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Annual Financial Report

BLENCOWE RESOURCES PLC

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Blencowe Resources Plc

("Blencowe" or the "Company")

Annual Results for the year ended 30 September 2020

Blencowe Resources Plc, the natural resources company focused on the development of the Orom-Cross Graphite Project in Uganda, is pleased to announce its audited financial results for the year ended 30 September 2020 (the "Annual Report").

The Annual Report which includes an unqualified audit report and audited Financial Statement for the year ended 30September 2020 will be made available on the Company's website at www.blencoweresourcesplc.com. Hard copies will be posted to the Company's shareholders.

For further information, please contact:

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Chief Executive Officer's Statement

Dear Shareholders,

I am pleased to report on what has been a busy and productive year for Blencowe Resources Plc ("Blencowe" or the "Company") - our first full year as a public listed company following the successful Initial Public Offering (IPO) in 2019, and following up with the acquisition of the Orom-Cross Graphite Project in April 2020, and the subsequent re-admission to the London Stock Exchange (LSE) thereafter. Orom-Cross is a world class graphite project located in Uganda, East Africa, and a location which the Company considers to be advantageous to develop a long term resource project ahead.

With assistance from lead broker Brandon Hill Capital, Blencowe was able to raise £2 million in new cash in April to provide funding for further work in 2020 at Orom-Cross, to fast-track development of this exceptional asset. Blencowe remains bullish on significant long-term demand for graphite as it is a key component of the lithium-ion (Li-ion) battery which is used for most electric vehicles as well as other renewable energy storage. Demand for electric vehicles and Li-ion batteries, and hence graphite, is forecast to grow exponentially from 2025 onwards, around the time the Company would expect to bring Orom-Cross into production. Evidence indicates that this growth is already underway as most vehicle manufacturers are shifting from combustion engines to electrification on a grand scale over the course of this decade.

Since completing the acquisition of this project Blencowe has made significant strides towards its principal goals, being this the completion of an exploration programme to deliver a maiden JORC standard resource and delivering a wide range of positive early results.

Blencowe hit the ground running with a 69-hole (2,000 meter) diamond drill programme launched immediately after the acquisition. Whilst there is little doubt that Orom-Cross has considerable quantities of graphite (estimated between 2-3 billion tonnes) a JORC Resource is required to define the area being considered for initial mining, and more extensive drilling in this location to understand all aspects for subsequent operations.

Using local drilling partner ADT and experienced South African geological firm Minrom, the drilling programme was designed to deliver enough resource for the anticipated first ten years of mine life, and to provide samples for further metallurgical test work to fully understand the nature of the end-product, as a graphite concentrate. All indications to date suggest Orom-Cross can deliver a high quality end-product. Despite the arrival of Covid-19 and subsequent lockdown in Uganda for a short period Blencowe was able to re-commence drilling late May and we completed this programme by the beginning of August, with samples ready to go to assay labs in Tanzania for prepping, and ultimately to South Africa (for JORC Resource) and Canada (metallurgical test work).

In the process the Company discovered a new high grade lode of graphite near to where we were already drilling, and added further holes to incorporate this deposit into the overall resource being considered. We also confirmed the excellent nature of this ore body, and in particular the high percentage of larger flake sizes which carry more value. Furthermore, the confirmation of substantial quantities of graphite near to surface will allow for Blencowe to ultimately mine at a low cost, which adds value to the project.

Based on the work completed to date, we believe that Orom-Cross exhibits all the characteristics of a potentially profit-making project and we are looking forward to further evaluating this potential by continuing to develop this asset moving forward. Once the initial JORC Resource and associated metallurgical test work are completed in early 2021 the Company will move into the Feasibility Study phase, where all commercial parameters for a large scale mining operation are considered. With a 21 year mining lease already secured and land compensation agreements in place and paid for, the move towards operations is de-risked.

Whilst we have achieved a considerable amount during the year, I believe it is important to note that the quality and potential of the Company's core asset at Orom-Cross is clearly not yet reflected in the Company's share price and market capitalisation. This will change as more work is completed and the size and scale of the asset is highlighted.

With a tight capital structure and strong support the Company is well placed to increase its profile and enhance its value proposition as we move ahead to define a maiden JORC Resource and establish the foundations for a substantial Ugandan graphite producer.

The strong progress that has been made is thanks to the hard work of our board and management team who have all worked hard across several continents to allow work to continue despite all the challenges we have faced. In closing, I would also like to thank you - our shareholders - for your ongoing support. Our first year as a public company has been a positive one for Blencowe and I look forward to another active and successful year ahead.

Mike Ralston

Chief Executive Officer

"With a tight capital structure and strong support the Company is well placed to increase its profile and enhance its value proposition as we move ahead at Orom-Cross to define a maiden JORC Resource and establish the foundations for a substantial graphite producer ahead." - Blencowe CEO Mike Ralston

Strategic Report

The Directors present the Strategic Report for the year ended 30 September 2020.

Results

The Group made a loss for the year of £1,058,084 (2019: £243,119). The cost associated during the year with the acquisition of CARU and the readmission to the London Stock Exchange were £746,747. Costs of £288,756 were associated with the running of the Group, of which £74,020 were costs related to provisions and reserves.

Business model, review of the business and future developments

The Company was formed to undertake an acquisition of a target company or business. The Company on 13 May 2019 announced that it had entered into Heads of Agreement with Consolidated Africa Limited ("CRA") and New Energy Minerals Africa Pty Ltd ("New Energy") for the proposed assignment to the Company of a binding option for it to acquire 100% of the share capital of Consolidated African Resources (Uganda) Ltd ("CARU"), a subsidiary of CRA, by way of a reverse takeover ("Transaction"). On 28 April 2020, the Company completed the acquisition of CARU, the owner of the Orom-Cross Graphite Project ("Orom Graphite Project") in Northern Uganda.

The Group's aim is to create value for shareholders through the discovery and development of economic mineral deposits. The Group's strategy is to continue to progress the development of its existing projects in Uganda and to evaluate its existing and new mineral resource opportunities.

The Group's business is directed by the Board and is managed on a day-to-day basis by the Executive Chairman, Cameron Pearce. The Board monitors compliance with objectives and policies of the Group through performance reporting, budget updates and periodic operational reviews.

The Board comprises of one Executive Director and two Non-Executive Directors as detailed below:

Cameron Pearce - Executive Chairman

Cameron Pearce was a founder of the Company and has extensive professional experience in both the Australian and United Kingdom finance industries. In recent times he has provided corporate, strategic, financial and advisory assistance to private and public companies in both Australia and the United Kingdom. Mr Pearce is a member of the Australian Institute of Chartered Accountants and has been in commerce over twenty years holding senior financial and management positions in both publicly listed and private enterprises in Australia, Europe, Asia, Africa and Central America. Mr. Pearce has considerable corporate and international expertise and over the past decade has focussed on mining and exploration activities.

Sam Quinn - Non Executive Director

Sam Quinn is a corporate lawyer with over a decade's worth of experience in the natural resources sector, in both legal counsel and executive management positions. Mr Quinn is currently the Director of Corporate Finance and Legal Counsel for the Dragon Group, a London-based natural resources venture capital firm and a partner of Silvertree Partners, a natural resource focussed back office outsourcing resource business. Mr Quinn has in addition held several management roles for listed and unlisted natural companies and has gained significant experience in the administration, operation, financing and promotion of natural resource companies. Prior to working in the natural resources sector, Mr Quinn worked as a corporate lawyer for Jackson McDonald Barristers & Solicitors in Perth, Western Australia and for Nabarro LLP in London.

