In obligations such that Cobra now holds a 50% beneficial interest in the Wudinna Gold Project.

POST PERIOD END EVENTS

On 11 January 2021, the Company issued a total of 32,383,152 new ordinary shares pursuant to completion of Stage 1 earn-in of the Wudinna Gold Project, with 31,049,819 shares at 2.4 pence per share being issued in accordance with the acquisition agreement to the vendors of Lady Alice Trust and Lady Alice Mines Pty Ltd, and 1,333,333 shares at 1.5 pence per share issued to the Company's CEO in accordance with the terms of his service agreement.

On 28 January 2021, the Company issued 1,934,800 new ordinary shares pursuant to the exercise of warrants, with 934,800 shares at a price of 3 pence per share and 1,000,000 shares at a price of 2 pence per share.

On 18 and 19 of February 2021, the Company issued 2,333,334 new ordinary shares and 1,666,667 new ordinary shares respectively, at 2 pence per share, pursuant to the exercise of warrants.

On 29 April 2021, the Company issued a total of 7,110,053 new ordinary shares, with 5,664,340 shares being issued at 1 pence per share to the vendors of Lady Alice Trust and Lady Alice Mines Pty Ltd in accordance with the acquisition agreement for the Wudinna Gold Project, and 1,445,713 shares at 2.3 pence per share to a drilling contractor in settlement of a contractual agreement in respect of the provision of service.

COVID-19

On 11 March 2020, the World Health Organisation declared the Coronavirus outbreak to be a pandemic in recognition of its rapid spread across the globe, with over 200 countries now affected. Many governments are taking increasingly stringent steps to help contain or delay the spread of the virus and as a result there is a significant increase in economic uncertainty.

For the Group's 31 December 2020 financial statements, the Coronavirus outbreak and the related impacts are considered non-adjusting events. Consequently, there is no impact on the recognition and measurement of assets and liabilities. Due to the uncertainty of the outcome of current events, the Group cannot reasonably estimate the impact these events will have on the Group's financial position, results of operations or cash flows in the future.

CONCLUSION

Despite the challenges presented in 2020, the Company has delivered some very strong progress over the course of the period that position us for a hugely exciting next phase which is now underway. I thank my fellow directors for their contribution throughout the year, Craig Moulton our Managing Director for his commitment, and our shareholders generally for their support. We look forward to a period of significant activity which lies in front of us.

Greg Hancock
Chairman
29 June 2021

STRATEGIC REPORT

The Directors present the Strategic Report for Cobra Resources plc (the "Company" or "Cobra", and collectively with its Subsidiary Companies, the "Group") for the year ended 31 December 2020. The information required by section 172 Companies Act 2006 are included within the Corporate Governance Statement.

INTRODUCTION

This Strategic Report comprises a number of sections, namely: the Group's objectives, the Group's strategy and business model, a financial review, a review of the Group's business using key performance indicators, and the principal risks and uncertainties facing the business.

OBJECTIVES

The Company's objective is to explore, develop and mine precious and base metal projects.

STRATEGY AND BUSINESS MODEL

To achieve its objective the Company has adopted a strategy that focuses on advanced resource exploration projects that have the potential, through the application of disciplined and structured exploration and analysis, to be progressed towards the development of a mining operation.

As a secondary focus, the Company will also review investment opportunities for exploration projects and near-production assets. For clarity:

- newly defined resource exploration projects are projects that are at an advanced stage of resource definition, with a majority of the necessary permitting and tenure in place;
- exploration projects are projects with the potential for significant discovery but have yet to have detailed geological work completed; and
- near-production assets have gone through the typical mining stages of development and require funds in order to progress from development to first production.

With any of these types of investments, the Company commits to only investing in projects where the Board believes that it can add long-term value to all shareholders. This will be achieved through either applying alternative geological models based on experience with similar mineralised systems, advancing the project through structured and disciplined exploration analysis or by leveraging alternative geochemical or geophysical technologies.

Lady Alice Mines provides the Company with a project portfolio from which it aims to unlock embedded value and deliver shareholder returns through capital growth. It is the aim of the Company to explore and analyse the assets within this portfolio to the point that will, in the view of the Board, optimise the risk-reward value equation for its shareholders. This may include monetising or divesting assets at any stage up to and including the building of economically sustainable operations.

The Company does not intend to limit its asset reviews to particular geographic regions; however, the initial focus will be on projects located in Australia. If geologically and economically attractive project opportunities are identified in other countries, investments will only be considered in jurisdictions with established mining operations and regulation, and with acceptable levels of sovereign risk.

OPERATIONAL REVIEW AND OUTLOOK

The operational review and outlook are set out in the Chairman's Statement.

RESULTS AND DIVIDENDS

During the year the Group made a loss of £1,006,750 (31 December 2019: £668,900 loss).

The Directors do not propose a dividend in respect of the year ended 31 December 2020 (31 December 2019: £nil).

Cash used in operations totalled £1,026,971 (31 December 2019: £357,738).

As at 31 December 2020, the Group had a cash balance of £1,338,851 (31 December 2019: £7,657).

KEY PERFORMANCE INDICATORS (KPIs)

The financial statements of a natural resource investing company can provide a moment in time snapshot of the financial health of the Group but do not provide a reliable guide to the performance of the Group or its Board.

At this stage in the Group's development the Directors regularly monitor key performance indicators associated with funding risk, being primarily projected cash flows associated with operational activities and general administrative expenses. Upon readmission to the main market, the Company has been able to raise the funds as needed to finance its activities.

KPIs are not appropriate as a means of assessing the value creation of a company which is involved in natural resource investment and which currently has no turnover. The Board considers that the detailed information in the Operational Review in the Chairman's Statement is the best guide to the Group's performance during the year.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group operates in an uncertain environment and is subject to a number of risk factors. The Directors have carried out a robust assessment of the principal risks facing the Group, including those that threaten its business model, future performance, solvency or liquidity. They consider the following risk factors are of particular relevance to the Group's activities and to any investment in the Group. It should be noted that the list is not exhaustive and that other risk factors not presently known or currently deemed immaterial may apply.

The risk factors are summarised below:

Exploration, Development and Operating Risks

Mineral exploration and development operations generally involve a high degree of risk. The Group's operations are subject to all the hazards and risks normally encountered in the exploration, development and production of gold, base metals and other minerals, including unusual and unexpected geologic formations, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability.

The Group's activities are directed towards the search for, evaluation of, and development of mineral deposits. There is no certainty that the expenditures to be made by the Group will result in discoveries of commercial quantities of minerals. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Group will compete with other interests, many of which have greater financial resources than the Company has for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts.

Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Group not receiving an adequate return on invested capital.

Government Regulation

The mineral exploration and development activities which are undertaken by the Group is subject to various laws governing prospecting, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters.

Exploration and development activities may also be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on future exploration and production, price controls, export controls, currency availability, foreign exchange controls, income taxes, delays in obtaining or the inability to obtain necessary permits, opposition to mining from environmental and other non-governmental organizations, limitations on foreign ownership, expropriation of property, ownership of assets, environmental legislation, labour relations, limitations on repatriation of income and return of capital, limitations on mineral exports, high rates of inflation, increased financing costs, and site safety. This may affect both the Group's ability to undertake exploration and development activities in respect of its properties, as well as its ability to explore and operate those properties in which it currently holds an interest or in respect of which it obtains exploration and/or development rights in the future.

No assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail development or future potential production. Amendments to current laws and regulations governing operations and activities of mining and milling or more stringent implementation thereof could have a substantial adverse impact on the Group.

Permitting

The Group's operations may be subject to receiving and maintaining permits from appropriate governmental authorities. There is no assurance that delays will not occur in connection with obtaining all necessary renewals of such permits for future operations. Management of the Group believes it has received the necessary permits for the current operations. Prior to any development on any properties, the Group must receive permits from appropriate governmental authorities. There can be no assurance that the Group will obtain and/or continue to hold all permits necessary to develop or continue operating at any particular property. See also "Exploration, Development and Operating Risks" above.

Environmental and other regulatory requirements

The event of a breach with any environmental or regulatory requirements may give rise to reputational, financial or other sanctions against the Group, and therefore the Board considers these risks seriously and designs, maintains and reviews its policies and processes so as to mitigate or avoid these risks. Whilst the Board has a good record of compliance, there is no assurance that the Group's activities will always be compliant.

Financing

The development of the Group's properties and its ability to earn into projects will require substantial additional financing. Failure to obtain sufficient financing may result in delaying or indefinite postponement of exploration, development or production on any or all of the Group's properties from time to time, or even a loss of property interest. There can be no assurance that additional capital or other types of financing will be available if needed or that, if available, the terms of such financing will be favourable to the Group.

Gold Price

The price of the Ordinary Shares, the Company's financial results and exploration and development activities may in the future be significantly adversely affected by declines in the price of gold. The gold price fluctuates widely and is affected by numerous factors beyond the Group's control such as the sale or purchase of gold by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, and the political and economic conditions of major gold-producing countries throughout the world. The gold price is subject to fluctuations, and future serious price declines could cause development of any properties in which the Group may hold an interest from time to time to be impracticable. Future production from the Group's properties, if any, will be dependent upon, among other things, a gold price that is adequate to make these properties economic.

In addition to adversely affecting the Group's financial condition and exploration and development activities, a declining gold price can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Foreign Currency Exchange Rates

Fluctuations in currency exchange rates, principally between the British pound and Australian dollar can impact the Group's earnings and cash flows. If the value of the Australian dollar increases relative to the British pound, the Group's results of operations, financial condition and liquidity could be materially adversely affected.

Market conditions

Market conditions, including general economic conditions and their effect on exchange rates, interest rates and inflations rates, may impact the ultimate value of the Group regardless of its operating performance. The Group also faces competition from other organisations, some of which may have greater resources or be more established in a particular territory. The Board considers and reviews all market conditions to try and mitigate any risks that may arise from these.

Political and country risk – UK departure from the EU

The Company is quoted in the United Kingdom (UK) and operates in the UK and Australia. The Company may be subject to the impact of the UK's departure from the European Union. The Company continues to monitor matters and seek advice as to how to mitigate the risks arising.

Dependence on Key Personnel

The Group has a small management team and the loss of a key individual or the inability to attract suitably qualified personnel in the future could materially and adversely affect the Group's business.

