

AIM: JAY



Bluejay Mining plc / EPIC: JAY / Market: AIM / Sector: Mining

29 September 2023

## **Bluejay Mining plc ('Bluejay' or the 'Company') Interim Results**

Bluejay Mining plc, the AIM and FSE listed, and OTCQB traded, exploration company with projects in Greenland and Finland, is pleased to announce its Interim Results for the six months ended 30 June 2023 (the 'Period').

### **Highlights in H1 2023**

- Executive Chairman, Robert Edwards, released a strategic review of Bluejay and its current portfolio of assets and new development strategy
- Positive results from the 2022 airborne geophysical survey at Kangerluarsuk refined existing suite of drill-ready targets
- Drill programme at Enonkoski consisting of follow-up drilling at the Laukunlampi target
- Drilling commenced at Hammaslahti with assays underway
- £1.3 million (US\$1.65 million) raised through the issuance of shares to new and existing shareholders primarily for the advancement of Hammaslahti

### **Post Period**

- Finland strategy update where Bluejay retains 100% of Enonkoski Project
- Director equity subscription of £30,000
- Metals One commences trading on AIM
- Placing to raise £600,000
- Dundas project no longer deemed core to Bluejay portfolio
- Supportive analytical results from the 2022 field-season at Disko

### **Chairman's Statement**

The half year under review saw the Company assess its strategy, and upon further reflection of the relative merits of the assets within the portfolio and the results achieved to date, Bluejay aligned its focus on those assets that it felt offered the best risk/reward profile, of particular importance in a market environment that is not cyclically supportive for mineral explorers and developers. Our key objective is to enhance shareholder value by developing commercial critical mineral discovery opportunities in Greenland and Finland. I am both encouraged and assured in the knowledge that Bluejay is

fortunate to have more than one opportunity within its current asset base to achieve this. Realising value from such world class prospects like the Disko-Nuussuaq Nickel-Copper-Cobalt-Platinum Group Metals Joint Venture ('JV') Project ('Disko') with KoBold Metals and the Kangerluarsuk Zinc-Lead-Silver±Cu-Ge Project ('Kangerluarsuk') in Greenland, and the "re-discovery" of previously exploited licences like the Hammaslahti Copper-Zinc-Silver-Gold Project ('Hammaslahti'), the Enonkoski Nickel-Copper-Cobalt Project ('Enonkoski') and the Outokumpu Copper-Nickel-Cobalt-Zinc-Gold-Silver Project in Finland are all opportunities which we aim to demonstrate. We are, by definition of our broad base and critical metals exposure, now very much part of the energy transition value chain. This in itself can and will illicit very capable and credible partners given the global focus on security of supply of such elements. Whilst we retain exposure to ilmenite (titanium feedstock) through our ownership of the Dundas Ilmenite (Titanium) Project ('Dundas'), this can now be considered "non-core". We can only express regret that this clarity was not achieved earlier in the life of the project, but studies needed to be concluded in order to determine whether the project would work economically or not.

During our strategic review published in February 2023, both Kangerluarsuk and Hammaslahti (both 100% held by Bluejay) strongly met the technical criteria to be able to drive shareholder value within a relatively short time frame. We can report that we were able to progress one of these projects in the period under review.

Following the publication of positive results from the previous year's airborne survey and the release of a detailed technical presentation for Bluejay's exciting Kangerluarsuk Project, where we believe that we are dealing with a large-scale mineralised system, the prospect of conducting a maiden drill campaign was compelling. Historical chip sample results of 41.1% zinc and 45.5% lead and grab samples of 9.3% lead, 1.2% copper and 596 grams per tonne ('g/t') silver confirm that we have a very high potential district under our control, hosting what we believe to be a major palaeoproterozoic sedimentary basin immediately to the house and hosted within this basin is the former Black Angel Zinc-Lead-Silver Mine. This mine produced 11 million tonnes of ore grading at 12.6% zinc, 4.1% lead and 29 g/t silver for its former operators, Cominco (now Teck Resources) and Boliden.

In addition, the Geological Survey of Denmark and Greenland ('GEUS') has acknowledged Kangerluarsuk as containing the strongest cluster of stream sediment zinc anomalies in Greenland, with samples up to 2,200 parts per million zinc.

Sadly, unseasonal weather constraints prevented the commencement of the field-season as we would have wished. Nonetheless, and as a direct demonstration of our portfolio's flexibility, the Company was subsequently able to pivot greater operational focus onto Hammaslahti, and our other brownfield assets in Finland.