Alex Passmore - Non Executive Director

Alex Passmore is an experienced corporate executive with strong financial and technical background. Mr Passmore managed the arrangement of debt for many well-known resources companies and has a wealth of experience in project evaluation. He also managed the WA natural resources business of CBA which comprised a substantial portfolio of loan, hedge, trade finance and working capital products to ASX-listed and multi-national resource companies. Prior to this, Mr Passmore held senior roles at Patersons Securities and was director of corporate finance and head of research. Mr Passmore holds a BSc (Hons) in Geology from the University of Western Australia and a graduate diploma of Applied Finance and Investments from the Institute of Securities Australia

Key performance indicators (KPIs)

At this stage in its development, the Group is focusing on financing, operating, health and safety and environmental issues of the Orom Graphite Project.

Financial KPIs

Results for the year
The Group has made a loss before tax of £1,058,084 for the year ended 30 September 2020 (2019: loss before tax of £243,119)

Exploration expenditure - funding and development costs
The Group has incurred £1,084,354 (2019:£ Nil) of development costs at Orom Graphite Project where were required to carry out the initial drilling costs and testing of the mineral.

In 2020 the Group raised funds of £2,000,000 (2019: £400,000) from the equity markets. Please see note 20 for further details of the funds raised after the year end.

At 30 September 2020 the Group had a cash balance of £205,856 2019: £141,992).

Non-financial KPIs

Environmental
The Orom Graphite Project is still at an early stage of project development and further consideration will need to be given to environmental and social issues affecting the Orom Graphite Project. Environmental and safety legislation may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations.

Employees

With the exception of the Directors, the Group has two employees. The Board of Directors' is comprised of three males. For more information about the Group's employees see note 7.

Principal risks and uncertainties and risk management

The Group operates in an uncertain environment and is subject to a number of risk factors. The Directors have carried out a robust assessment on the principal risks facing the Group, including those that threaten its business model, future performance, solvency or liquidity.

Geological risks
There are a series or risk factors concerning the amount of understanding of the geology o the project areas, the mineralization being targeted and the disruption and concentration of graphite that has been identified in the exploration work.

Political risk
The Group's activities may be affected in varying degrees by political stability and governmental regulations. Any changes in regulations or shifts in political attitudes in Uganda or any other countries in which the Group may operate are beyond the control of the Group and may adversely affect its operations.

Pricing risk
Graphite price risks, metal prices are highly cyclical and changes in the prices of graphite could have a negative or positive impact on the valuation of the Company's projects and revenue from the sales.

Exchange rate risks
The Company's accounts are in sterling and graphite metal prices are in US dollars. However, the Company's costs are both in US dollars and the Ugandan shilling. Fluctuations in the value of the Ugandan shilling against the US dollar and also the US dollar against the pound.

Future funds
The market for raising funds for small capital resource companies have not been easy over the last 24 months. Some recent fundraisings in the resources sector have seen share prices being undermined by incoming investors demanding substantial discounts to provide the necessary capital.

COVID-19
Whilst the Group cannot predict any potential effect of COVID-19 in Uganda or elsewhere, it does not believe that COVID-19 will impact the working capital requirements of the Group. It is possible that if the current limited outbreak of COVID-19 in Uganda increases then this may lead to the disruption of the Group's operations in Uganda. An increase in the number of confirmed COVID-19 cases in Uganda may lead to the Ugandan government imposing travel restrictions and other similar restrictions on economic activities within Uganda. Such restrictions have the potential to delay the completion of the Group's planned work programme until such time as such restrictions are lifted and as such the Group's planned work programme may not be completed within the anticipated timeframe.

Environmental and safety
Environmental and safety legislation (e.g. in relation to reclamation, disposal of waste products, protection of wildlife and otherwise relating to environmental protection) may change in a manner that may require stricter or additional standards than those now in effect, a heightened degree of responsibility for companies and their directors and employees and more stringent enforcement of existing laws and regulations.

Financial risk management

The Group's principal financial instruments comprise cash balances, accounts payable and accounts receivable arising in the normal course of its operations.

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

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

As at 30 September 2020 there is no significant exposure to liquidity or price risk. The only credit risk applicable is over the cash balance which is held with a reputable bank and trade debtors (see note 18.2).

Viability statements

In accordance with provision C.2.2. of the UK Corporate Governance Code, the Board has assessed the prospects of the Company over a five-year period, taking account of the Company's current position and principal risks.

Time frame
The Board believes that five years is the most appropriate time frame over which the Board should assess the long-term viability of the Group. The Group's current activities do not generate any revenues or positive operating cash flow, and the development of the Orom Graphite Project to commence production and generate revenues will require significant capital expenditures. The Orom Graphite Project is not expected to generate positive net cash flow until approximately 2025, some five years from now.

Assessing viability
The main assumption in the Board making its viability assessment is the ability of the Group to raise further funds in order to progress from the exploration phase into feasibility and eventually into production of revenues. The Group may not be able to obtain additional financing as and when needed which could result in a delay or indefinite postponement of exploration and development activities.

Principal risk
The Directors have carried out a robust assessment of the principal risks facing the Group as described on the preceding pages including those that threaten its business model, future performance, solvency or liquidity. The Directors are confident that they have put in place a strong management team capable of dealing with the risk management in order to safeguard the Group's assets.

In addition, the management team has wide-ranging expertise in mineral exploration which, together with a flexible cost structure, would enable the Company to adapt its organisation to changes in circumstances.

Based on the financial impact of the analysis outlined above and the associated risks, management actions and controls that are either in place or could be implemented, the Board has been able to conclude that the Company will be able to deliver the Orom Graphite Project.

Confirmation of viability
Taking account of these matters, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period to December 2025, assuming that the financing referred to above is completed as described. The Company's going concern statement is detailed in note 2.7.

Section 172 Statement

This section serves as our Section 172 Statement as required under The Companies Act 2016 - it describes how the key decision made by the Board during 2020 have had an impact on their engagement with our key stakeholder groups.

The Group maintains ongoing dialogue with stakeholders to understand their expectations and concerns and to include this information in the Board's deliberations.

The Board believes they have acted on the way most likely to promote the success of the Group for the benefit of its members as a whole, as required by section 172.

The requirements of section 172 are or the Board to:

- consider the likely consequences of any decision in the long term,
- act fairly between the members of the Group,
- maintain a reputation for high standards of business conduct,
- consider the interest of the Group's employees,
- foster the Group's relationship with suppliers, customers and others, and
- consider the impact of the Group's operations on the community and the environment.

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

The application of the Section 172 requirements can be demonstrated in relation to some of the key decisions made during 2020:

- continuing evaluation of existing licences areas and assessments of target;
- considering the possibility of expanding the licensed land area and the possibility of new projects
- identification of drill targets and preparation for a precision drill programme;
- continue assessment of corporate overheads, expenditure levels and wider market conditions.