Covid-19

The emergence of the Covid-19 coronavirus pandemic has caused a severe adverse effect on the business environment on a global scale. The Group may be affected by disruptions to its operations, particularly for the foreseeable future in light of government responses to the spread of Covid-19 or other potential pandemics. The Board is aware of the various risks that the pandemic presents that include but are not limited to financial, operational, staff and community health and safety, logistical challenges and government regulation. At present the Group believes that there should be no significant material disruption to its operations in the near term, but the Board continues to monitor these risks and the Group's business continuity plans.

ENVIRONMENTAL, SOCIAL, COMMUNITY AND HUMAN RIGHTS RESPONSIBILITY

Environmental Responsibility

The Group is aware of the potential impact that its subsidiary companies may have on the environment. The Group ensures that it and its subsidiaries at a minimum comply with the local regulatory requirements and the revised Equator Principles with regard to the environment.

Social, Community and Human Rights Responsibility

The Board recognises its responsibility under UK corporate law to promote the success of the Group for the benefit of its members as a whole. The Board also understand that it has a responsibility towards employees, partners, suppliers and contractors and the local communities in which it operates.

FINANCIAL INSTRUMENTS

The Group's financial instruments comprise investments, cash at bank and various items such as trade and other receivables, loans and creditors. The Group has not entered into derivative transactions nor does it trade financial instruments as a matter of policy.

Credit Risk

The Group's credit risk arises primarily from cash at bank, trade and other receivables and the risk the counterparty fails to discharge its obligations.

The Company's credit risk primarily arises from inter-company debtors, which are considered to form part of the Company's investment in the subsidiaries (see Note 7 to the Financial Statements) and cash at bank and trade and other receivables, as per the Group. Should the subsidiaries' exploration activities not be successful, it is possible that these receivables may become irrecoverable.

Liquidity Risk

Liquidity risk arises from the management of cash funds and working capital. The risk is that the Group will fail to meet its financial obligations as they fall due. The Group operates within the constraints of available funds and cash flow projections are produced and regularly reviewed by management.

Interest rate risk profile of financial assets

The only financial assets (other than short term debtors) are cash at bank and in hand, which comprises money at call. The interest earned in the year was negligible. The directors believe the fair value of the financial instruments is not materially different to the book value.

Foreign currency risk

The Group has an Australian subsidiary which may affect the Group's Sterling denominated reported results as a consequence of movements in the Sterling/Australian dollar exchange rate. The Group also incurs costs denominated in foreign currencies which gives rise to short term exchange risk. The Group does not currently hedge against these exposures as they are deemed immaterial and there is no material exposure as at the year-end (31 December 2019 - £nil).

CAPITAL MANAGEMENT

The Group's objective when managing capital is to safeguard its ability to continue as a going concern and develop its mining and exploration activities to provide returns for shareholders. The Group's funding comprises equity and debt. The Directors consider the Company's capital and reserves to be capital. When considering the future capital requirements of the Group and the potential to fund specific project development via debt, the Directors consider the risk characteristics of all the underlying assets in assessing the optimal capital structure.

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

Craig Moulton
Executive Director
29 June 2021

DIRECTORS' REPORT

The directors are pleased to submit their annual report and audited financial statements for Cobra Resources plc (the "Company" and collectively with its subsidiaries the "Group") for the year ended 31 December 2020.

The Chairman's Statement and Strategic Report contain details of the Group's principal activities and includes an Operational Review which provides detailed information on the development of the Group's businesses during the last 12 months, likely future developments and events that have occurred after the Balance Sheet date.

This Directors' Report includes the information required to be included under the Companies Act or, where provided elsewhere, an appropriate cross-reference is given. The Corporate Governance Statement, approved by the Board, is provided on pages 16 to 20 and is incorporated by reference herein.

PRINCIPAL ACTIVITY

The Group's principal activity is to explore, develop and mine precious and base metal projects.

RISKS AND UNCERTAINTIES AND FINANCIAL INSTRUMENTS

The business of mineral exploration, evaluation and development has inherent risks. The Group's exposure to risks is explained in Risks and Uncertainties in the Strategic Report set out on pages 7 to 9 together with the policies of the Board for the review and management of those risks.

THE GROUP'S PERFORMANCE AND FUTURE DEVELOPMENTS

A review of the Group's projects and their performance during the financial period and details of future developments and an indication of the outlook for the future, are contained in the Chairman's Statement on pages 3 to 5.

The Board will continue with its strategic plans to generate growth in value for shareholders in line with its business model which is explained in the Strategic Report on page 6.

DIRECTORS AND DIRECTORS' INTERESTS

The directors of the Company during the year were as follows:

	Date Appointed	Date Resigned
Greg Hancock	1 March 2018	-
Craig Moulton	26 March 2019	-
Daniel Maling	1 May 2020	-
David Clarke	1 May 2020	-
Rolf Gerritsen	6 August 2018	1 May 2020

DIRECTORS' REPORT (continued)

The Directors who held office as 31 December 2020 had the following beneficial interests in the Ordinary Shares of the Company at 31 December 2020 according to the register of directors' interests:

	Ordinary Shares			
	Number of Ordinary Shares at 31 Dec 2020	**% of Issued Share Capital at 31 Dec 2020**	Number of Ordinary Shares at 31 Dec 2019	% of Issued Share Capital at 31 Dec 2019
Craig Moulton	8,105,170	2.86%	-	-
Greg Hancock	-	-	-	-
Daniel Maling	675,000	0.24%		
David Clarke	12,293,976	4.34%	-	-
Rolf Gerritsen	-	-	2,000,000	2.97%

Post year end on 11 January 2021 the following shares were issued to Directors:

- Craig Moulton received 1,333,333 shares upon completion of Stage 1 of the Wudinna Gold Project, in accordance with the terms of his services agreement;
- David Clarke, via the Springton Trust, in which Mr Clarke has a beneficial interest, received 10,349,939 shares as a former vendor of Lady Alice Trust and Lady Alice Mines Pty Ltd, in accordance with the acquisition agreement through which the Company acquired, inter alia, its entitlement to earn into the Wudinna Gold Project.

DIRECTORS' WARRANTS AND OPTIONS

As at 31 December 2020, the Directors held the following warrants and options over the Company's ordinary shares:

		Options			
	Date of grant	Number of options at start of year	Options granted or acquired during year	Options lapsed during year	Number of options at end of year
Craig Moulton					
	16 Jan 2020	-	2,844,375	(2,844,375)	-
TOTAL		-	2,844,375	(2,844,375)	-
Greg Hancock					
	11 Feb 2019	672,336	-	-	672,336
	15 July 2020	-	5,000,000	-	5,000,000
TOTAL		672,336	5,000,000	-	5,672,336
Daniel Maling					
	15 July 2020	-	5,000,000	-	5,000,000
TOTAL		-	5,000,000	-	5,000,000
David Clarke					
	16 Jan 2020	-	3,333,333	(3,333,333)	-
	15 July 2020	-	5,000,000	-	5,000,000
TOTAL		-	8,333,333	(3,333,333)	5,000,000

MANAGEMENT INCENTIVES

On 27 March 2018 the Company introduced a Share Option Plan with Non-Employee Sub-Plan to enable the issue of options as part of the remuneration of key management personnel and directors to enable them to purchase ordinary shares in the Company. However, the Share Option Plan was amended by the Board and re-entered into on 11 February 2019.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

During the financial year, the Company maintained insurance cover for its Directors and Officers under a Directors' and Officers' liability insurance policy. The Company has not provided any qualifying third-party indemnity cover for the Directors.

INDEPENDENT ADVICE TO THE BOARD

The Board has the ability to seek independent professional advice although none was considered necessary in the year under review or in the previous financial year.

SHARE CAPITAL

Details of the issued share capital, together with details of the movement in issued share capital during the year, are shown in note 15 to the Financial Statements.

SUBSTANTIAL INTERESTS

At the date of approval of this report, the Company had been notified that of the following interests of 3% or more of the issued ordinary share capital of the Company:

	Number of Ordinary Shares	*% of Share Capital*
Penn Nominees Pty Ltd	24,817,830	7.58
Mr Craig P Ball & Mrs Suzanne K Ball	22,643,916	6.92
Springton Trust	22,643,915	6.92

POLITICAL AND CHARITABLE DONATIONS

No political or charitable donations have been made during the period under review (2019: £nil).

POST PERIOD EVENTS

Events subsequent to year end are set out in the Chairman's Statement.

GOING CONCERN

In common with many other mineral exploration companies, the Group raises finance for its exploration and appraisal activities in tranches as and when required. When any of the Group's projects move to the development stage specific project financing is required.

Although the Company has been successful in raising funding in the past, there is no guarantee that it will be able to raise sufficient funding in the future.

As at 31 December 2020 the Group had cash of £1,338,851, and as at the date of signing this report the Group has £1,130,113.20.

The Board has reviewed the Group's cash flow forecasts up until July 2022 having regard to its current financial position and operational objectives and is satisfied that it has sufficient cash reserves in order to finance planned project expenditure and overheads. The Board continues to monitor both costs and cash closely and has taken into account the Group's available cash resources as at the date of signing this report, and given consideration to the likelihood of the probable success of future funding activities that may be required. Accordingly, the Board continue to adopt the going concern basis for the preparation of these financial statements.

DISCLOSURE OF INFORMATION TO THE AUDITOR

In the case of each person who was a Director at the time this report was approved:

- so far as that Director was aware there was no relevant audit information of which the Company's auditor was unaware; and
- that Director had taken all steps that the Director ought to have taken as a Director to make himself or herself aware of any relevant audit information and to establish that the Company's auditor was aware of that information.

This information is given and should be interpreted in accordance with the provisions of section 418 of Companies Act 2006.

AUDITORS

A resolution to re-appoint the Company's Auditors, PKF Littlejohn LLP, will be proposed at the next Annual General Meeting of the Company, to be held on 30 June 2021.