Previous work conducted by the Company several years ago delineated the high potential E-lode which is located parallel to historical mine workings. Historically, Hammaslahti produced a total of seven million tonnes of high-grade copper-zinc-silver-gold ore between 1971 and 1986, with all ore lodes remaining open at depth. The discovery and expansion of E-lode makes for a compelling exploration and development platform. At the end of May, the Company commenced drilling at Hammaslahti. A 2,000 metre ('m') drill programme conducted on the E-Lode confirmed the continuity of the high-grade copper-zinc-silver-gold ore lode. Further indication of the high-grade mineralisation present at Hammaslahti is the presence of polymetallic mineralisation which is interpreted to be a partially re-mobilised volcanogenic massive sulphide ('VMS'). The historical high-grade production, coupled with the presence of polymetallic mineralisation, indicates the potential of the project to enhance shareholder value, in accordance with the Company's new strategy. Elsewhere in Finland at Enonkoski, a total of 951m was drilled out of the planned 1,000-1,500m campaign, and was followed-up by another drilling programme consisting of a single drill depth of 400m targeting the Laukunlampi intrusion all funded by our then partner, Rio Tinto. However, post period end, the JV agreement with Rio-Tinto at Enonkoski ended, with Bluejay retaining 100% of the project. The JV enabled Bluejay to significantly advance its knowledge of the project through US\$4.65 million in exploration expenditure and it has opened up the potential of targets along the Enonkoski belt. Specifically, the Company, when appropriate, will focus on assessing the wealth of the as-yet-untested targets at Makkola.

In addition, as part of our strategic review, Outokumpu was deemed a potentially short term value producing prospect. Bluejay recently increased its licence areas and is now the largest landholder on the highly prospective Outokumpu belt, that hosts three past producing high-grade, polymetallic mines. Low-cost ground gravity and magnetic surveys are the next stage of work to be completed, after which Bluejay will develop an optimal strategy for development. Low-cost ground gravity and magnetic

surveys to progress the high-priority Haapovaara target are the next stage of work to be completed, subject to funding, after which Bluejay will develop an optimal strategy for the development of the project. Haapovaara is located only a few kilometres along strike, to the North East, of Boilden's Kylylahti Mine. The target is coincident with two gravity highs in existing regional gravity data that have never been drill tested.

In the post period the conditional divestment of the Company's Black-Shales assets to Metals One was concluded with the successful IPO of Metals One plc, in which Bluejay is now a significant equity investor holding c. 29% of the listed equity.

Moving forward in 2023 and into 2024, Bluejay will continue to use its new strategy to explore and develop its projects with the aim to increase their value to, in turn, maximise value for its shareholders.

## Financial

In February, Bluejay announced an equity subscription where up to US\$6 million would be received from Towards Net Zero ('TNZ'), consisting of three tranches of US\$2 million. However, shortly following the receipt of the first tranche, the Company took the decision with the pragmatic agreement from TNZ, to terminate the arrangement. The decision to return US\$2 million of capital in April 2023 was not taken lightly but was driven by the view that the original benefits of the structure were outweighed by the risks created by entering into it in the first place, and a simpler funding route was pursued thereafter.

In June 2023, following the unforeseen weather conditions that prevented workable access to Kangerluarusuk, the Company successfully raised £1.3 million in new equity from new, and importantly, existing shareholders, to instead further the development of Hammaslahti. These funds immediately went towards finalising a Mineral Resources Estimate ('MRE') on Hammaslahti's E-Lode as well as general corporate purposes. At this time, executive management agreed to take significant cuts to salaries and non-executive directors have taken no fees whatsoever in the form of cash or shares. This was followed in the post period with a further capital increase raising £600,000 to ensure that the Company is best positioned to ensure it can deliver on its strategy for the second half of 2023, setting us up for what we believe could be a transformational 2024. Bluejay has received credit notes from some suppliers that were paid during the period under review but for which Bluejay could not take delivery of goods or services due to delayed exploration programmes. The Company continues to scrutinise its cost base and have cut costs wherever possible without damaging the core technical competencies of the business.

With respect to the recent management and Board decision to curtail activities at Dundas, the obligatory impairment test will be carried out on Dundas at the appropriate time to determine the extent, if any, of any impairment that is due. In the interim and in line with our public disclosure, the Company will seek commercial alternatives for the project and will be better placed to make a judgement on book value once this initiative has been progressed.