The Board is ultimately responsible for the direction , management, performance and long-term sustainable success of the Group. It sets the Group's strategy and objective considering the interest of all its stakeholders. A good understanding of the Company's stakeholders enables the Board to factor the potential impact of strategic decisions on each stakeholder group into a boardroom discussion. By considering the Company's purpose, vision and values together with its strategic priorities the Board aims to make sure that its decisions are fair. The Board has always, both collectively and individually, taken decisions for the long term and consistently aims to uphold the highest standards of business conduct. Board resolutions are always determined with reference to the interests of the Company's employees, its business relationships with suppliers and customers Wherever possible, local communities are engaged in the geological operations and support functions required for field operations providing much needed employment and wider economic benefits to the local communities. In addition, the Group contributes annually toward a scholarship programme for the local community. The Board takes seriously its ethical responsibilities to the communities and environment in which it works. We abide by the local and relevant UK laws on anti-corruption and bribery.

The Group follow international best practice on environmental aspects of our work.

Cameron Pearce

Director
25 January 2021

Directors' Report

The Directors submit their report with the audited Financial Statements for the year ended 30 September 2020.

General information

Blencowe Resources Plc ("the Company"), was incorporated as a private Limited Company under the laws of England and Wales with registered number 10966847 on 18 September 2017. On 13 July 2018, the Company was re-registered as a public company under the Companies Act 2006.

Blencowe's primary focus is on developing the Orom Graphite Project located in Northern Uganda.

Results for the year and distributions

The Group results are set out in the Consolidate Statements of Comprehensive Income. The total consolidated comprehensive loss attributable to the equity holders of the Group for the financial year was £1,058,084 (2019: £243,119). The Group received no income, and the full amount of the loss is due to expenses incurred in capital raising (to the extent not deducted from share premium), identifying and evaluating suitable acquisition targets, and general corporate overheads.

The Group paid no distribution or dividends during the financial year.

Directors

The Directors who held office during the financial year and to the date of this report, together with details of their interest in the shares of the Company at the date of this report were:

		Number of Ordinary Shares
Sam Quinn	Appointed 13 November 2017	4,666,667
Cameron Pearce	Appointed 13 November 2017	6,916,667
Alexander Passmore	Appointed 18 May 2018	1,500,000

Substantial shareholders

No single person directly or indirectly, individually or collectively, exercises control over the Company. The Directors are aware of the following persons, who had an interest in 3% or more of the issued ordinary share capital of the Company as at 30 September 2020:

Shareholder	**% of issued share capital of the Company**
Consolidated Africa Limited	24.92%
Spreadex Limited	11.90%
Cameron Pearce	6.10%
New Energy Minerals Africa Pyt Limited	8.47%
ISI Nominees Limited	5.08%
JIM Nominees Limited	4.70%
Sam Quinn	4.07%
HSBC Global Custody Nominee (UK) Limited	3.69%

Employee and Greenhouse Gas (GHG) Emissions

The Group is trading with two employees (see note 7) and the Directors disclosed above.

The Group has no mineral greenhouse gas emission to report from the operations of the Group and will put procedures in place to be able to report greenhouse emissions for 2021.

Corporate Governance

The Group recognises the importance of, and is committed to, high standards of Corporate Governance. At the date of this Report, and whilst the Group is not formally required to comply with the UK Corporate Governance Code 2018, the Group will try to observe, where practical, the requirements of the UK Corporate Governance Code.

In addition, the Company intends to voluntarily observe the requirements of the UK Corporate Governance Code, save as set out below. As at the date of the financial statements the Group is in compliance with the UK Corporate Governance Code with the exception of the following:

- given the composition of the Board, certain provisions of the UK Corporate Governance Code (in particular the provisions relating to the division of responsibilities between the Chairman and chief executive and executive compensation), are considered by the Board to be inapplicable to the Company. In addition, the Company does not comply with the requirements of the UK Corporate Governance Code in relation to the requirement to have a senior independent director and the Board's committees will not, at the outset, have three independent non-executive directors.

- the UK Corporate Governance Code also recommends the submission of all directors for re-election at annual intervals. No Director will be required to submit for re-election until the first annual general meeting of the Company following the acquisition.

As at the date of the financial statements, the Board has a share dealing code that complies with the requirements of the Market Abuse Regulations. All persons discharging management responsibilities (comprising only the Directors at the date of this Document) shall comply with the share dealing code from the date of Admission.

Set below are Blencowe Resources Plc's corporate governance practices for the year ended 30 September 2020.

<u>Leadership</u>
The Company is headed by an effective Board which is collectively responsible of 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. The Board has a formal schedule of matters reserved which is provided later in this report.

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 4 occasion.

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.

- *matters reserved specifically for Board* - The Board has a formal schedule of matters reserved that can only be decided by the Board. The key matters reserved are the consideration and approval of;
- the Group's overall strategy;
- financial statements and dividend policy;
- management structure including succession planning, appointments and remuneration;
- material acquisitions and disposal, material contracts, major capital expenditure projects and budgets;
- capital structure, debt and equity financing and other matters;
- risk management and internal controls;
- the Group's corporate governance and compliance arrangements; and
- corporate policies

Summary of the Board's work in the financial year - during the year, the Board considered all relevant matters within its remit, but focused in particular on the establishment of the Company and the identification of a suitable investment opportunity for the Group to pursue.

Attendance at meetings:

Member		**Meeting attended**
Cameron Pearce	Executive Chairman	4
Sam Quinn	Non-Executive Director	4
Alexander Passmore	Non-Executive Director	3

The Board is pleased with the level of attendance and participation of Directors at Board and committee meetings.

The Chairman, Cameron Pearce, sets the Board Agenda and ensures adequate time for discussion.

Non-executive Directors - the non-executive Directors bring 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.

Non-executive Directors - are initially appointed for a term of three years, which may, subject to satisfactory performance and re-election by shareholders, be extended by mutual agreement.

Other governance matters - all of the Directors are aware that independent professional advice is available to each Director in order to properly discharge their duties as a Director. In addition, each Director and Board committee has access to the advice of the Company Secretary.

The Company Secretary - the Company Secretary is FIM Secretaries Limited who is retained on a consultancy basis. FIM Secretary Limited is available to Directors and responsible for the Board complying with UK procedures.

<u>Effectiveness</u>
For the period under review the Board comprised of an Executive Chairman and two non-executive Directors.

The Directors are of the view that the Board and its committees consist of Directors with an appropriate balance of skills, experience, independence and diverse backgrounds to enable them to discharge their duties and responsibilities effectively

Independence - None of the Directors are considered to be independent. It is intended that additional Directors will be appointed in future and that independence will be one of the key factors taken into account at that time. As at the date of this Report no prospective Directors have been identified and no arrangements exist (formal or informal) for the appointment of any other Director..

Appointments - the Board is responsible for reviewing and the structure, size and composition of the Board and making recommendations to the board with regards to any required changes.

Commitments - All Directors have disclosed any significant commitments to the Board and confirmed that they have sufficient time to discharge their duties.

Induction - All new Directors received an induction as soon as practical on joining the Board.

Conflict of interest - A Director has a duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company. The Board had satisfied itself that there is no compromise to the independence of those Directors who have appointments on the Boards of, or relationships with, companies outside the Company. The Board requires Directors to declare all appointments and other situations which could result in a possible conflict of interest.