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

Craig Moulton
Executive Director
29 June 2021

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the group and parent company financial statements in accordance with applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 andas regards the parent company financial statements, as applied in accordance with the provisions of 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 of the group and of the profit or loss of the company and the group for that year.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable international accounting standards in conformity with the requirements of the Companies Act 2006 have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company and group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006 and, as regards the group financial statements, international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. They are also responsible for safeguarding the assets of the group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Legislation in England and Wales governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Directors' Responsibility Statement Pursuant to Disclosure and Transparency Rules

Each of the Directors, whose names and functions are listed on page 1, confirm that, to the best of their knowledge and belief:

- the group and company financial statements have been prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union, and give a true and fair view of the assets, liabilities, financial position and loss of the group and parent company; and
- the Annual Report and financial statements, including the Business review, includes a fair review of the development and performance of the business and the position of the Group and parent company, together with a description of the principal risks and uncertainties that they face.

CORPORATE GOVERNANCE STATEMENT

Introduction

The Company recognises the importance of, and is committed to, high standards of corporate governance. At the date of this Annual Report, while the Company is not under an obligation to adopt a governance code on a 'comply or explain' basis given its status as a standard listed company on the Main Market for listed securities of the London Stock Exchange, the Directors have opted to observe the requirements of the UK Corporate Governance Code to the extent they consider appropriate in light of the Company's size, stage of development and resources. The ways in which the Company has applied the Code are explained below:

- The Code requires that a smaller company should have at least two Independent Non-Executive Directors. The Board currently consists of one Executive Director and three Non-Executive Directors. The Non-Executive Directors are interested in either ordinary shares in the Company, options over ordinary shares in the Company, or both, and cannot therefore be considered fully independent under the Code. The remuneration of the non- executive directors includes options and this is contrary to D.1.3 of the Code, and thus the Company is not in full compliance. However, the Directors consider the present structure and arrangements to be adequate given the size and stage of development of the Company, and all are considered to be independent in character and judgement.

- Directors appointed by the Board are subject to election by shareholders at the Annual General Meeting of the Company following their appointment and thereafter are subject to re- election in accordance with the Company's articles of association. The terms and conditions of appointment of non- executive Directors will be made available upon written request.

The Company is a small company with a modest resource base. The Company has a clear mandate to optimise the allocation of limited resources to support its development plans. As such, the Company strives to maintain a balance between conservation of limited resources and maintaining robust corporate governance practices. As the Company evolves, the Board is committed to enhancing the Company's corporate governance policies and practices deemed appropriate for the size and maturity of the organisation.

The Company will hold Board meetings periodically as issues arise which require the Board's attention. The Board will be responsible for the management of the business of the Company, setting its strategic direction, establishing its policies and appraising the making of all material investments. It will be the Board's responsibility to oversee the financial position of the Company and monitor the business and affairs of the Company on behalf of the shareholders, to whom the Directors are accountable. The primary duty of the Board will be to act in the best interests of the Company at all times. The Board will also address issues relating to internal control and the Company's approach to risk management.

Set out below are the Company's corporate governance practices for the year ended 31 December 2020.

Leadership

The Company is headed by an effective Board which is collectively responsible for the long- term success of the Company.

The role of the Board – The Board sets the Company's strategy, ensuring that the necessary resources are in place to achieve the agreed strategic priorities, and reviews management and financial performance. It is accountable to shareholders for the creation and delivery of strong, sustainable financial performance and long-term shareholder value. To achieve this, the Board directs and monitors the Company's affairs within a framework of controls which enable risk to be assessed and managed effectively. The Board also has responsibility for setting the Company's core values and standards of business conduct and for ensuring that these, together with the Company's obligations to its stakeholders, are widely understood throughout the Company.

Leadership, continued

Board Meetings – The core activities of the Board are carried out in scheduled meetings of the Board. These meetings are timed to link to key events in the Company's corporate calendar and regular reviews of the business are conducted. Additional meetings and conference calls are arranged to consider matters which require decisions outside the scheduled meetings. During the year, the Board met on six occasions.

Outside the scheduled meetings of the Board, the Directors maintain frequent contact with each other to discuss any issues of concern they may have relating to the Company or their areas of responsibility, and to keep them fully briefed on the Company's operations.

Summary of the Board's work in the year – During the year, the Board considered all relevant matters within its remit, but focused in particular on the execution and completion of the Lady Alice acquisition.

A table setting out the Directors' attendance at Board meetings during the year is set out below.

	Role	Board Meeting	Audit Committee	Remuneration Committee
Greg Hancock	Non-Executive Chairman	7/7	1/1	1/1
Craig Moulton	Managing Director	7/7	N/A	N/A
Daniel Maling*	Director	5/5	1/1	1/1
David Clarke*	Director	4/5	N/A	1/1
Rolf Gerritsen **	Director	2/2	N/A	N/A

** Daniel Maling and David Clarke were appointed to the Board on 1 May 2020.*
** *Rolf Gerritsen resigned from the Board on 1 May 2020.*

Directors attended an extremely high number of Board meetings they were entitled to attend during the year. The Board is pleased with the high level of attendance and participation of Directors at Board and committee meetings.

Directors appointed by the Board are subject to election by shareholders at the Annual General Meeting of the Company following their appointment and thereafter are subject to re-election in accordance with the Company's articles of association.

Non-executive directors

The non-executive Director brings a broad range of business and commercial experience to the Company and have a particular responsibility to challenge independently and constructively the performance of the executive management (where appointed) and to monitor the performance of the management team in the delivery of the agreed objectives and targets. Cobra has two Non-Executive Directors, Daniel Maling and David Clarke.

Non-executive directors are initially appointed for an initial term of one year, which may, subject to satisfactory performance and re-election by shareholders, be extended by mutual agreement.

Committees

The Company has established Audit and Remuneration Committees.

Audit Committee

The Audit Committee was established in 2020. The Committee has responsibility for, among other things, the monitoring of the integrity of the financial statements of the Company and its Enlarged Group and the involvement of the Group's auditors in that process. It focuses in particular on compliance with accounting policies and ensuring that an effective system of external audit and financial control is maintained, including considering the scope of the annual audit and the extent of the non-audit work undertaken by external auditors and advising on the appointment of external auditors. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports remains with the Board. The Audit Committee will meet at least two times a year at the appropriate times in the financial reporting and audit cycle.

The members of the Audit Committee are Daniel Maling, who acts as Chairman of the Committee, and Greg Hancock.

The Group's external auditor is PKF Littlejohn LLP who have served as external auditor for three years. The role of external auditor last went to tender in 2018. The Audit Committee closely monitors the level of audit and non-audit services that they provide to the Company and Group.

Having assessed the performance, objectivity and independence of the auditors, the Committee will be recommending the reappointment of PKF Littlejohn LLP as auditors to the Company at the 2021 Annual General Meeting.

During the year to 31 December 2020 the Audit Committee considered the following key issues in relation to the Financial Statements:

Issue	Action
• Accounting policies	The Committee reviewed and discussed the significant accounting policies with management and the external auditor and reached the conclusion that each policy was appropriate to the Group and Company.
• Carrying value of investment in Lady Alice Mines	The Committee reviewed the impairment assessment report prepared by management and agreed that given the reasonable expectation that the Group will achieve its milestone targets over the next 18 months that no impairment to the value of the investment in Lady Alice Mines was required as at 31 December 2020.
• Going Concern review	The Committee considered the ability of the Group to operate as a Going Concern considering cash flow forecast for the next 12 months and operational milestone. It was determined by the Committee that it was reasonable to expect that the Group has, or will have access to sufficient funding in order to achieve its 12 month operational objectives and that it was appropriate for the Financial Statements to be prepared on a going concern basis.
• Review of audit and non-audit services and fees	The Committee reviewed the fees charged for the provision of audit and services and determined that

Issue	Action
	they were in line with fees charged to companies of similar size and stage of development. The Committee considered and was satisfied the external auditor's assessment of its own independence. There were no non-audit services provided during the year to 31 December 2020.

Remuneration Committee

The Remuneration Committee was established in 2020. The Committee has the responsibility of reviewing the performance of the executive directors and make 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 share awards and other equity incentives pursuant to any share award scheme or equity incentive scheme in operation from time to time. The Remuneration Committee will meet at least one a year. The aggregate remuneration of the directors is limited by the Company's Articles of Association and this aggregate amount can only be changed by the Company in general meeting.

The members of the Remuneration Committee are David Clarke, who acts as Chairman of the Committee, Greg Hancock and Daniel Maling.

Nomination Committee

The Board as a whole will be responsible for the appointment of executive and non-executive Directors. The Board does not currently believe it is necessary to have a separate nominations committee at this time. The requirement for a nominations committee will be considered on an ongoing basis.

Share Dealing Code

The Board has adopted a share dealing code (the "Share Dealing Code") regulating trading in the Company's shares for the directors and other persons discharging managerial responsibilities (and their persons closely associated) which contains provisions appropriate for a company whose shares are listed on the Official List and admitted to trading on the Main Market for listed securities of the London Stock Exchange (particularly relating to dealing during closed periods which will be in line with the Market Abuse Regulation). The Company will take all reasonable steps to ensure compliance by the directors and any relevant employees with the terms of the Share Dealing Code.

Diversity

The Company has not adopted a formal policy on diversity, however it is committed to a culture of equal opportunities for all, regardless of age, race or gender.

Relations with Stakeholders

Section 172(1) Statement - Promotion of the Company for the benefit of the members as a whole

The Directors believe they 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.

Relations with Stakeholders, continued

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 in the extractive industry to explore, develop and mine precious and base metal projects which is inherently speculative in nature and, while currently pre-revenue will be dependent upon fund-raising for its continued operations The nature of the business is well understood by the Company's members, employees and suppliers, and the Directors are as transparent about the cash position and funding requirements as is allowed under LSE regulations.

The application of the s172 requirements can be demonstrated in relation to some of the key decisions made during 2020:

- Pursuing the execution and completion of work requirements under the terms of the Lady Alice acquisition; and
- Any contracts for services provided have been undertaken with a clear cap on financial exposure.

During the year, the Board assessed its current activities between the Board and its stakeholders, which demonstrated that the Board actively engages with its stakeholders and takes their various objectives into consideration when making decisions. Specifically, actions the Board has taken to engage with its stakeholders in 20120include:

- Attended the 2020 AGM to answer questions and receive additional feedback from investors;
- Arranged meetings with certain stakeholders to provide them with updates on the Company's operational activities and other general corporate updates;
- Made presentations and published recordings and slide decks on the Company's exploration programme; and
- Monitored company culture and engaged with employees on efforts to continuously improve company culture and morale.