## Outlook

The first half of the year marked a significant change in strategy for the Company. One that I have no doubt in my mind will take Bluejay on an upward trajectory. We still find ourselves at the early stages of the shift, but we are already realising the value it is creating. Value that will continue to grow as we continue to implement our new ideas.

Although the strategy has taken a new turn, the metals in which our portfolio of projects are associated with continue to be essential to the global energy transition and the jurisdictions in which they are found continue to be world class. With all of this considered, Bluejay is still extremely well positioned to deliver on its strategy.

Prior to our JV with Rio Tinto, Enonkoski was one of the least visible projects within Bluejay's portfolio. The value in which that partnership has provided means the Company now has a project that is significantly further up the value curve, and one where it can utilise its own inhouse expertise to further develop.

These in house expertise are currently being deployed at Hammaslahti, where we believe the development of a MRE is the first milestone of many, as we continue to seek short term value creating

opportunities. Kangerluarsuk is another short term value creating opportunity for the Company and remains a high priority with planning activities aiming for exploration at the project in 2024 underway.

Our ability to pivot and focus on other promising projects when events arise that are out of our control speaks volumes of the strength of Bluejay's project portfolio.

The updated results at Disko increase our confidence that the Company is in possession of a potential world class asset and we will know more in 2024.

Bluejay is progressing positive discussions with four strategic entities with complimentary attributes which we believe have the ability to strengthen both the financial and technical capabilities of the business as we explore and develop our portfolio of projects. This is aimed to both financially de-risk the business as well as create a unique and powerful combination of skills. Despite the positive discussions, and as previously mentioned, there can be no certainty that any binding agreements will be entered into, although we hope to conclude at least one of these before the end of the year.

As always, I would like to thank those who have supported the Company both internally and externally, as we continue to steer Bluejay in a direction that should see significant progression across the entire business. The rest of the year will see us deliver further on our strategic goals, as we ensure the Company is well positioned going into 2024. I look forward to updating shareholders in that respect.

**Robert Edwards**  
**Non-Executive Chairman**

#### **Market Abuse Regulation (MAR) Disclosure**

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018.

For further information please visit [www.bluejaymining.com](http://www.bluejaymining.com) or contact:

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**Robert Edwards** – Executive Chairman  
**Dr Bo Møller Stensgaard** – Chief Executive Officer  
**Mike Hutchinson** – Non Executive Director  
**Peter Waugh** – Non Executive Director

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	6 months to 30 June 2023 Unaudited £	6 months to 30 June 2022 Unaudited (Restated <sup>(1)</sup> ) £
<b>Continuing operations</b>			
Revenue		-	-
Cost of sales		(32,033)	-
<b>Gross (loss)</b>		<b>(32,033)</b>	<b>-</b>
Administration expenses		(932,792)	(868,573)
Other gains		34,467	25,624
Foreign exchange		(70,355)	(15,828)
<b>Operating loss</b>		<b>(1,000,713)</b>	<b>(858,777)</b>
Other income	8	165,851	836,361
Net finance income/(expense)		7,372	(887)
Increase in share of net assets on joint venture	7	177,810	555,803
Share of (losses) from joint venture	7	(9,455)	(7,776)
<b>(Loss)/Profit before income tax</b>		<b>(659,135)</b>	<b>524,724</b>
Income tax expense		-	-
<b>(Loss)/Profit for the period</b>		<b>(659,135)</b>	<b>524,724</b>
<b>Other comprehensive income</b>			
<b>Items that may be reclassified to profit or loss</b>			
Currency translation differences		(906,600)	521,187
<b>Total comprehensive (loss)/profit for the period</b>		<b>(1,565,735)</b>	<b>1,045,911</b>
<b>Earnings per share from continuing operations attributable to the equity owners of the parent</b>			
Basic and diluted (pence per share)	9	(0.06)p	0.05p