<u>Accountability</u>
The Board is committed to provide shareholders with a clear assessment of the Group's position and prospects. This is achieved through this report and as required other periodic financial and trading statements.

Going concern - The Group's and Company's business activities, together with factors likely to affect its future operations, financial position, and liquidity position are set out in the Directors' Report and the Principal risks and Uncertainties sections of the Strategic Report. In addition, the notes to Financial Statements discloses the Group's and Company's financial risk management practices with respect to its capital structure, liquidity risk, foreign exchange risk, and other related matters.

Internal controls - The Board of Directors reviews the effectiveness of the Company's system of internal controls in line with the requirement of the Code. The internal control system is designed to manage the risk of failure to achieve its business objectives. This covers internal financial and operational controls, compliance and risk management. The Company has necessary procedures in place for the year under review and up to the date of approval of the Annual Report and Financial Statements. The Directors acknowledge their responsibility for the Company's system of internal controls and for reviewing its effectiveness. The Board confirms the need for an ongoing process for identification, evaluation and management of significant risks faced by the Company. The Directors carry out a risk assessment before signing up to any commitments.

The Audit Committee is made up of one executive directors and one non-executive director and aims to meet at least twice a year and is responsible for ensuring that the Group's financial performance is properly monitored, controlled and reported to the Board. The Audit Committee is responsible for the scope and effectiveness of the external audit and compliance by the Group with statutory and other regulatory requirements. Given the size of the Group and the relative simplicity of the systems, the Board considers that there is no current requirement for an internal audit function. The procedures that have been established to provide internal financial control are considered appropriate for a Group of its size and include controls over expenditure, regular reconciliations and management accounts.

The Directors are responsible for taking such steps as are reasonably available to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Remuneration and Nominations Committee

A Remuneration Committee was established during 2020 and is made up of the two non-executive directors. Remuneration paid to Directors in the period under review is disclosed in the Directors' Remuneration Report.

Shareholder relations

Communication and dialogue - Open and transparent communication with shareholders is given high priority and there is regular dialogue with institutional investors, as well as general presentations made at the time of the release of the annual and interim results. All Directors are kept aware of changes in major shareholders in the Company and are available to meet with shareholders who have specific interests or concerns. The Company issues its results promptly to the market and also publishes them on the Company's website: www.blencoweresourcesplc.com. Regular updates to record news in relation to the Company and the status of its exploration and development programme is included on the Company's website. Shareholders and other interested parties can subscribe to receive these news updates by email by registering online on the website free of charge.

The Directors are available to meet with institutional shareholders to discuss any issues and gain an understanding of the Company's business, its strategies and governance. Meetings are also held with the corporate governance representatives of institutional investors when requested.

Annual General Meeting - At every AGM individual shareholders are given the opportunity to put questions to the Chairman and to other members of the Board that may be present although, due to COVID-19 pandemic, physical attendance at the AGM might not be possible in 2021. Notice of the AGM is sent to shareholders at least 21 working days before the meeting. Details of proxy votes for and against each resolution, together with the votes withheld are announced to the London Stock Exchange and are published on the Company's website as soon as practical after the meeting.

Responsibility statement

The Directors are responsible for preparing the Directors' Report and the Financial Statements in accordance with applicable law and regulations. In addition, the Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards ("IFRSs"), as adopted by the European Union ("EU").

The Financial Statements are required to give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that period.

In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- present information and make judgements that are reasonable, prudent and provides relevant, comparable and understandable information.
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particulars transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Group and Parent Company's ability to continue as a going concern.

The Directors are responsible for keeping proper accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time its financial position of the Group to enable them ensure that the financial statements comply with the requirements of the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and Financial Statements. Legislation governing the preparation and dissemination of Financial Statements may differ from one jurisdiction to another.

We confirm that to the best of our knowledge:

- the Financial Statements , prepared in accordance with International Financial Reporting Standards as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group for the period;
- the Director's report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal risks and uncertainties that they face.
- the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's performance, business model and strategy.

Embed effective risk management, considering both opportunities and threats, throughout the organisation.

The Directors are responsible for maintaining the Group's systems of controls and risk management in order to safeguard its assets.

Risk is monitored and assessed by the Board who meet regularly and are responsible for ensuring that the financial performance of the Group is properly monitored and reported. This process includes reviews of annual and interim accounts, results announcements, internal control systems, procedures and accounting policies.

The Board receives guidance from FIM Capital Limited, the administrator to the Group, covering updates to relevant legalisation and rules to ensure they remain fully informed and able to make informed decisions.

Subsequent events

Please see note 20 for details of the Group's subsequent events.

Auditors

So far as the directors are aware, there is no relevant audit information on which the Group's auditors are unaware, and they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

The auditors, Crowe U.K LLP, have expressed their willingness to continue in office and a resolution to reappoint them will be proposed at the Annual General Meeting.

By Order of the Board

Cameron Pearce

Director
25 January 2021

Director's Remuneration report

The Directors' Remuneration Report sets out the Company's policy on the remuneration of Directors together with the details of Directors' remuneration packages and services contracts for the year ended 30 September 2020.

The Remuneration and Nomination Committee will comprise Sam Quinn, who will act as chairman of the committee and Alex Passmore, and will meet at least annually. The Remuneration Committee will review the scale and structure of the Directors' fees, taking into account the interests of the shareholders and the performance of the Company and Directors.

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

The Company maintains contact with its shareholders about remuneration in the same way as other matters and, as required by Section 439 of the Companies Act 2006, this remuneration report will be put to an advisory vote of the Company's shareholders at the forthcoming Annual General Meeting.

Statement of Blencowe Plc's policy on Directors' Remuneration

As set out in the Company's Prospectus dated 30 March 2020, each of the Directors may be paid a fee at such rate as may from time to time be determined by the Board. All the Directors are entitled to be reimbursed by the Company for travel, hotel and other expenses incurred by them in the course of their directors' duties relating to the Company.

Any fees payable to the Directors after an Acquisition will be determined as part of the negotiations for the Acquisition, and will be dependent on whether the Directors remain on the board of the Company in any event.

There have been changes to the Directors' remuneration or remuneration policy since the publication of the Company's Prospectus dated 30 March 2020.

Terms of employment

Cameron Pearce was appointed on 8 June 2018 by the Company to act as a Non-Executive Director and Chairman of the Company with fees of £36,000 per annum. Following the Company's readmission to the London Stock Exchange ("LSE") on 28 April 2020, Mr Pearce was reappointed with fees of £96,000 per annum. The appointment is for an initial term of 24 months and thereafter can be terminated by the Company on six months written notice or Mr Pearce on three months written notice. If there is a change of control (as defined in the letter of appointment), Mr Pearce will be entitled to 100% of his annual fee as a lump sum payment if the Company terminates his employment, or if Mr Pearce chooses to terminate his appointment within 12 months following a change of control.

Sam Quin was appointed on 8 June 2018 by the Company to act as a Non-Executive Director with fees of £24,000 per annum. Following the readmission of the Company to the LSE on 28 April 2020, Mr Quinn was engaged as a Non-Executive directors with fees of £24,000 per annum. The appointment is for an initial term of 24 months and thereafter the appointment can be terminated by the Company on six months written notice or Mr Quinn on three months written notice. If there is a change of control (as defined in the letter of appointment), Mr Quinn will be entitled to 100% of his annual fee as a lump sum payment if the Company terminates his employment, or if Mr Quinn chooses to terminate his appointment within 12 months following a change of control.