The Board believes that appropriate steps and considerations have been taken during the year so that each Director has an understanding of the various key stakeholders of the Company. The Board recognises its responsibility to contemplate all such stakeholder needs and concerns as part of its discussions, decision-making, and in the course of taking actions, and will continue to make stakeholder engagement a top priority in the coming years.

Craig Moulton
Executive Director
29 June 2021

DIRECTORS’ REMUNERATION REPORT

The Company has established a Remuneration Committee which is responsible for reviewing, determining and recommending to the Board the future policy for the remuneration of the directors, the scale and structure of the directors’ fees, taking into account the interests of shareholders and the performance of the Company and directors.

The items included in this report are unaudited unless otherwise stated.

Statement of Cobra Resources Plc’s policy on directors’ remuneration by the Chairman of the Remuneration Committee, David Clarke.

As Chairman of the Remuneration Committee, I am pleased to introduce our Directors’ Remuneration Report. The Directors’ Remuneration Policy, which is set out on pages 22 to 25 of this report, will be submitted to shareholders for approval at our Annual General Meeting on 30 June 2021.

A key focus of the Directors’ Remuneration Policy is to align the interests of the directors to the long-term interests of the shareholders and it aims to support a high performance culture with appropriate reward for superior performance, without creating incentives that will encourage excessive risk taking or unsustainable company performance. This will be underpinned through the implementation and operation of incentive plans.

The Remuneration Committee which comprises myself as Chairman, and Greg Hancock and Daniel Maling, will meet at least once a year. Directors’ remuneration is fixed although Board meetings are held where the remuneration of directors is considered.

Key Activities of the Remuneration Committee

The key activities of the Remuneration Committee are:

- to determine and agree with the Board the framework or broad policy for the remuneration of the Company's Managing Director and such other members of executive management as it is designated to consider;
- in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the UK Corporate Governance Code (the "Code") and associated guidance. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentives to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company;
- recommend and monitor the level and structure of remuneration for senior management;
- when setting remuneration policy for directors, review and have regard to the remuneration trends across the Company, and review the on-going appropriateness and relevance of the remuneration policy;
- obtain reliable, up-to-date information about remuneration in other companies. To help it fulfil its obligations the Committee shall have full authority to appoint remuneration consultants and to commission or purchase any reports, surveys or information which it deems necessary, within any budgetary restraints imposed by the Board;
- be exclusively responsible for establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Committee;
- approve the design of, and determine targets for, any performance related pay schemes operated by the Company and approve the total annual payments made under such schemes;
- review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to Executive Directors and other designated senior executives and the performance targets to be used;
- ensure that contractual terms on termination, and any payments made, are fair to the individual, and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised; and
- oversee any major changes in employee benefits structures throughout the Company.

DIRECTORS' REMUNERATION REPORT, continued

Remuneration Components

The Company remunerates Directors in line with best market practice in the industry in which it operates. The components of director remuneration that are considered by the Board for the remuneration of directors consist of:

- Base salaries
- Pension and other benefits
- Annual bonus
- Share Incentive arrangements

Craig Moulton, the Executive Director has entered into a service agreement with the Company.

All such contracts impose certain restrictions as regards the use of confidential information and intellectual property and they impose restrictive covenants which apply following the termination of their agreements.

Other matters

The Company does not currently have any annual or long-term incentive schemes or any other scheme interests in place for any of the Directors.

The Company has established a workplace pension scheme but it does not presently have any employees qualifying under the auto-enrolment pension rules who have not opted out of the scheme. It does not currently pay pension amounts in relation to Directors' remuneration. The Company has not paid out any excess retirement benefits to any Directors or past Directors.

Recruitment Policy

Base salary levels take into account market data for the relevant role, internal relativities, their individual experience and their current base salary. Where an individual is recruited at below market norms, they may be re-aligned over time, subject to performance in the role. Benefits will generally be in accordance with the approved policy. For external and internal appointments, the Board may agree that the Company will meet certain relocation and/or incidental expenses as appropriate.

Payment for loss of Office

The Committee will honour Executive Directors' contractual entitlements. Service contracts do not contain liquidated damages clauses. If a service contract is to be terminated, the Company will determine such mitigation as it considers fair and reasonable in each case.

The Company reserves the right to make additional payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation); or by way of settlement or compromise of any claim arising in connection with the termination of an executive director's office or employment.

Service Agreements and Letters of Appointment

The terms of all the Directors' appointments are subject to their re-election by the Company's shareholders at Annual General Meetings at which certain of the directors will retire on a rotational basis and offer themselves for re-election.

The Executive Director's service agreement is set out in the table below. The agreement is not for a fixed term and may be terminated by either the Company or the Executive Director on giving appropriate notice.

Details of the terms of the agreement for each Executive Director are set out below:

Name	Date of service agreement	Notice period by Company (months)	Notice period by director (months)
Craig Moulton	20 January 2020	6 months	6 months

DIRECTORS' REMUNERATION REPORT, continued

The Non-executive Directors of the Company do not have service agreements but are appointed by letters of appointment. Each non-executive director's term of office runs for an initial period of one year and thereafter, with the approval of the Board, will continue subject to periodic retirement and re-election or termination or retirement in accordance with the terms of the letters of appointment.

The details of each Non-Executive Director's current terms are set out below:

Name	Date of letter of appointment	Current term (years)	Notice period by Company (months)	Notice period by Director (months)
Greg Hancock	12 March 2018	> 3	1 month	1 month
Daniel Maling	1 May 2020	> 1	1 month	1 month
David Clarke	1 May 2020	> 1	1 month	1 month

Executive directors' remuneration - Audited

The table below sets out the remuneration received by the executive director for the years ended 31 December 2020 and 2019:

	Remuneration	Fees	Share Based	Total
	2020	2020	2020	2020
Name	£	£	£	£
Craig Moulton	128,539	-	51,188	179,727
Rolf Gerritsen	-	6,121	12,000	18,121
Total	**128,539**	**6,121**	**63,188**	**197,484**

	Remuneration	Fees	Share Based	Total
	2019	2019	2019	2019
Name	£	£	£	£
Craig Moulton	25,000	93,500	-	118,500
Rolf Gerritsen	43,000	117,300	-	160,300
Total	**68,000**	**210,800**	**-**	**278,800**

DIRECTORS' REMUNERATION REPORT, continued

Non-executive directors' remuneration - Audited

The table below sets out the remuneration received by each non-executive director during the years ended 31 December 2020 and 2019:

Name	Remuneration 2020 £	Fees 2020 £	Bonus 2020 £	Severance 2020 £	Total 2020 £
Greg Hancock	-	22,167	-	-	22,167
Daniel Maling	10,584	3,000	-	-	13,584
David Clarke	-	13,667	-	-	13,667
Total	**10,584**	**38,834**	**-**	**-**	**49,418**

Name	Remuneration 2019 £	Fees 2019 £	Bonus 2019 £	Severance 2019 £	Total 2019 £
Greg Hancock	6,667	9,500	10,000	-	26,167
Ken Watson	-	-	-	21,660	21,660
Total	**6,667**	**9,500**	**10,000**	**21,660**	**47,827**

Ken Watson received £13,663 (AUD 25,000) in cash and £7,997 (AUD 15,000) in shares as part of a settlement agreement in 2019.

Consideration of shareholder views

The Board considers shareholder feedback received and guidance from shareholder bodies. This feedback, plus any additional feedback received from time to time, is considered as part of the Company's annual policy on remuneration.

Approved on behalf of the Board of Directors.

David Clarke
Chairman of the Remuneration Committee
29 June 2021

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COBRA RESOURCES PLC

FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of Cobra Resources Plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006 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 2020 and of the group's and parent company's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006;
- the parent company financial statements have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 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; and as regard to the group financial statements, international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 a consideration of the inherent risks to the business model and analysed how those risks might affect the financial resources or ability to continue operations over the period from the date of signing the financial statements to July 2022, having regard to the group's and parent company's ability to manage its uncommitted costs.

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

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

Our application of materiality

Materiality applied to the group financial statements was £50,800 (2019: £30,300) with performance materiality set at £33,020 (2019: £19,695). This amount was based upon the group's net assets. Our determination was considered appropriate based upon the carrying value and recoverability of exploration assets being the key area for the group, and the benchmark most relevant to shareholders for an entity undertaking exploration and evaluation activities. The prior year group materiality was based upon the loss before tax, given the acquisition of the subsidiary undertakings and exploration projects concluded in the latter half of 2019 and exploration activities commenced in January 2020.

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatement. At the planning stage materiality is used to determine the financial statement areas that are included within the scope of our audit.

Component materiality was £35,700 (2019: £16,100) based upon net assets and having regard to the size and risk profile of the group's components, with performance materiality set at £23,205 (2019: £10,465).

We agreed with the audit committee that we would report all individual audit differences identified for the group during the course of our audit in excess of £2,540 (2019: £1,515). We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Materiality applied to the parent company's financial statements was £37,400 (2019: £29,700). The benchmark for determining materiality of the parent company was 5% of loss before tax in order to obtain appropriate coverage of parent company expenditure during the audit. We agreed with the audit committee that we would report all individual audit differences identified for the parent company during the course of our audit in excess of £1,870 (2019: £1,485) together with any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our approach to the audit

In designing our audit, we determined materiality, as above, and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the directors and considered future events that are inherently uncertain. This included the recoverability of the exploration and evaluation intangible asset at a group level. Our group audit scope focused on the principal areas of operation, being Australia and the UK. We also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud. Exploration and evaluation activities take place within the subsidiaries based in Australia and this is also the location of the accounting function.

The audit was performed by us as group auditors based in London. Each component within the group was assessed as to whether they were significant or not significant to the group by either their size or risk. The parent company and the subsidiary were considered to be significant due to identified risk and size. A full scope audit was completed on both components.

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.

<table>
<tr><th>Key Audit Matter</th><th>How our scope addressed this matter</th></tr>
<tr><td>Valuation and recoverability of exploration intangible assets (refer note 8)</td><td></td></tr>
<tr><td>The carrying value of intangible assets as at 31 December 2020 amounted to £1,495,519 (2019: £612,242). Intangible assets comprise exploration costs together with the fair value of intangible assets acquired under the business combination in 2019.