<sup>(1)</sup> Refer to Note 7

## CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	30 June 2023 Unaudited £	31 December 2022 Audited £	30 June 2022 Unaudited (Restated <sup>(1)</sup> ) £
<b>Non-current assets</b>				
Property, plant and equipment	5	1,582,916	1,718,337	1,874,805
Intangible assets	6	33,740,931	31,850,128	28,471,523
Investments in Joint Venture	7	4,609,875	4,470,787	2,633,172
		<b>39,933,722</b>	<b>38,039,252</b>	<b>32,979,500</b>
<b>Current assets</b>				
Trade and other receivables		1,561,964	995,129	841,338
Cash and cash equivalents		80,964	1,996,957	4,950,800
		<b>1,642,928</b>	<b>2,992,086</b>	<b>5,792,138</b>
<b>Total assets</b>		<b>41,576,650</b>	<b>41,031,338</b>	<b>38,771,638</b>
<b>Non-current liabilities</b>				
Deferred tax liabilities		496,045	496,045	496,045
		<b>496,045</b>	<b>496,045</b>	<b>496,045</b>
<b>Current liabilities</b>				
Trade and other payables		1,144,753	524,286	495,092
		<b>1,144,753</b>	<b>524,286</b>	<b>495,092</b>
<b>Total liabilities</b>		<b>1,640,798</b>	<b>1,020,331</b>	<b>991,137</b>
<b>Net assets</b>		<b>39,935,852</b>	<b>40,011,007</b>	<b>37,780,501</b>
<b>Capital and reserves attributable to equity holders of the Company</b>				
Share capital		7,493,002	7,492,041	7,492,041
Share premium		61,083,615	60,903,995	60,903,995
Shares to be issued	11	1,310,000	-	-
Other reserves		(6,541,770)	(5,635,169)	(6,692,087)
Retained losses		(23,408,995)	(22,749,860)	(23,923,448)
<b>Total equity</b>		<b>39,935,852</b>	<b>40,011,007</b>	<b>37,780,501</b>

<sup>(1)</sup> Refer to Note 7

## CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Share capital £	Share premium £	Shares to be issued £	Other reserves £	Retained losses £	Total £
<b>Balance as at 1 January 2022</b>	<b>7,484,355</b>	<b>55,705,882</b>	<b>-</b>	<b>(7,213,274)</b>	<b>(24,448,172)</b>	<b>31,528,791</b>
Loss for the period	-	-	-	-	(1,588,679)	(1,588,679)
<b>Other comprehensive income for the year</b>						
<b>Items that may be subsequently reclassified to profit or loss</b>						
Currency translation differences	-	-	-	521,187	-	521,187
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>521,187</b>	<b>(1,588,679)</b>	<b>(1,067,492)</b>

Proceeds from share issues	7,686	5,372,313	-	-	-	5,379,999
Issue costs	-	(174,200)	-	-	-	(174,200)
<b>Total transactions with owners, recognised in equity</b>	<b>7,686</b>	<b>5,198,113</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,205,799</b>
<b>Balance as at 30 June 2023</b> (as reported in 2022 interims)	<b>7,492,041</b>	<b>60,903,995</b>	<b>-</b>	<b>(6,692,087)</b>	<b>(26,036,851)</b>	<b>35,667,098</b>
Prior year adjustment (note 7)	-	-	-	-	2,113,403	2,113,403
<b>Balance as at 30 June 2022 (Restated <sup>(1)</sup>)</b>	<b>7,492,041</b>	<b>60,903,995</b>	<b>-</b>	<b>(6,692,087)</b>	<b>(23,923,448)</b>	<b>37,780,501</b>
<b>Balance as at 1 January 2023</b>	<b>7,492,041</b>	<b>60,903,995</b>	<b>-</b>	<b>(5,635,169)</b>	<b>(22,749,860)</b>	<b>40,011,007</b>
Loss for the period	-	-	-	-	(659,135)	(659,135)
<b>Other comprehensive income for the year</b>						
<b>Items that may be subsequently reclassified to profit or loss</b>						
Currency translation differences	-	-	-	(906,600)	-	(906,600)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(906,600)</b>	<b>(659,135)</b>	<b>(1,565,735)</b>
Proceeds from share issues	580	-	-	-	-	580
Share based payment	380	179,620	10,000	-	-	190,000
Shares to be issued (refer to Note 11)	-	-	1,300,000	-	-	1,300,000
<b>Total transactions with owners, recognised in equity</b>	<b>960</b>	<b>179,620</b>	<b>1,310,000</b>	<b>-</b>	<b>-</b>	<b>1,490,580</b>
<b>Balance as at 30 June 2023</b>	<b>7,493,002</b>	<b>61,083,615</b>	<b>1,310,000</b>	<b>(6,541,770)</b>	<b>(23,408,995)</b>	<b>39,935,852</b>