Alex Passmore was appointed on 8 June 2018 by the Company to act as a Non-Executive Director with fees of £12,000 per annum. Following the readmission of the Company to the LSE on 28 April 2020, Mr Passmore was engaged as a Non-Executive directors with fees of £24,000 per annum. On 12 May 2020, the Board agreed to keep Mr Passmore fees at £12,000 per annum until further capital is raised. The appointment is for an initial term of 24 months and thereafter the appointment can be terminated by the Company on six months written notice or Mr Passmore on three months written notice. If there is a change of control (as defined in the letter of appointment), Mr Passmore will be entitled to 100% of his annual fee as a lump sum payment if the Company terminates his employment, or if Mr Passmore chooses to terminate his appointment within 12 months following a change of control.

Policy for new appointments

Without prejudice to the power of the Company to appoint any person to be a Director pursuant to the Articles the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with the Articles. Any Director so appointed shall hold office only until the annual general meeting of the Company next following such appointment and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting. If not re-appointed at such annual general meeting, he shall vacate office at the conclusion thereof.

Base salary levels will take into account market data for the relevant role, internal relativities, the individual's experience and their current base salary. Where an individual is recruited below market norms, they may be re-aligned over time (e.g. two to three years), subject to performance in the role. Benefits will generally be in accordance with the approved policy.

Directors' emoluments and compensation (audited)

Set out below are the emoluments of the Directors:

	12 months to 30 Sep 2020	**12 months to 30 Sep 2019**
	GBP	GBP
Cameron Pearce	61,000	36,000
Sam Quinn	26,000	22,000
Alexander Passmore	12,000	12,000
Total	**99,000**	**70,000**

The percentage of directors' emoluments of the total administrative costs for the year is 10% (2019: 29%).

Statement of Directors' shareholding and share interest

The Directors who served during the year ended 30 September 2020, and their interests at that date, are disclosed above. Please see note 20 for events that took place after the year end.

Other matters

The Company does not currently have any annual or long-term incentive schemes in place for any of the Directors and as such there are no disclosures in this respect.

The Company does not have any pension plans for any of the Directors and does not pay pension amounts in relation to their remuneration.

The Company has not paid out any excess retirement benefits to any Directors or past Directors. The Company has not paid any compensation to past Directors.

As the Company currently has no trade, no performance graph and table has been included but will be included in future accounting periods.

By Order of the Board

Cameron Pearce

Director
25 January 2021

Independent Auditor's Report to the Members of Blencowe Resources Plc

Opinion

We have audited the financial statements of Blencowe Resources PLC (the "Parent Company") and it's subsidiaries (the "Group") for the year ended 30 September 2020 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Parent Statement of Financial Position, Consolidated Statement of Changes in Equity, Parent Statement of Changes in Equity, Consolidated Statement of Cash Flows, Parent Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 and Parent Company's affairs as at 30 September 2020 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union 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 regards the Group financial statements, Article 4 of the IAS Regulation.

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 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2.7 to the financial statements which explains that the Group and Parent Company's ability to continue as a going concern is dependent on the availability of future further fundraising. These conditions indicate the existence of a material uncertainty which may cast significant doubt over the Parent Company's and the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Conclusions relating to principal risks, going concern and viability statement

Aside from the impact of the matters disclosed in the material uncertainty related to going concern section, we have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the annual report , that describe the principal risks and explain how they are being managed or mitigated;
- the directors' confirmation, in the annual report that they have carried out a robust assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity;
- whether the directors' statements relating to going concern and their assessment of the prospects of the group required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit; or
- the directors' explanation , in the annual report as to how they have assessed the prospects of the group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the financial statements as a whole to be £95,000 (2019 £8,600), based on a percentage of total assets as the carrying value of exploration assets is considered to be line item of most interest to the users.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £4,750 (2019: £430). Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

The Group is accounted for from one central operating location, the Company's registered office. The main exploration activity of the group is performed in Uganda. Our audit was performed remotely and the scope of the audit included both the parent and the entity acquired in the period.

Extent to which the audit is capable of detecting irregularities, including fraud

We design our procedures so as to obtain sufficient appropriate audit evidence that the financial statements are not materially misstated due to non-compliance with laws and regulations or due to fraud or error.

We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations - this responsibility lies with management with the oversight of the Directors and the Audit Committee.

Based on our understanding of the Group and industry, discussions with management and the Audit Committee we identified financial reporting standards and Companies Act 2006 as having a direct effect on the amounts and disclosures in the financial statements.

Other laws and regulations where non-compliance may have a material effect on the Group's operations are laws and regulations associated with the listing on the London Stock Exchange and the mining licence held.

As part of the engagement team discussion about how and where the Group's financial statements may be materially misstated due to fraud, we did not identify any areas with an increased risk of fraud.

Our audit procedures included:

- enquiry of management about the Group's policies, procedures and related controls regarding compliance with laws and regulations and if there are any known instances of non-compliance;
- examining supporting documents for all material balances, transactions and disclosures;
- review of the Board of directors minutes;
- enquiry of management, external legal counsel about litigations and claims and inspection of relevant correspondence
- evaluation of the selection and application of accounting policies related to subjective measurements and complex transactions;
- analytical procedures to identify any unusual or unexpected relationships;
- testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements;
- review of accounting estimates for biases including the carrying value of intangibles which is included in the Key Audit Matters;

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud because fraud may involve sophisticated and carefully organized schemes designed to conceal it, including deliberate failure to record transactions, collusion or intentional misrepresentations being made to us.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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) that we identified. These matters included 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.

This is not a complete list of all risks identified by our audit.

Key audit matter	How the scope of our audit addressed the key audit matter
Acquisition accounting	
During the year, the Company acquired Consolidated Africa Resource (Uganda) Limited (CARU) for share consideration of £2m. Accounting for business combinations is complex and requires the recognition of both consideration paid and acquired assets and liabilities at the acquisition date at fair value, which can involve significant judgement and estimates. There is a risk that inappropriate assumptions could result in material errors in the acquisition accounting.	We reviewed the share purchase agreement to understand the terms of the transaction and we agreed the consideration paid. We reviewed the Statement of Financial Position of CARU at the acquisition date to ensure that assets and liabilities were appropriately recognised at fair value. The main assets and liabilities acquired related to the exploration activity at the Orom-Cross Project. We reviewed and performed sensitivity analysis on the discount rate used in calculating the present value of the surface rights liability recognised on acquisition. We discussed and challenged management on the fair value adjustment to the value of exploration assets recognised on acquisition. We challenged management on the consideration paid and whether this was considered fair value of CARU. We satisfied ourselves that the consideration paid was at a market rate by giving consideration to whether any mutual relationship existed between the Company and CARU.
Carrying value of intangible assets	
Following the acquisition of CARU the Group now owns a mining licence and has significant exploration assets. There is a risk that these may be impaired. Management performed an impairment indicator review to assess whether there were any indicators of impairment for the Orom-Cross exploration assets and whether an impairment test was required to be performed. No indicators of impairment of the asset were identified.	We considered the indicators of impairment applicable to the Orom-Cross exploration asset, including those indicators identified in IFRS 6: 'Exploration for the Evaluation of Mineral Resources' and reviewed management's assessment of these indicators. The following work was undertaken: • We reviewed the licence documentation to confirm the exploration permits are valid and whether there is an expectation that these will be renewed in the ordinary course of business. • We made specific enquiries of management and reviewed market announcements, budgets and plans which confirmed the plan to continue investment in the Orom-Cross project subject to sufficient funding being available, as disclosed in note 2.7. • We considered whether the feasibility studies to date indicated any impairment for the project. • We reviewed the adequacy of disclosures provided within the financial statements in relation to the impairment assessment against the requirements of the accounting standards.