There is a risk that the intangible assets are impaired and are overstated within the financial statements. The intangible assets are subject to annual impairment reviews which, for early-stage exploration projects, requires judgements and estimates by management in conjunction with an assessment of the indicators of impairment contained within IFRS 6.

Costs capitalised within intangible assets are required to satisfy the eligibility criteria under IFRS 6.</td><td>Our work in this area included but was not restricted to:

• Critically assessing whether impairment indicators exist in line with IFRS 6;
• Checking good title to project licences and that any minimum terms therein have been adequately met or are expected to be met within the contractual terms;
• Assessing progress and results of exploration activities at the individual projects during the accounting period and subsequent to the year-end;
• Checking the associated disclosures within the financial statements;
• Discussing with management and the Board their plans regarding future exploration on the license areas; and
• Reviewing independently prepared reports on the project and assessing the qualifications of the preparer.

The Directors' judgements in their assessment of impairment are reasonable and our work did not identify any impairment indicators regarding the carrying value and recoverability of intangible assets.</td></tr>
<tr><td>Recoverability of investment in subsidiary and intragroup receivable balance (notes 7 and 10)</td><td></td></tr>
<tr><td>The investment in subsidiary and intragroup receivable balances amounted to £432,260 and £1,637,335 as at 31 December 2020.

The subsidiaries are not currently revenue generating, are loss-making and recoverability is directly linked to the recoverability of the exploration projects.</td><td>Our work in this area included but was not restricted to:

• Confirming ownership and good title;
• Review of management's calculation of expected credit losses in accordance with IFRS 9; and
• Evaluating recoverability by reference to the assessment of recoverability of the underlying exploration projects.

The Directors' judgements in their assessment of impairment are reasonable and our work, in conjunction with that performed on the recoverability</td></tr>
</table>

	of intangible assets, did not identify any impairment indicators.

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

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

In preparing the group and parent company financial statements, the directors are responsible for assessing the group'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 discussions with management and our experience of the resource exploration sector.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from Companies Act 2006, LSE listing rules and the Disclosure and Transparency Rules.
- 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:
    - Enquires of management
    - Review of Board minutes
    - Review of legal expenses
    - Review of RNS announcements
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

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

Other matters which we are required to address

We were appointed by the Directors on 28 February 2019 to audit the financial statements for the period ended 31 December 2018 and subsequent financial periods. Our total uninterrupted period of engagement is 3 years, covering the periods ended 31 December 2018 to 31 December 2020.

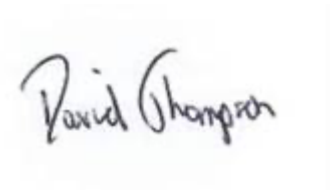
The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

No non-audit services in addition to the audit were carried out by us.

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

Use of our report

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



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

15 Westferry Circus
Canary Wharf
London E14 4HD

29 June 2021

CONSOLIDATED INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31 December 2020 £	31 December 2019 £
Other Income		50,280	-
Other Expenses		(895,684)	(544,500)
IPO expenses		-	(124,400)
Operating loss	2	(845,404)	(668,900)
Finance income and costs		-	-
Change in estimate of contingent consideration	13	(161,346)	-
Loss before tax		(1,006,750)	(668,900)
Taxation	5	-	-
Loss for the year attributable to equity holders		(1,006,750)	(668,900)
Earnings per ordinary share			
Basic and diluted loss per share attributable to owners of the Parent Company	6	(£0.0035)	(£0.0099)

All operations are considered to be continuing.

The accompanying notes are an integral part of these financial statements.

Cobra Resources plc

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	31 December 2020 £	31 December 2019 £
Loss for the year	(1,006,750)	(668,900)
Other Comprehensive income		
Items that may subsequently be reclassified to profit or loss:		
- Exchange differences on translation of foreign operations	66,916	(1,461)
Total comprehensive loss attributable to equity holders of the Parent Company	(939,834)	(670,361)

The accompanying notes are an integral part of these financial statements.

Cobra Resources plc

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2020

	Notes	2020	2019
		£	£
Non-current assets			
Intangible Fixed Assets	8	1,495,519	612,242
Property, plant and equipment	9	2,400	3,428
Total non-current assets		1,497,919	615,670
Current assets			
Trade and other receivables	10	69,408	37,433
Cash and cash equivalents	11	1,338,851	7,675
Total current assets		1,408,259	45,108
Non-current liabilities			
Deferred consideration	13	(322,691)	(350,066)
Current liabilities			
Trade and other payables	12	(169,314)	(436,553)
Deferred consideration	13	(188,721)	(215,486)
Total current liabilities		(358,035)	(652,039)
Net assets/(liabilities)		2,225,451	(341,327)
Capital and reserves			
Share capital	14	2,829,566	672,335
Share premium account		564,173	160,992
Share based payment reserve		1,006,239	69,038
Retained losses		(2,239,982)	(1,242,231)
Foreign currency reserve		65,456	(1,461)
Total equity		2,225,451	(341,327)

The accompanying notes are an integral part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 29 June 2021.

Signed on behalf of the Board of Directors
Craig Moulton, Executive Director, Company No. 11170056

Cobra Resources plc

COMPANY STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2020

	Notes	2020 £	2019 £
Non-current assets			
Investment in subsidiary	7	432,260	432,260
Property, plant and equipment	9	2,400	3,428
Intangible Fixed Assets	8	33,251	-
Total non-current assets		467,910	435,688
Current assets			
Trade and other receivables	10	1,636,477	241,518
Cash and cash equivalents	11	834,164	1,749
Total current assets		2,470,641	243,267
Non-current liabilities			
Deferred consideration	13	(322,691)	(350,066)
Total Non-current liabilities		(322,691)	(350,691)
Current liabilities			
Trade and other payables	12	(95,636)	(422,560)
Deferred consideration	13	(188,721)	(215,486)
Total current liabilities		(284,357)	(638,046)
Net assets/(liabilities)		2,331,502	(309,157)
Capital and reserves			
Share capital	14	2,829,566	672,335
Share premium account		564,173	160,992
Share based payment reserve		1,006,239	69,038
Retained losses		(2,068,475)	(1,211,522)
Equity shareholders' funds		2,331,502	(309,157)

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not included its own income statement and statement of comprehensive income in these financial statements. The Company's loss for the period amounted to £878,753 (2019: £638,190 loss).

The accompanying notes are an integral part of these financial statements.

These financial statements were approved and authorised for issue by the Board of Directors on 29 June 2021.

Signed on behalf of the Board of Directors
Craig Moulton, Executive Director, Company No. 11170056

Cobra Resources plc

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Share premium	Share based payment reserve	Retained losses	Foreign currency reserve	Total
	£	£	£	£	£	£
As at 1 January 2019	672,335	160,992	69,038	(573,332)	-	329,034
Loss for the year	-	-	-	(668,900)	-	(668,900)
Translation differences	-	-	-	-	(1,461)	(1,461)
Comprehensive loss for the year	-	-	-	(668,900)	(1,461)	(670,361)
At 31 December 2019	672,335	160,992	69,038	(1,242,232)	(1,461)	(341,327)
Loss for the year	-	-	-	(1,006,750)	-	(1,006,750)
Translation differences	-	-	-	-	66,917	66,917
Comprehensive loss for the year	-	-	-	(1,006,750)	66,917	(939,834)
Shares issued	2,157,231	1,537,142	-	-	-	3,694,373
Share based payment expired	-	-	(3,833)	3,833	-	-
Exercise of options & warrants	-	-	(17,967)	5,167	-	(12,800)
Cost of share issue	-	(1,133,961)	-	-	-	(1,133,961)
Share warrant charge	-	-	947,000	-	-	947,000
Share option charge	-	-	12,000	-	-	12,000
At 31 December 2020	2,829,566	564,173	1,006,238	(2,239,982)	65,456	2,225,451

The following describes the nature and purpose of each reserve within equity:

Share capital:	Nominal value of shares issued
Share premium:	Amount subscribed for share capital in excess of nominal value, less share issue costs
Share based payment reserve:	Cumulative fair value of warrants and options granted
Retained losses:	Cumulative net gains and losses, recognised in the statement of comprehensive income
Foreign currency reserve:	Gains/losses arising on translation of foreign controlled entities into pounds sterling.

The accompanying notes are an integral part of these financial statements.

Cobra Resources plc

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital	Share premium	Share based payment reserve	Retained losses	Total
	£	£	£	£	£
At 1 January 2019	672,335	160,992	69,038	(573,332)	329,034
Loss for the year	-	-	-	(638,190)	(638,190)
Translation differences	-	-	-	-	-
Comprehensive loss for the period	-	-	-	(638,190)	(638,190)
At 31 December 2019	672,335	160,992	69,038	(1,211,522)	(309,157)
Loss for the year	-	-	-	(878,753)	(878,753)
Translation differences	-	-	-	-	-
Shares issued	2,157,231	1,537,142	-	-	3,694,373
Share based payment expired	-	-	(3,833)	3,833	-
Exercise of options & warrants	-	-	(17,967)	17,967	-
Cost of share issue	-	(1,133,961)	-	-	(1,133,961)
Share warrant charge	-	-	947,000	-	947,000
Share option charge	-	-	12,000	-	12,000
At 31 December 2020	2,829,566	564,173	1,006,238	(2,068,475)	2,331,502

The following describes the nature and purpose of each reserve within equity:

Share capital:	Nominal value of shares issued
Share premium:	Amount subscribed for share capital in excess of nominal value, less share issue costs
Share based payment reserve:	Cumulative fair value of warrants and options granted
Retained losses:	Cumulative net gains and losses, recognised in the statement of comprehensive income

The accompanying notes are an integral part of these financial statements.