<sup>(1)</sup> Refer to Note 7

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6 months to 30 June 2023 Unaudited £	6 months to 30 June 2022 Unaudited (Restated <sup>(1)</sup> ) £
<b>Cash flows from operating activities</b>		
(Loss)/Profit before taxation	(659,135)	524,724
Adjustments for:		
Depreciation	178,286	183,963
Share based payments	180,000	-
Loss on sale of property, plant and equipment	4,706	-
Net finance (costs)/income	(7,372)	887
Foreign exchange loss/(gain)	(40,642)	-
Share of loss from JV	7	9,455
Increase in share of net asset on joint venture	7	(148,543)
Decrease/(Increase) in trade and other receivables	738,165	(187,438)
Increase/(Decrease) in trade and other payables	621,438	(637,182)
<b>Net cash generated/(used in) from operations</b>	<b>876,358</b>	<b>(663,073)</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(90,228)	(243,514)
Proceeds from sale of property, plant and equipment	(49)	24,119
Interest received	6,378	634
Purchase of intangible assets	(2,759,158)	(2,075,719)
<b>Net cash (used in) investing activities</b>	<b>(2,843,057)</b>	<b>(2,294,480)</b>
<b>Cash flows from financing activities</b>		
Proceeds from share issues	580	5,380,000

Cost of share issues		-	(174,330)
Interest paid		(10)	(95)
Proceeds from borrowings	10	1,647,616	-
Repayment of borrowings	10	(1,601,973)	-
<b>Net cash used in financing activities</b>		<b>46,213</b>	<b>5,205,575</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(1,920,486)</b>	<b>2,248,022</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>1,996,957</b>	<b>2,701,792</b>
Exchange gains on cash and cash equivalents		4,493	986
<b>Cash and cash equivalents at end of period</b>		<b>80,964</b>	<b>4,950,800</b>

<sup>(1)</sup> Refer to Note 7

## NOTES TO THE INTERIM FINANCIAL STATEMENTS

### 1. General Information

The principal activity of Bluejay Mining plc (the 'Company') and its subsidiaries (together the 'Group') is the exploration and development of precious and base metals. The Company's shares are listed on the AIM Market of the London Stock Exchange ('AIM'), the Frankfurt Stock Exchange and the OTCQB exchange. The Company is incorporated and domiciled in the UK.

The address of its registered office is 6 Heddon Street, London, W1B 4BT.

### 2. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2022. The interim financial statements have been prepared in accordance with UK adopted International Accounting Standards.

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of UK adopted International Accounting Standards.

Statutory financial statements for the year ended 31 December 2022 were approved by the Board of Directors on 29 June 2023 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified with material uncertainty related to going concern.

#### *Going concern*

The Consolidated Financial Statements have been prepared on a going concern basis. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement and the Strategic Report.

As at 30 June 2023, the Group had cash and cash equivalents of £80,964, which did not include the £1.3 million (gross) from the placing announced on 28 June 2023 and was received post-period end. The Directors have prepared cash flow forecasts to 30 September 2024, which take account of the cost and operational structure of the Group and parent company, planned exploration and evaluation expenditure, licence commitments and working capital requirements. These forecasts indicate that the Group and parent company's cash resources are not sufficient to cover the projected expenditure for the period for a period of 12 months from the date of approval of these financial statements. These forecasts indicate that the Group and parent company, in order to meet their operational objectives, and meets their expected liabilities as they fall due, will be required to raise additional funds within the next 12 months.

In common with many exploration and evaluation entities, the Company will need to raise further funds within the next 12 months in order to meet its expected liabilities as they fall due, and progress the Group into definitive feasibility and then into construction and eventual production of revenues. The Directors are confident in the Company's ability to raise additional funds as required, from existing and/or new investors, within the next 12 months. The Company has demonstrated its access to financial resources, as evidenced by the successful



completion of a Placing in July 2023 raising gross proceeds of £1.3 million and August raising gross proceeds of £600,000.

Given the Group and parent company's current cash position and its demonstrated ability to raise capital, the Directors have a reasonable expectation that the Group and parent company has adequate resources to continue in operational existence for the foreseeable future.