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 our 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 Company and its 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 the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out above, the directors are responsible for the preparation of the 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 financial statements, the directors are responsible for assessing the Group's and 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 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.

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 Board of Directors on 14 December 2018 to audit the financial statements for the period ending 30 September 2018. Our total uninterrupted period of engagement is 3 years, covering the periods ending 30 September 2018 to 30 September 2020.

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

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.

Matthew Stallabrass
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London
EC4M 7JW

25 January 2021

Consolidated Statement of Comprehensive Income for the year ended 30 September 2020

	Notes	30 Sep 2020 GBP	30 Sep 2019 GBP
Exploration costs		(9,736)	(12,211)
Administrative fees and other expenses	5	(1,015,053)	(230,908)
Operating loss		**(1,024,789)**	**(243,119)**
Finance costs		(33,295)	-
Loss before tax		**(1,058,084)**	**(243,119)**
Income tax	8	**-**	**-**
Loss for the year and total comprehensive loss for the year		**(1,058,084)**	**(243,119)**
Basic and diluted loss per share (pence)	10	**(1.74)**	**(0.93)**

There was no other comprehensive income for the year ended 30 September 2020.

Consolidated Statement of Financial Position as at 30 September 2020

	Notes	30 Sep 2020 GBP	30 Sep 2019 GBP
Non-Current Assets			
Intangible assets	9	**4,377,127**	-
Current assets			
Trade and other receivables	13	72,021	256,854
Cash and cash equivalents		205,856	141,992
Total current assets		**277,877**	**398,846**
Total assets		**4,655,004**	**398,846**
Current liabilities			
Creditors: Amounts falling due within one year	14	498,588	111,724
Total current liabilities		**498,588**	**111,724**
Non-current liabilities			
Surface liabilities	15	849,512	-
Total liabilities		**1,348,100**	**111,724**
Net assets		**3,306,903**	**287,122**
Equity			
Share capital	16	**783,333**	**450,000**
Share premium	16	**3,876,650**	**209,983**
Share options reserve	17	**100,471**	**33,778**
Retained earnings		**(1,453,551)**	**(406,639)**
Total equity		**3,306,903**	**287,122**

Parent Statement of Financial Position as at 30 September 2020

	Notes	30 Sep 2020 GBP	30 Sep 2019 GBP
Fixed assets			
Investment in subsidiaries		3,036,486	-
Non-current assets	12	326,221	-
Total fixed assets		**3,362,707**	**-**
Current assets			
Trade and other receivables	13	113,688	256,854
Cash and cash equivalents		205,740	141,992
Total current assets		**319,428**	**398,846**
Total assets		**3,682,135**	**398,846**
Current liabilities			
Creditors: Amounts falling due within one year	14	305,742	111,724
Total current liabilities		**305,742**	**111,724**
Net assets		**3,376,393**	**287,122**
Equity			
Share capital	16	**783,333**	**450,000**
Share premium	16	**3,876,650**	**209,983**
Share options reserve	17	**100,471**	**33,778**
Retained earnings		**(1,384,061)**	**(406,639)**
Total equity		**3,376,393**	**287,122**

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The loss after tax of the parent Company for the year was £977,421 (2019: £243,119).

The Financial Statements were approved and authorised for issue by the Board of Directors on 25 January 2021 and were signed on its behalf by:

Cameron Pearce Sam Quinn
Director Director

Consolidated Statement of Changes in Equity for the year ended 30 September 2020

	Share capital	Share premium	Warrant reserves	Retained earnings	Total equity
	GBP	GBP	GBP	GBP	GBP
Balance as at 30 Sep 2018	**400,000**	**-**	**5,506**	**(163,520)**	**241,986**
Loss for the period	-	-	-	(243,119)	(243,119)
Total comprehensive loss	**-**	**-**	**-**	**(243,119)**	**(243,119)**
Contributions from equity holders					
New shares issued (note 16)	50,000	350,000		-	400,000
Share issue costs	-	(140,017)		-	(140,017)
Issue of warrants			28,272	-	28,272
Total contributions from equity holders	**50,000**	**209,983**	**28,272**	**-**	**288,255**
Balance as at 30 Sep 2019	**450,000**	**209,983**	**33,778**	**(406,639)**	**287,122**
Loss for the year	-	-	-	(1,058,084)	(1,058,084)
Total comprehensive loss	**-**	**-**	**-**	**(1,058,084)**	**(1,058,084)**
Contributions from equity holders					
New shares issued (note 16)	333,333	3,666,667	-	-	4,000,000
Issue of warrants	-	-	66,693	-	66,693
Adjustment on consolidation - IFRS 9				11,172	11,172
Total contributions from equity holders	**333,333**	**3,666,667**	**100,471**	**11,172**	**4,077,865**
Balance as at 30 Sep 2020	**783,333**	**3,876,650**	**100,471**	**(1,453,551)**	**3,306,903**

Parent Statement of Changes in Equity for the year ended 30 September 2020

	Share capital	Share premium	Warrant reserves	Retained earnings	Total equity
	GBP	GBP	GBP	GBP	GBP
Balance as at 30 Sep 2018	**400,000**	**-**	**5,506**	**(163,520)**	**241,986**
Loss for the period	-	-	-	(243,119)	(243,119)
Total comprehensive loss	**-**	**-**	**-**	**(243,119)**	**(243,119)**
Contributions from equity holders					
New shares issued (note 16)	50,000	350,000	-	-	400,000
Share issue costs	-	(140,017)	-	-	(140,017)
Issue of warrants			28,272	-	28,272
Total contributions from equity holders	**50,000**	**209,983**	**28,272**	**-**	**288,255**
Balance as at 30 Sep 2019	**450,000**	**209,983**	**33,778**	**(406,639)**	**287,122**
Loss for the year	-	-	-	(977,421)	(977,421)
Total comprehensive loss	**-**	**-**	**-**	**(977,421)**	**(977,421)**
Contributions from equity holders					
New shares issued (note 16)	333,333	3,666,667	-	-	4,000,000
Issue of warrants	-	-	66,693	-	66,693
Total contributions from equity holders	**333,333**	**3,666,667**	**66,933**	**-**	**4,066,693**
Balance as at 30 Sep 2020	**783,333**	**3,876,650**	**100,471**	**(1,384,060)**	**3,376,393**