Cobra Resources plc

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31 December 2020 £	31 December 2019 £
Cash flows from operating activities			
Loss before tax		(1,006,750)	(668,900)
Equity settled share based payments		265,189	-
Depreciation	9	1,028	979
Foreign exchange		66,916	5,950
Change in estimate of contingent consideration	13	161,346	-
(Decrease) / Increase in trade and other receivables	10	(31,975)	(9,286)
Increase in trade and other payables	12	(482,725)	313,519
Share warrant charge		-	-
Net cash used in operating activities		(1,026,971)	(357,738)
Cash flows from investing activities			
Payments for exploration and evaluation activities	8	(883,277)	(5,660)
Payment for acquisition of subsidiary, net of cash acquired	17	-	11,645
Payments for tangible fixed assets	9	-	(4,407)
Net cash used in investing activities		(883,277)	1,578
Cash flows from financing activities			
Proceeds from the issue of shares		3,428,384	35,700
Cost of shares issued		(186,961)	-
Net cash generated from financing activities		3,241,423	35,700
Net increase/(decrease) in cash and cash equivalents		1,331,176	(320,460)
Cash and cash equivalents at beginning of year		7,675	328,135
Cash and cash equivalents at end of year	11	1,338,851	7,675

- During the year, Shares worth £168,819 were issued to the previous Lady Alice Mines unit holders as per the sale agreement.
- During the year, Liabilities (Broker Fees) worth £186,960 were offset against share proceeds.
- During the year, Shares worth £96,370 were issued to Directors in Lieu of fees.

The accompanying notes are an integral part of these financial statements

Cobra Resources plc

COMPANY CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	31 December 2020 £	31 December 2019 £
Cash flows from operating activities			
Loss before tax		(878,753)	(638,190)
Equity settled share based payments		265,189	-
Depreciation	9	1,028	979
Foreign exchange loss/gain		12,801	-
Change in estimate of contingent consideration	13	161,346	-
Increase in trade and other receivables	10	(1,394,958)	(4,958)
Increase in trade and other payables	12	(542,410)	359,611
Share warrant charge		-	-
Net cash used in operating activities		(2,375,757)	(282,558)
Cash flows from investing activities			
Payments for tangible fixed assets	9	-	(4,407)
Payments for Intangible fixed assets		(33,251)	-
Investment in subsidiary	7	-	(535)
Net cash used in investing activities		(33,251)	(4,942)
Cash flows from financing activities			
Proceeds from the issue of shares		3,428,384	35,700
Cost of shares issued		(186,961)	-
Loan to subsidiary company	10	-	(74,586)
Net cash (used in)/generated from financing activities		3,241,423	(38,886)
Net increase/(decrease) in cash and cash equivalents		832,415	(326,386)
Cash and cash equivalents at beginning of year		1,749	328,135
Cash and cash equivalents at end of year	11	834,164	1,749

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

General information

The Group is a public company limited by shares which is incorporated in England. The registered office of the Company is 9th Floor, 107 Cheapside, London, EC2V 6DN, United Kingdom. The registered number of the Company is 11170056.

The principal activity of the Group is to objective is to explore, develop and mine precious and base metal projects.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below ('Accounting Policies' or 'Policies'). These Policies have been consistently applied to all the periods presented, unless otherwise stated.

Accounting policies

Basis of preparation of Financial Statements

The Group and Company Financial Statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the the European Union and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006. The Group and Company Financial Statements have also been prepared under the historical cost convention, except as modified for assets and liabilities recognised at fair value on an asset acquisition.

The Financial Statements are presented in pounds sterling, which is the functional currency of the Parent Company. The functional currency of Lady Alice Mines Pty Ltd is Australian Dollars.

The preparation of the Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 1.

Changes in accounting policies

New and amended standards adopted

The adoption of the new or amended standards and interpretations did not result in any significant changes to the Group's and Company's accounting policies.

Amendments to IFRS

The group and company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2020. The group and company has not early adopted any other standard, interpretation or amendment that that been issued but is not yet effective. The nature and effect of these changes as a result of the adoption of these new standards are described below. Other than the changes described below, the accounting policies adopted are consistent with those of the previous financial year.

Amendments to IFRS 3: Definition of a Business

The amendment to IFRS 3 Business Combination clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input, and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all the inputs and processes needed to create outputs. These amendments had no impact on the financial statements of the Company but may impact future periods should the Company enter into any business combinations.

Amendments to IAS 1 and IAS 8 Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magniture of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the financial statements of, nor is there expected to be any future impact to the Group or Company.

Conceptual Framework for Financial Reporting

The Conceptual Framework is not a standard, and none of the concepts contained therein override the concepts or requirements in any standard. The purpose of the conceptual Framework is to assist the IASB in developing standards, to help preparers develop consistent accounting policies where there is no applicable standards in place and to assist all parties to understand and interpret the standards. This will affect those entities which developed their accounting policies based on the Conceptual Framework. The revised Conceptual Framework includes some new concepts, updated definitions and recognition criteria for assets and liabilities and clarifies some important concepts. These amendments had no impact on the financial statements of the Group or Company.

Going concern

The Financial Statements have been prepared on a going concern basis. In assessing whether the going concern assumption is appropriate, the Directors have taken into account all relevant available information about the current and future position of the Group and Company, including current level of resources and the required level of spending on exploration and evaluation activities. As part of their assessment, the Directors have also taken into account the ability to raise additional funding whilst maintaining sufficient cash resources to meet all commitments.

The Group meets its working capital requirements from its cash and cash equivalents. The Company is pre-revenue, and to date the Company has raised finance for its activities through the issue of equity and debt. The Directors have reviewed the cash flow forecasts and are satisfied that there are sufficient funds to meet planned project expenditure and overheads through to July 2022 the Group and Company have sufficient funds to meet their working capital needs for a period of at least 12 months from the date of approval of these financial statements. Further funding will be required either through equity raisings or other financial arrangements to fund future exploration activities and this additional funding is not guaranteed however to date the Company has been successful in securing funding when required. Exploration and evaluation will be curtailed, if necessary, in order to preserve cash for working capital purposes.

At present the Group believes that there should be no significant material disruption to its operations from COVID-19 in the near term, but the Board continues to monitor these risks and the Group's business continuity plans.

Having prepared forecasts based on current resources, assessing methods of obtaining additional finance and assessing the possible impact of COVID-19, the Directors believe the Group has sufficient resources to meet its obligations for a period of 12 months from the date of approval of these financial statements. Taking these matters into consideration, the Directors continue to adopt the going concern basis of accounting in the preparation of the financial statements. The financial statements do not include the adjustments that would be required should the going concern basis of preparation no longer be appropriate.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Parent Company and companies controlled by the Parent Company, the Subsidiary Companies, drawn up to 31 December each year.

Control is recognised where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities, and is exposed to, or has rights to, variable returns from its involvement in the subsidiary. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, where appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred unless they result from the issuance of shares, in which case they are offset against the premium on those shares within equity.

Any contingent consideration to be transferred by the Group 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 liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Investments in subsidiaries are accounted for at cost less impairment.

Segmental reporting

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

The Group's operations are located Australia with the head office located in the United Kingdom. The main tangible assets of the Group, cash and cash equivalents, are held in the United Kingdom and Australia. The Board ensures that adequate amounts are transferred internally to allow all companies to carry out their operational on a timely basis.

The Directors are of the opinion that the Group is engaged in a single segment of business being the exploration of gold in Australia. The Group currently has two geographical reportable segments – United Kingdom and Australia.

Foreign currencies

For the purposes of the consolidated financial statements, the results and financial position of each Group entity are expressed in pounds sterling, which is the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences arising are included in the profit or loss for the period.

For the purposes of preparing consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Gains and losses from exchange differences so arising are shown through the Consolidated Statement of Changes in Equity.

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all property, plant and equipment to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight-line basis at the following annual rates: Office Equipment: 33.33% per annum

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains' in the Statement of Comprehensive Income.

Impairment of tangible fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

Intangible assets

Exploration and evaluation assets

Exploration and evaluation assets comprises all costs which are directly attributable to the exploration of a project area. The Group recognises expenditure as exploration and evaluation assets when it determines that those assets will be successful in finding specific mineral resources. 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, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production.

Exploration and evaluation assets recorded at fair-value on acquisition

Exploration assets which are acquired are recognised at fair value. When an acquisition of an entity whose only significant assets are its exploration asset and/or rights to explore, the Directors consider that the fair value of the exploration assets is equal to the consideration. Any excess of the consideration over the capitalised exploration asset is attributed to the fair value of the exploration asset.

Impairment of intangible assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in profit or loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Early stage exploration projects are assessed for impairment using the methods specified in IFRS 6.

Financial Assets

Loans and Receivables

(a) Classification and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an instrument level.

The Group's and Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- financial assets at amortised cost (debt instruments);
- financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group and Company. The Group and Company measure financial assets at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Interest received is recognised as part of finance income in the statement of profit or loss and other comprehensive income. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's and Company's financial assets at amortised cost include trade and other receivables (not subject to provisional pricing) and cash and cash equivalents.

Derecognition

A financial asset is primarily derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Group and Company have transferred their rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group and Company have transferred substantially all the risks and rewards of the asset, or (b) the Group and Company have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

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

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit or loss and other comprehensive income when the liabilities are derecognised, as well as through the EIR amortisation process.

Derecognition

A financial liability is derecognised when the associated obligation is discharged or cancelled or expires.

Cash and cash equivalents

The Company considers any cash on short-term deposits and other short-term investments to be cash and cash equivalents.

Share capital

The Company's ordinary shares of nominal value £0.01 each ("Ordinary Shares") are recorded at such nominal value and proceeds received in excess of the nominal value of Ordinary Shares issued, if any, are accounted for as share premium. Both share capital and share premium are classified as equity. Costs incurred directly to the issue of Ordinary Shares are accounted for as a deduction from share premium, otherwise they are charged to the income statement.

Current and deferred income tax

Tax represents income tax and deferred tax. Income tax is based on profit or loss for the year. Taxable profit or loss differs from the loss for the year as reported in the Consolidated Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items of income or expense that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Historical Financial Information and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the intention is to settle current tax assets and liabilities on a net basis.

Share based payments

The fair value of services received in exchange for the grant of share warrants is recognised as an expense in share premium or profit or loss, in accordance with thenature of the service provided. A corresponding increase is recognised in equity.

Judgements and key sources of estimation uncertainty

The preparation of the Financial Statements in conformity with IFRS requires the directors to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, may not accurately reflect the related actual outcome. Share options and warrants are measured at fair value at the date of grant. The fair value is calculated using the Black Scholes method for both options and warrants as the management views the Black Scholes method as providing the most reliable measure of valuation.