Notwithstanding the above, these circumstances indicate that a material uncertainty exists that may cast significant doubt on the Group and parent company's ability to continue as a going concern and, therefore, that the Group and parent company may be unable to realise their assets or settle their liabilities in the ordinary course of business. As a result of their review, and despite the aforementioned material uncertainty, the Directors have confidence in the Group and parent company's forecasts and have a reasonable expectation that the Group and parent company will continue in operational existence for the going concern assessment period and have therefore used the going concern basis in preparing these consolidated and parent company financial statements.

#### *Risks and uncertainties*

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2022 Annual Report and Financial Statements, a copy of which is available on the Company's website: [www.bluejaymining.com](http://www.bluejaymining.com). The key financial risks are liquidity risk, credit risk, interest rate risk and fair value estimation.

#### *Critical accounting estimates*

The preparation of condensed consolidated interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in Note 4 of the Group's 2022 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period.

### **3. Accounting Policies**

Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed consolidated interim financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 31 December 2022.

#### **3.1 Changes in accounting policy and disclosures**

##### *(a) Accounting developments during 2023*

The International Accounting Standards Board (IASB) issued various amendments and revisions to International Financial Reporting Standards and IFRIC interpretations. The amendments and revisions were applicable for the period ended 30 June 2023 but did not result in any material changes to the financial statements of the Group or Company.

##### *(b) New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted*

Standards, amendments and interpretations that are not yet effective and have not been early adopted are as follows:

<b>Standard</b>	<b>Impact on initial application</b>	<b>Effective date</b>
IAS 1	Classification of Liabilities as Current or Non-Current.	1 January 2024

The Group is evaluating the impact of the new and amended standards above which are not expected to have a material impact on the Group's results or shareholders' funds.

### **4. Dividends**

No dividend has been declared or paid by the Company during the six months ended 30 June 2023 (2022: £nil).

## 5. Property, plant and equipment

	Software £	Machinery & equipment £	Office equipment £	Right of use assets £	Total £
<b>Cost</b>					
<b>As at 1 January 2022</b>	<b>53,817</b>	<b>3,203,738</b>	<b>76,155</b>	<b>-</b>	<b>3,333,710</b>
Additions	-	237,141	6,373	-	243,514
Disposals	-	(45,693)	-	-	(45,693)
Exchange Differences	-	71,389	-	-	71,389
<b>As at 30 June 2022</b>	<b>53,817</b>	<b>3,466,575</b>	<b>82,528</b>	<b>-</b>	<b>3,602,920</b>
<b>As at 1 July 2022</b>	<b>53,817</b>	<b>3,466,575</b>	<b>82,528</b>	<b>-</b>	<b>3,602,920</b>
Additions	7,417	1,171	1,697	-	10,285
Disposals	-	(90,643)	-	-	(90,643)
Exchange Differences	-	94,917	266	-	95,183
<b>As at 31 December 2022</b>	<b>61,234</b>	<b>3,472,020</b>	<b>84,491</b>	<b>-</b>	<b>3,617,745</b>
<b>As at 1 January 2023</b>	<b>61,234</b>	<b>3,472,020</b>	<b>84,491</b>	<b>-</b>	<b>3,617,745</b>
Additions	-	79,229	10,999	-	90,228
Disposals	(43,819)	(17,390)	(39,507)	-	(100,716)
Exchange Differences	-	(95,900)	(179)	-	(96,079)
<b>As at 30 June 2023</b>	<b>17,415</b>	<b>3,437,959</b>	<b>55,804</b>	<b>-</b>	<b>3,511,178</b>
<b>Depreciation</b>					
<b>As at 1 January 2022</b>	<b>45,381</b>	<b>1,432,010</b>	<b>53,940</b>	<b>-</b>	<b>1,531,331</b>
Charge for the year	4,147	173,809	6,007	-	183,963
Disposals	-	(21,574)	-	-	(21,574)
Exchange differences	-	34,395	-	-	34,395
<b>As at 30 June 2022</b>	<b>49,528</b>	<b>1,618,640</b>	<b>59,947</b>	<b>-</b>	<b>1,728,115</b>
<b>As at 1 July 2022</b>	<b>49,528</b>	<b>1,618,640</b>	<b>59,947</b>	<b>-</b>	<b>1,728,115</b>
Charge for the year	4,288	176,593	4,870	-	185,751
Disposals	-	(66,251)	-	-	(66,251)
Exchange differences	-	51,444	349	-	51,793
<b>As at 31 December 2022</b>	<b>53,816</b>	<b>1,780,426</b>	<b>65,166</b>	<b>-</b>	<b>1,899,408</b>
<b>As at 1 January 2023</b>	<b>53,816</b>	<b>1,780,426</b>	<b>65,166</b>	<b>-</b>	<b>1,899,408</b>
Charge for the year	3,499	167,381	4,818	-	175,698
Disposals	(43,819)	(14,886)	(37,354)	-	(96,059)
Exchange differences	-	(50,785)	-	-	(50,785)
<b>As at 30 June 2023</b>	<b>13,496</b>	<b>1,882,136</b>	<b>32,630</b>	<b>-</b>	<b>1,928,262</b>
<b>Net book value as at 30 June 2022</b>	<b>4,289</b>	<b>1,874,935</b>	<b>22,581</b>	<b>-</b>	<b>1,874,805</b>
<b>Net book value as at 31 December 2022</b>	<b>7,418</b>	<b>1,691,594</b>	<b>19,325</b>	<b>-</b>	<b>1,718,337</b>
<b>Net book value as at 30 June 2023</b>	<b>3,919</b>	<b>1,555,823</b>	<b>23,174</b>	<b>-</b>	<b>1,582,916</b>