Consolidated Statement of Cash Flows for the year ended 30 September 2020

	30 Sep 2020	30 Sep 2019
	GBP	**GBP**
Operating activities		
Loss after tax	(1,058,084)	(243,119)
Amortisation	1,919	-
Finance costs	33,295	-
Share issue/warrant cost	66,693	28,272
Changes in working capital		
Increase in trade and other receivables	(27,426)	(256,853)
Increase in trade and other payables	131,821	75,620
Net cash flows from operating activities	**(851,782)**	**(396,080)**

Cash flows from investment activities		
Investment in exploration assets	(1,084,354)	-
Net cash flows from investment activities	**(1,084,354)**	**-**
Cash flows from financing activities		
Shares issued	2,000,000	400,000
Shares issued costs	-	(140,017)
Net cash flows from financing activities	**2,000,000**	**259,983**
Increase/(decrease) in cash and cash equivalent	**63,864**	**(136,097)**
Cash and cash equivalents at the beginning of the year	141,992	278,089
Cash and cash equivalents at 30 September	**205,856**	**141,992**

Net Debt note

	Cash at bank and in hand GBP	Debt due after 1 year GBP	Debt due within 1 year GBP	Total GBP
At 1 October 2019	141,992	-	-	**141,992**
On acquisition	-	(883,824)	(175,225)	**(1,009,049)**
Cash flows	63,864	-	-	**63,864**
Other non-cash changes	-	(15,688)	-	**(15,688)**
As 30 September 2020	205,856	(849,512)	(175,225	**(818,881)**

Parent Statement of Cash Flows for the year ended 30 September 2020

	30 Sep 2020	30 Sep 2019
	GBP	**GBP**
Operating activities		
Loss after tax	(977,421)	(243,119)
Less interest received	(16,415)	-
Share issue/warrant cost	66,693	28,272
Changes in working capital		
Increase in trade and other receivables	(166,640)	(256,853)
Increase in trade and other payables	194,017	75,620
Net cash flows from operating activities	**(899,766)**	**(396,080)**
Cash flows from investment activities		
Investment in exploration assets	(1,036,486)	-
Net cash flows from investment activities	**(1,036,486)**	**-**
Cash flows from financing activities		
Shares issued	2,000,000	400,000
Shares issued costs	-	(140,017)
Net cash flows from financing activities	**(2,000,000)**	**259,983**
Increase/(decrease) in cash and cash equivalent	**63,748**	**(136,097)**
Cash and cash equivalents at the beginning of the year	141,992	278,089
Cash and cash equivalents at 30 September	**205,740**	**141,992**

Notes to the Financial Statements

1. General

Blencowe Resources Plc (the "Company") is a public limited company incorporated and registered in England and Wales on 18 September with registered company number 10966847 and its registered office situated in England and Wales with its registered office at 25 Bilton Road, Rugby, CV22 7AG.

The Group did not earn any trading income during the year under review but incurred expenditure in acquisition and developing its principal assets.

2. Accounting Policies

2.1 Basis of preparation

The principal accounting policies applied in the preparation of the Company and Group's Financial Statements are set out below. These policies have been consistently applied to the period presented, unless otherwise stated.

The Company and Group's Financial Statements have been prepared in accordance with IFRS as adopted by EU for. The Company Financial Statements have been prepared using the measurement bases specified by IFRS each type of asset, liability, income and expense.

The Group's Financial Statements are presented in GBP, which is the Company's functional currency. All amount have been rounded to the nearest pound, unless otherwise stated.

2.2 Basis of consolidation

The Consolidated Financial Statements comprise the financial statement of the Company and Consolidated African Resources (Uganda) Ltd ("CARU") following the Company's acquisition of CARU on 27 April 2020.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over an investee, including:

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

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the Group Financial Statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions that are recognised in assets, are eliminated in full.

2.3 Changes in significant accounting policies

The following standards, interpretation and amendments were adopted by the Group during the year:

- Definition of a business (Amendments to IFRS 3)
- Definition of Material (Amendments to IAS 1 and IAS 8)
- Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

2.4 The transition to these standards had no material impact on the Group. Future changes in accounting policies

At the date of authorisation of these financial statements, the following standards and interpretations, were in issue but not yet effective, and have not been early adopted by the Group:

- References to the Conceptual Framework
- Proceeds before Intended Use (Amendments to IAS 16)
- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The Directors have reviewed the IFRS standards in issue which are effective for annual accounting years ending on or after the stated effective date. In their view, none of these standards would have a material impact on the financial statements of the Group.

2.5 Intangible assets

Exploration and evaluation assets

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 measurements of exploration and evaluation assets and which are classified as intangible assets relate to the acquisition of rights to explore, exploratory drilling, 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.

Impairment

Exploration and evaluation assets are not subject to amortisation but are assessed annually for impairment. The assessment is carried out by allocating exploration and evaluation assets to cash generating units ("CGU's"), which are based on specific projects or geographical areas. The CGU's are then assessed for impairment using a variety of methods including those specified in IFRS 6.

Whenever the exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to the Statement of Comprehensive Income.

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.

2.6 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another.

(i) *Financial assets*

Financial assets are classified at initial recognition. The classification of financial assets at initial recognition that are debt instruments depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. The Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Classification and measurement is based on both whether contractual cash flows are solely payments of principal and interest; and whether the debt instrument is held to collect those cash flows. In the case of the Group, all financial assets meet this criteria and they are held at amortised cost.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses - the ECL model.

ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. 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.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a '12-month ECL'). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a 'lifetime ECL').

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

(ii) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost. The Company's financial liabilities include trade and other payables and loans.

Subsequent measurements

Loans and borrowings and trade and other payables.

After initial recognition, interest-bearing loans and borrowings and 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 when the liabilities are derecognised, as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to trade and other payables.

Derecognition

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss and other comprehensive income.

2.7 Going concern

The Company's business activities, together with the factors likely to affect its future development, performance and positions are set out in the Chief Executive Officer's Statement.

The Group had £4,688,870 of total assets at 30 September 2020, of which £205,856 are held as cash and cash equivalents.

Subsequent to the year-end the Group has raised additional funding through a share capital raise in order to further the development of the Group's activities (see note 20) however the Board of Directors appreciate that significant further funding will be required to achieve the desired project outcome of cash generative production in 2025. The raising of further funding is not guaranteed and will be dependent on successful exploration results to demonstrate the commercial potential of the project, for these reasons there is a material uncertainty in respect of going concern..

As part of their going concern assessment, the Board of Directors have reviewed cash flow forecasts reviewed for the 12 months from the date these financial statements were signed and considered the medium term outlook through to 2025 as described in the Viability Statement. The Directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period to December 2025 provided further funding can be raised as required.

Accordingly, the Directors have a reasonable expectation, subject to the uncertainty noted above, that the Company and the Group will continue in operational existence for the foreseeable future, provided future funding can be obtained following anticipated positive feasibility study results, for a period of at least 5 years from the date of signing of these financial statements. Therefore, the financial statements have been prepared as a going concern.

2.8 Comparative figures

The comparative figures have been presented as the Group Financial Statements cover the Company's figures for the year ended 30 September 2019.

2.9 Cash and cash equivalents

The Directors consider any cash on short-term deposits and other short-term investments to be cash equivalents.

2.10 Share capital

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

Warrants

Warrant options are classified as equity. The fair value of the warrants has been calculated using the Black-Scholes option pricing model. For more information please see note 17.