Contingent consideration, resulting from business combinations, is valued at fair value at the acquisition date as part of the business combination. The determination of fair value is based on key assumptions involving estimation of the probability of meeting each performance target and the timing thereof. As part of the acquisition of Lady Alice Mines Pty Ltd, contingent consideration with an estimated fair value of £296,536 was recognised at the acquisition date. See note 17 for further details. The Group is required to remeasure the contingent liability at fair value at each reporting date with changes in fair value recognised in accordance with IFRS 9. Therefore, as at 31 December 2020, the contingent consideration reflects an estimated fair value of £322,691.

2. EXPENSES BY NATURE

	31 December 2020	31 December 2019
	£	£
This is stated after charging/(crediting):		
Administrative expense	93,171	85,964
Corporate expense	488,450	275,327
Finance expense	39,755	(19,017)
Other Income	(50,280)	-
Professional fees	2,833	-
Wages & Salaries expense	271,477	326,626
	845,404	**668,900**

***** Amounts payable to PKF Littlejohn LLP by the Company in respect of non-audit services was £nil (2019: £25,600) net of VAT in relation to work as reporting accountants for listing on the main market of the London Stock Exchange.

3. SEGMENT INFORMATION

The Group's prime business segment is mineral exploration.

The Group operates within two geographical segments, the United Kingdom and Australia. The UK sector consists of the parent company which provides administrative and management services to the subsidiary undertaking based in Australia.

The following tables present expenditure and certain asset information regarding the Group's geographical segments for the years ended 31 December 2020 and 2019:

3. SEGMENT INFORMATION (continued)

Operational Results	31 December 2020 £	31 December 2019 £
Revenue	-	-
Loss after taxation		
- United Kingdom	(878,753)	(638,190)
- Australia	(127,997)	(30,170)
Total	(1,006,750)	(668,900)

2020	Australia £	United Kingdom £	Total £
Non-current assets	1,495,519	2,400	1,497,919
Current assets	574,953	833,306	1,408,259
Total liabilities	(73,678)	(607,048)	(680,726)

2019			
Non-current assets	612,242	3,428	615,670
Current assets	10,254	34,854	45,108
Total liabilities	(13,993)	(988,112)	(1,002,105)

4. DIRECTORS' EMOLUMENTS

There were no employees during the period apart from the directors, who are the key management personnel. No directors had benefits accruing under money purchase pension schemes.

Year ended 31 December 2020	Remuneration £	Fees £	Bonus £	Share Based payment £	Total £
C Moulton	128,539	-	-	51,188	**179,727**
R Gerritsen	-	6,121	-	12,000	**18,121**
G Hancock	-	22,167	-	-	**22,167**
D Maling	10,584	3,000	-	-	**13,584**
D Clarke	-	13,667	-	-	**13,667**
	139,123	**44,955**	**-**	**63,188**	**247,266**

- During the year £179,727 (2019: £118,500) was paid to Craig Moulton in respect of Wages & Salaries and Share based payments. The share based payments include £21,188 for 2,118,750 shares in lieu of director fees and £30,000 for 2,000,000 shares per his employment contract.
- During the year £18,121 (2019: £160,300) was paid to RCA Associates Ltd, a company of which Rolf Gerritsen is a director, in respect of Directors fees, consultancy services & share based payments. The share based payments include £12,000 for 1,200,000 shares in lieu of director fees.
- During the year £22,167 (2019: £26,167) was paid to Hancock Corporate Investments Pty Ltd, a company in which Greg Hancock is a Director, in respect of Directors fees and consultancy services.
- During the year £13,584 (2019: £nil) was paid to Dan Maling, in respect of Wages & Salaries and Directors fees.
- During the year £13,667 (2019: £nil) was paid to The Springton Trust, a trust in which David Clarke is a Trustee, in respect of Directors fees and consultancy services.

Year ended 31 December 2019	Remuneration £	Fees £	Bonus £	Severance £	Total £
C Moulton	25,000	93,500	-	-	**118,500**
R Gerritsen	43,000	117,300	-	-	**160,300**
G Hancock	6,667	9,500	10,000	-	**26,167**
K Watson	-	-	-	21,660	**21,660**
	74,667	**220,300**	**10,000**	**21,660**	**326,627**

- During the year £118,500 (2018: £nil) was paid to Moulton Metals Pty Ltd, a company in which Craig Moulton is a Director, in respect of Directors fees and consultancy services. At the year end, £51,756 is included in trade payables. Of this amount he received 2,118,750 shares in lieu of director fees and 2,500,000 shares per his employment contract.
- During the year £130,300 (2018: £48,000) was paid to RCA Associates Ltd, a company of which Rolf Gerritsen is a director, in respect of Directors fees and consultancy services. During the year £30,000 (2018: £nil) was paid to RCA Associates Ltd, for Rolf Gerritsen's assistance with the acquisition of Lady Alice Mines Pty Ltd.
- During the year £26,167 (2018: £nil) was paid to Hancock Corporate Investments Pty Ltd, a company in which Greg Hancock is a Director, in respect of Directors fees and consultancy services.
- Ken Watson received £13,663 (AUD 25,000) in cash and £7,997 (AUD 15,000) in shares as part of a settlement agreement upon his resignation as Director of the Company.

5. INCOME TAXES

a) Analysis of tax in the period

	31 December 2020 £	31 December 2019 £
Current tax	-	-
Deferred taxation	-	-
	-	-

b) Factors affecting tax charge or credit for the period

The tax assessed on the loss on ordinary activities for the period differs from the standard rate of corporation tax in the UK of 19% (2019: 19%) and Australia of 27.5% (2019: 27.5%). The differences are explained below:

	31 December 2020 £	31 December 2019 £
Loss on ordinary activities before tax	(1,006,750)	(668,900)
Loss multiplied by weighted average applicable rate of tax	(234,069)	(155,915)
Effects of:		
Expenses not deductible for tax		28,923
Losses carried forward not recognised as deferred tax assets	234,069	126,992
	-	-

The weighted average applicable tax rate of 23.25% (2019: 23.25%) used is a combination of the standard rate of corporation tax rate for entities in the United Kingdom of 19% (2019: 19%), and 27.5% (2019: 27.5%)in Australia.

6. EARNINGS PER SHARE

Basic and diluted loss per share is calculated by dividing the loss attributed to ordinary shareholders of £1,006,750 (2019: £668,900 loss) by the weighted average number of shares of 282,956,585 (2019: 67,233,532) in issue during the year.

The basic and dilutive loss per share are the same as the effect of the exercise of share warrants and options would be anti-dilutive.

7. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	Investments	Loans	Total
Company	£	£	£
At 1 January 2020	432,260	-	432,260
At 31 December 2020	432,260	-	432,260

Investments in Group undertakings are stated at cost less impairment. In 2019 the Company acquired 100% of the issued share capital of Lady Alice Mines Pty Ltd and in turn, 100% of the units in the Lady Alice Trust which is wholly owned by Lady Alice Mines Pty Ltd.

At 31 December 2020 the Company held the following interests in subsidiary undertakings, which are included in the consolidated financial statements and are unlisted.

Name of company	Registered office address	Proportion held	Business
Lady Alice Mines Pty Ltd	Level 2, 1-5 Walker Avenue, West Perth, WA, Australia	100%	Mining
Lady Alice Mines Unit Trust[1]	Level 2, 1-5 Walker Avenue, West Perth, WA, Australia	100%	Mining

[1]Lady Alice Mines Unite Trust is a wholly owned entity of Lady Alice Mines Pty Ltd.

8. INTANGIBLE FIXED ASSETS

Intangible assets comprise exploration and evaluation costs. Exploration and evaluation assets are all internally generated except for those acquired at fair value as part of a business combination.

	Total
Group	£
At 1 January 2019	-
Acquired at fair value	606,560
Additions	5,660
At 1 January 2020	612,242
Additions	883,277
At 31 December 2020	1,495,519

	Total
Company	£
At 1 January 2019	-
Acquired at fair value	-
Additions	-
At 1 January 2020	-
Additions	33,251
At 31 December 2020	33,251

8. INTANGIBLE FIXED ASSETS (continued)

As at 31 December 2020 there was £33,251 in drilling services performed and to be settled in shares. The shares were issued post balance date in April 2021. As at 31 December 2020 these drilling services have been recognised as an accrued liability in advance of shares being issued.

The Directors undertook an assessment of the following areas and circumstances that could indicate the existence of impairment:

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

Following their assessment, the Directors concluded that no impairment charge was necessary for the year ended 31 December 2020.

9. PROPERTY, PLANT AND EQUIPMENT – Group and Company

	Office Equipment	Total
2020		
Cost	£	£
At 31 December 2019	4,407	4,407
Additions during the year	-	-
At 31 December 2020	**4,407**	**4,407**
Depreciation		
At 31 December 2019	(979)	(979)
Charge for the year	(1,028)	(1,028)
At 31 December 2020	**(2,007)**	**(2,007)**
Net book value		
At 31 December 2020	**2,400**	**2,400**

2019	**Office Equipment**	**Total**
Cost	£	£
At 31 December 2018	-	-
Additions during the year	4,407	4,407
At 31 December 2019	**4,407**	**4,407**
Depreciation		
At 31 December 2018	-	-
Charge for the year	(979)	(979)
At 31 December 2019	**(979)**	**(979)**
Net book value		
At 31 December 2019	**3,428**	**3,428**

10. TRADE AND OTHER RECEIVABLES

	Group 31 Dec 2020	Group 31 Dec 2019	Company 31 Dec 2020	Company 31 Dec 2019
Current	£	£	£	£
Prepayments	-	32,890	-	32,890
Intercompany debtors	-	-	1,637,335	208,413
Goods & Services Tax	70,266	4,307	-	-
Other debtors	(858)	236	(858)	215
	69,408	37,433	1,636,477	241,518

The fair value of trade and other receivables approximates to their book value. Other classes of financial assets included within trade and other receivables do not contain impaired assets.

The carrying amounts of the Group and Company's trade and other receivables are denominated in the following currencies:

	Group 31 Dec 2020	Group 31 Dec 2019	Company 31 Dec 2020	Company 31 Dec 2019
	£	£	£	£
UK pounds	(858)	33,126	1,636,477	241,518
Australian dollars	70,266	4,307	-	-
	69,408	37,433	1,636,477	241,518

11. CASH AND CASH EQUIVALENTS

	Group 31 Dec 2020	Group 31 Dec 2019	Company 31 Dec 2020	Company 31 Dec 2019
	£	£	£	£
Cash at bank and in hand	1,338,851	7,675	834,164	1,749
	1,338,851	7,675	834,164	1,749

The fair value of cash at bank is the same as its carrying value.