## 6. Intangible Assets

Intangible assets comprise exploration and evaluation costs and goodwill. Exploration and evaluation costs comprise acquired and internally generated assets.

Cost and Net Book Value	Exploration & evaluation assets £
Balance as at 1 January 2022	27,922,589
Exchange rate movements	558,362

Additions	2,075,719
Licenses transferred to JV at NBV	(2,085,147)
<b>As at 30 June 2022</b>	<b>28,471,523</b>
Balance as at 1 July 2022	28,471,523
Additions	2,668,971
Exchange rate movements	709,634
<b>As at 31 December 2022</b>	<b>31,850,128</b>
Balance as at 1 January 2023	31,850,128
Additions	2,759,158
Exchange rate movements	(868,355)
<b>As at 30 June 2023</b>	<b>33,740,931</b>

## 7. Investments in Joint Venture

During the 2021 financial year, Disko Exploration Ltd entered into a joint venture agreement with Kobold Metals to drill in Greenland for critical materials used in electric vehicles. On 1 February 2022, the joint venture company, Nikkeli Greenland AS (“Nikelli”), was incorporated and the specific licences were transferred to Nikkeli.

Name	Country of incorporation	Proportion of ownership interest held	
		30 June 2023	30 June 2022
Nikkeli Greenland A/S	Greenland	49%	49%

	£
Interest in joint venture	2,085,147
Share of loss in joint venture	(7,776)
Increase in share of net asset	555,801
<b>As at 30 June 2022 (Restated <sup>(1)</sup>)</b>	<b>2,633,172</b>
<b>As at 1 July 2022 (Restated <sup>(1)</sup>)</b>	<b>2,633,172</b>
Share of loss in joint venture	(64,180)
Increase in share of net asset	1,901,795
<b>As at 31 December 2022</b>	<b>4,470,787</b>
<b>As at 1 January 2023</b>	<b>4,470,787</b>
Share of loss in joint venture	(9,455)
Foreign exchange differences	(29,267)
Increase in share of net asset	177,810
<b>As at 30 June 2023</b>	<b>4,609,875</b>

## Summarised financial information

Nikkeli Greenland A/S	6 months to 30 June 2023 Unaudited	6 months to 30 June 2022 Unaudited Restated <sup>(1)</sup>
	£	£
Current assets	2,480	611,633
Non-current assets	9,513,942	5,360,158
Current liabilities	108,515	597,970
	<b>9,407,907</b>	<b>5,373,821</b>

	6 months to 30 June 2023 Unaudited	6 months to 30 June 2022 Unaudited Restated <sup>(1)</sup>
	£	£
Revenues	-	-
(Loss) after tax from continuing operations	(19,296)	(7,776)
	<b>(19,296)</b>	<b>(7,776)</b>
	6 months to 30 June 2023 Unaudited	6 months to 30 June 2022 Unaudited Restated <sup>(1)</sup>
	£	£
<b>Opening net assets</b>	<b>9,124,054</b>	-
Assets acquired during the period	353,037	5,381,597
Loss for the period	(9,455)	(7,776)
Other comprehensive income	-	-
Foreign exchange differences	(59,729)	-
<b>Closing net assets</b>	<b>9,407,907</b>	<b>5,373,821</b>
Interest in joint venture at 49%	4,609,875	2,633,172
<b>Carrying value</b>	<b>4,609,875</b>	<b>2,633,172</b>

The financial statements of the JV are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group. This adjustment is retrospective and therefore an amendment has been made to the prior year interim figures to bring them in line with the equity method accounting policy adopted in the Financial Statements for the year end 31 December 2022.