The carrying amounts of the Group and Company's cash and cash equivalents are denominated in the following currencies:

	Group 31 Dec 2020	Group 31 Dec 2019	Company 31 Dec 2020	Company 31 Dec 2019
	£	£	£	£
UK pounds	834,164	1,749	834,164	1,749
Australian dollars	504,687	5,926	-	-
	1,338,851	7,675	834,164	1,749

12. TRADE AND OTHER PAYABLES

	Group 31 Dec 2020	Group 31 Dec 2019	Company 31 Dec 2020	Company 31 Dec 2019
Current	£	£	£	£
Trade creditors	94,985	266,509	35,960	263,473
Share subscriptions paid in advance	-	35,700	-	35,700
GST collected	4,437	3,784	-	-
Accruals and deferred income	59,676	130,559	59,676	123,387
Other payables	10,215	-	-	-
	169,314	436,553	95,636	422,560

The fair value of trade and other payables approximates to their book value.

The carrying amounts of the Group and Company's trade and other payables are denominated in the following currencies:

	Group 31 Dec 2020	Group 31 Dec 2019	Company 31 Dec 2020	Company 31 Dec 2019
	£	£	£	£
UK pounds	95,636	422,560	95,636	422,560
Australian dollars	73,677	13,993	-	-
	169,314	436,553	95,636	422,560

13. DEFERRED CONSIDERATION

2019	Total
Group and Company	£
Amounts payable under business combination	565,552
At 31 December 2019	565,552
Categorised as:	
Current liabilities	215,486
Non-current liabilities	350,066

Refer to note 17 for further detail.

2020	Total
Group and Company	£
Amounts payable under business combination	511,412
At 31 December 2020	511,412
Categorised as:	
Current liabilities	188,721
Non-current liabilities	322,691

During the year 2020, there has been a movement in the Deferred Consideration of £54,140. The movement is a reflection of the Consideration shares paid to the previous Lady Alice Mines unit holders as agreed upon at time of acquisition, and a revised to the value of contingent consideration based on a revision to the underlying assumptions used in determining estimated value. The Deferred consideration as at 31 December 2020 of £511,412, reflects the amount still outstanding.

Movements for the year	Total
	£
At 31 December 2019	565,552
Consideration paid during the year	(215,486)
Change in estimate of contingent consideration	161,346
At 31 December 2020	511,412

Refer to note 17 for further detail.

14. SHARE CAPITAL

	Dec 2020 Number of shares	Dec 2020 £	Dec 2019 Number of shares	Dec 2019 £
Issued, called up and fully paid				
Ordinary shares of £0.01	282,956,585	2,829,565	67,233,532	672,335
Total	282,956,585	2,829,565	67,233,532	672,335

As at 31 December 2020 the Company had 127,796,891 warrants outstanding (2019: 63,351,916).

Each ordinary share is entitled to one vote in any circumstances. Each ordinary share is entitled pari passu to dividend payments or any other distribution and to participate in a distribution arising from a winding up of the Company.

15. SHARE BASED PAYMENTS

2020

Warrants

	Warrants Number	Weighted average exercise price
Warrants at 31 December 2019	63,351,916	0.02p
Granted during year	109,374,168	0.03p
Exercised during year	(29,812,693)	0.02p
Lapsed during year	(15,116,500)	0.02p
Warrants at 31 December 2020	127,796,891	0.02p
Exercisable at year end	127,796,891	0.02p

At 31 December 2020 the weighted average remaining contractual life of the warrants outstanding was 1.39 years.

2019

Warrants

	Warrants Number	Weighted average exercise price
At incorporation	-	-
Issued during the year	63,351,916	0.02p
Warrants at 31 December 2018	63,351,916	0.02p
Warrants at 31 December 2019	63,351,916	0.02p
Exercisable at year end	63,351,916	0.02p

At 31 December 2019 the weighted average remaining contractual life of the warrants outstanding was 1 year.

2020

Options

	Options Number	Weighted average exercise price
Options at 31 December 2019	1,344,672	0.015p
Issued during the period	15,000,000	0.033p
Exercised during the year	(672,336)	0.015p
Options at 31 December 2020	15,672,336	0.033p
Exercisable at year end	672,336	0.015p

At 31 December 2020 the weighted average remaining contractual life of the options outstanding was 4.43 years.

2019

Options

	Options Number	Weighted average exercise price
At incorporation	-	-
Issued during the year	-	-
Options at 31 December 2018	-	-
Issued during the period	1,344,672	0.015p
Options at 31 December 2019	1,344,672	0.015p
Exercisable at year end	672,336	0.015p

At 31 December 2019 the weighted average remaining contractual life of the options outstanding was 3 years.

The fair value of equity settled share options and warrants granted is estimated at the date of grant using a Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model:

	Options	Warrants	Warrants
Date of grant	14 July 2020	16 January 2020	29 October 2020
Expected volatility	94.59%	23.39%	108.75%
Expected life	5	2	2
Risk-free interest rate	0.10%	0.75%	0.10%
Expected dividend yield	0.00%	0.00%	0.00%
Fair value per option/warrant	£0.008	£0.0003	£0.014

16. FINANCIAL INSTRUMENTS

	Group 31 Dec 2020	Group 31 Dec 2019	Company 31 Dec 2020	Company 31 Dec 2019
	£	£	£	£
Financial assets at amortised cost				
Trade and other receivables excluding prepayments	69,408	4,543	1,636,477	208,628
Cash and cash equivalents	1,338,851	7,675	834,164	1,749
	1,408,259	12,218	2,470,641	210,377
Financial liabilities				
Trade and other payables (at amortised cost)	(109,638)	(305,993)	(35,960)	(299,173)
Deferred consideration (at FVPL)	(511,412)	(565,552)	(511,412)	(565,552)
	(621,050)	(871,545)	(547,372)	(864,725)

17. BUSINESS COMBINATION

Lady Alice Mines Pty Ltd

On 7 March 2019, the Company acquired 100% of the share capital of Lady Alice Mines Pty Ltd ('LAM') and its wholly owned subsidiary The Lady Alice Trust (the 'Trust'), for total consideration of £432,262 which is to be satisfied via a mix of cash and share consideration which is shown below. In addition, the Company agreed to settle existing liabilities due to unitholders of the Trust of up to A$250,000. The share based payment consideration was settled on 16 January 2020 upon the successful re-admission to the London's Stock Exchange Main Market. 10,815,297 shares were issued at a close price of 1.25p.

The Trust has an entitlement to earn a 75% equity interest in tenements near Wudinna in South Australia for gold exploration (the 'Wudinna Agreement'), and is also the sole owner of the right, title and interest in the Prince Alfred Licence, a formerly producing copper mine.

The principal terms of the Wudinna Agreement are as follows:

- Stage 1: the Trust will fund A$2.1 million within three years to earn a 50% equity position
- Stage 2: at the completion of Stage 1, a joint venture vehicle can be formed, or alternatively the Trust can spend a further A$1.65 million over an additional two years to earn a 65% equity interest
- Stage 3: at the completion of Stage 2, a joint venture vehicle can be formed, or alternatively the Trust can spend a further A$1.25 million within one year to earn a 75% equity interest

The contingent consideration is due to the unitholders on satisfying the following project milestones:

- First Option - 14% of the total issued share capital on completion of Stage 1
- Second Option - 21% of the total issued share capital on completion of Stage 2
- Third Option - 30,000,000 ordinary shares on announcement of a JORC-compliant Indicated Mineral Resource for the Wudinna Project of not less than 750,000 ounces of gold

The Directors have calculated the consideration payable on a probability basis of satisfying the project milestones in accordance with IFRS 3 Business Combinations. The Directors have also estimated the number of shares to be issued at each milestone and the share price. This has been fixed at the number of consideration shares issued at the time of the RTO and the share price at that time. Management believe this is a best estimate.

17. BUSINESS COMBINATION (continued)

The following table summarises the consideration paid for LAM and the values of the assets and equity assumed at the acquisition date.

Total consideration	£
Cash	553
Share based payments at RTO	135,191
Contingent consideration	296,536
	432,262

Recognised amounts of assets and liabilities acquired	£
Cash and cash equivalents	12,169
Exploration assets (note 8)	606,560
Trade and other payables	(186,467)
Total identifiable net assets	**432,262**

18. RELATED PARTY TRANSACTIONS

Save as disclosed below there were no related party transactions during the year other than remuneration to Directors disclosed in note 4.

During the year, the Group paid £6,928 in respect of rent to AusQuest, a company in which Gregory Hancock is a Director.

During the year, the Group paid £21,300 in respect of project management services to Orana Corporate LLP, a company in which Daniel Maling is a Partner.

As at 31 December 2020, included in the other receivables is £1,637,335 due from Lady Alice Mines Pty Ltd, a subsidiary company. The loan is interest free and repayable on demand.

19. POST YEAR END EVENTS

On 11 January 2021, the Company issued a total of 32,383,152 new ordinary shares pursuant to completion of Stage 1 earn-in of the Wudinna Gold Project, with 31,049,819 shares at 2.4 pence per share being issued in accordance with the acquisition agreement to the vendors of Lady Alice Trust and Lady Alice Mines Pty Ltd, and 1,333,333 shares at 1.5 pence per share issued to the Company's CEO in accordance with the terms of his service agreement.

On 28 January 2021, the Company issued 1,934,800 new ordinary shares pursuant to the exercise of warrants, with 934,800 shares at a price of 3 pence per share and 1,000,000 shares at a price of 2 pence per share.

On 18 and 19 of February 2021, the Company issued 2,333,334 new ordinary shares and 1,666,667 new ordinary shares respectively, at 2 pence per share, pursuant to the exercise of warrants.

On 29 April 2021, the Company issued a total of 7,110,053 new ordinary shares, with 5,664,340 shares being issued at 1 pence per share to the vendors of Lady Alice Trust and Lady Alice Mines Pty Ltd in accordance with the acquisition agreement for the Wudinna Gold Project, and 1,445,713 shares at 2.3 pence per share to a drilling contractor in settlement of a contractual agreement in respect of the provision of service.

20. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.