Increase in share of net assets is a non-cash adjustment to increase/(decrease) the Group's ownership in the Joint Venture to 49% from additional contributions by the JV Partner.

Nikkeli Greenland A/S had no contingent liabilities or commitments as at 30 June 2023.

(1) Restatement of 30 June 2022 Balances

The variance observed in the comparative figures for June 30, 2022, can be attributed to the alignment of the accounting policies between the Joint Venture and the Group during the 31 December 2022 audit. Specifically, the policies brought into alignment were in respect to the capitalisation of expenses that meet the criteria outlined in IFRS 6, as well as the accounting treatment of the share of net assets.

**Impact on statement of profit or loss ((increase)/(decrease) in profit)**

	6 months to 30 June 2022 Unaudited £
<b>Period ended 30 June 2022</b> (as reported in 2022 interims)	<b>(1,588,679)</b>
<i>Adjustments made to align accounting policies:</i>	
Increase in share of net assets on joint venture	555,803
Share of loss in joint venture	1,557,600
<b>Period ended 30 June 2022 (Restated)</b>	<b>524,724</b>

## 8. Other income

	6 months to 30 June 2023 Unaudited £	6 months to 30 June 2022 Unaudited £
Income from related parties	165,851	836,361
	<b>165,851</b>	<b>836,361</b>

## 9. Earnings per Share

The calculation of earnings per share is based on a loss of £659,135 for the six months ended 30 June 2023 (profit for six months ended 30 June 2022: £524,724) and the weighted average number of shares in issue in the period ended 30 June 2023 of 1,058,677,266 (six months ended 30 June 2022: 1,014,895,493).

The calculation of diluted earnings per share is based on a profit of £524,724 for the six months ended 30 June 2023, the weighted average number of shares in issue in the period ended 30 June 2023 of 1,014,895,493 and the share options exercisable as at 30 June 2023 of 57,275,000. No diluted earnings per share is presented for the six months ended 30 June 2023 as the effect on the exercise of share options would be anti-dilutive.

## 10. Borrowings

On 14 February 2023, the Company received funding for US\$2,000,000 as a convertible loan note. On the same date, the Company issued 5,800,000 Initial Placement shares at nominal value and 3,798,911 Commencement shares issued a price of £0.047382 per share to the convertible loan note holder.

On 25 April 2023, the Company mutually agreed to repay the US\$2,000,000 amount received for the convertible loan note.

## 11. Events after the Reporting Date

On 28 June 2023, the Company raised £1,300,000 via the issue and allotment of 74,285,707 new Ordinary Shares at a price of 1.75 pence per share. On the same day, the Company issued and allotted 571,429 new Ordinary Shares at a price of 1.75 pence per share in lieu of fees. The shares were admitted to trading on the AIM market of the London Stock Exchange on 3 July 2023 and have therefore been classified as "Shares to be Issued".

On 31 July 2023, Finland Investments Limited sold the Company's Black-Shales assets to Metals One. The consideration for this transaction is £150,000 in cash, due no later than 18 months and 1 day subsequent to the date of completion, the allotment of 62,500,000 new ordinary shares in Metals One for a total value of £3,125,000 with a further allotment of new ordinary shares, equating to £1,000,000 at any time following completion and a warrant over 7,500,000 new ordinary shares at an exercise price of £0.05 exercisable for a period of 5 years from Admission.

On 31 July 2023, the Company allotted 1,714,285 ordinary shares of 0.01 pence each, for a total consideration of £30,000. The participation of Robert Edwards, Michael Hutchinson and Peter Waugh, Directors of the Company, in the Subscription is considered a related party transaction for the purposes of AIM Rule 13 of the AIM Rules for Companies.

On 23 August 2023, the Company allotted 60,000,000 shares of 0.01 pence each, at a price of 1.0 pence per share, for a total consideration of £600,000.

## 12. Approval of interim financial statements

The Condensed interim financial statements were approved by the Board of Directors on 28 September 2023.