2.11 Foreign currency

Transactions in foreign currencies are translated to the functional currency at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. Exchange differences arising on translation are recognised in profit or loss.

2.12 Earnings per share

The Company presents basic and diluted earnings per share ("EPS") data for its Ordinary Shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of Ordinary Shares outstanding during the year. Diluted EPS is calculated by adjusting the earnings and number of shares for the effects of dilutive potential Ordinary Shares.

2.13 Income tax

Income tax expense comprises current tax and deferred tax.

Current income tax
Being resident in England and Wales, a 19% rate of corporate income tax applies to the Company.

Deferred income tax
Deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income. Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply to the period when the related asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the Consolidated Statement of Financial Position.

2.14 Cash and cash equivalents

Cash and cash equivalents in the Company and Group statements of financial position comprise bank balances only. For the purpose of the statement of cash flows, cash and cash equivalents consist of bank balances only.

3. Business Combination

On 27 April the Company acquired 100% of the voting equity instrument of CARU. The Group applies the acquisition method in accounting for business combinations. The Consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition date fair value of assets transferred, liabilities incurred, and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

The Company was formed for the purposes of acquiring a natural resources assets. Graphite is a metal that has a strong future for the next 20 years given that graphite is the largest component of the lithium battery. The board believe that the

Orom Graphite Project can be globally significant due to the high-quality product and scale of the target resource.

The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Details of the fair value of the identifiable assets and liabilities and purchase consideration are as follows;

	Book Value	Adjustment	Fair Value
	GBP	GBP	GBP
Exploration assets	1,391,366	1,903,326	3,294,692
Cash	116	-	116
Payables	(285,759)	-	(285,759)
Lease liabilities	(1,009,049)	-	(1,009,049)
Total	**96,674**	**1,903,326**	**2,000,000**

On acquisition the exploration assets were fair valued to bring the fair value of the assets in line with the consideration paid to the company. The company has minimal other assets and liabilities other that those relating to the mining licence and therefore the fair value is considered to the value that the Company has paid to acquire CARU in the year.

Fair Value and total consideration paid:

	GBP
Ordinary Shares	2,000,000

Acquisition costs of £225,000 arose as a result of the transaction. These have been recognised as part of administration expenses in the statement of comprehensive income.

Since the acquisition date, CARU has contributes a loss of £21,824 to groups loss before tax.

4. Critical accounting estimates and judgments

In preparing the Company and Group Financial Statements, the Directors have to make judgments on how to apply the Company and Group's accounting policies and make estimates about the future. The Directors do not consider there to be any critical judgments that have been made in arriving at the amounts recognised in the Company and Group Financial Statements.

a) Recovery of trade receivables
Following the Company's adoption of IFRS 9, it is estimated that 5% of the Company's loan with CARU might not be recoverable. If this estimate was to increase by 2%, the Company's recoverable loan would decrease by £7,000.

b) Warrants
During the year the Company issued its shareholders with warrants. The valuation of these warrants involved making a number of critical estimates relating the price volatility, expected life if the options and interest rated. These assumptions are described in more details in note 17.

The expenses charged to the Statement of Comprehensive Income during the year in relation to warrants was £66,693 (2019: £28,272).

c) Impairment of intangible assets - exploration and evaluation costs
Exploration and evaluation costs have a carrying value as at 30 September 2020 of £4,377,895 (2019:£Nil). Licences have a useful life of 49 years and the Group has a right to renew exploration licences. The surface rights is amortised at a rate of 2.25% per annum once extraction of the resource commences, with a minimal amortisation rate of 0.25% until the extraction commences. Management tests for impairment annually whether exploration projects have future economic value. The results of actual or future mining test will be taken into consideration when evaluation the value of the intangible assets.

d) Interest charge on amounts falling after one year
The value of the non-current liability is measured at the present value of the contractual payments due to the lessor over the lease term. At year end NPV of the liability is £1,024,737 (2019: £ Nil). Interest is charge on the liability at a rate of 5%, if the discount rate used to calculate the NPV was to increase by 1%, the NPV of the asset would decrease by around £43,000. The interest charged during the year was £32,498 (2019: £ Nil), if the rate was increase by 1% then the interest charge would increase by approximately by £10,000 (2019: £ Nil)

5. Administrative fee and other expenses

	30 Sep 2020	**30 Sep 2019**
	GBP	GBP
Directors' remuneration (see note 6)	107,102	75,077
Professional fees	437,340	54,203
Salaries (see note 7)	27,500	-
Listing fees	26,599	19,552
Audit fees	25,000	19,200
Fees payable to group auditors for non-audit services	69,275	-
Share option/warrant cost (see note 17)	66,693	28,272
Administration fees	24,486	8,159
Broker fees	190,833	5,000
Travelling expenses	7,260	4,685
Miscellaneous fees	32,965	5,588
Total	**1,015,053**	**230,908**

Key management remuneration is disclosed in note 7.

6. Directors' remuneration

	30 Sep 2020	**30 Sep 2019**
	GBP	GBP
Directors fees	99,000	70,000
Employer NI	2,287	3,697
Director expenses	5,815	1,380
Total	**107,102**	**75,077**

In addition, the Directors received warrants which are disclosed on note 17. The total value of warrants allocated to the Directors during the financial year is £11,259 (2019: £11,228)

Directors' fees include £2,000 accrued from the previous year (2019: Nil).

7. Employees

The number of key management employed (excluding members the Board) employees throughout the year was as follows;

	30 Sep 2020	30 Sep 2019
By the Company	2	-
By the Group	2	-

The key management employees who were appointed during the year, together with details of their interest in the shares of the Company as at the date of this report were:

	Number of shares	Value of the shares
Michael Ralston - CEO	2,625,000	£157,500
Iain Wearing - COO	208,333	£12,500

The total salary costs for the year was £61,000 (2019: £Nil) of which £33,500 (2019: £Nil) were capitalised as they are related to the Orom Graphite Project.

8. Taxation

Analysis of charge in the year	**30 Sep 2020**	**30 Sep 2019**
	GBP	GBP
	GBP	GBP
Current tax:		
UK Corporation tax on loss for the year	-	-
Deferred tax	-	-
Tax on loss on ordinary activities	-	-

	30 Sep 2020	**30 Sep 2019**
	GBP	GBP
Loss on ordinary activities before tax	(1,058,084)	(243,119)
Analysis of charge in the year		
Loss on ordinary activities multiplied by rate of corporation tax in the UK of 19% (2019: 19%)	(201,036)	(46,193)
Tax losses carried forward	(201,036)	(46,193)
Current tax charged	--	-

The Parent Company has accumulated tax losses arising in the UK of £1,401,512 (2019: £406,369) that are available, under current legislation, to be carried forward against future profits. No deferred tax asset has been recognised in respect to these losses due to the uncertainty of the future trading profits.

9. Intangible and other assets

For the year ended in 30 September 2020 intangible assets represent only capitalised costs associated with the Group's exploration, evaluation and development of mineral resources.

	Exploration assets	**Total**
	GBP	GBP
Cost		
Balance at 1 October 2018	-	-
Additions	-	-
Balance at 30 September 2019	-	-
Additions - on acquisition	3,294,692	3,294,692
Additions - during the year	1,084,354	1,084,354
Amortisation	(1,919)	(1,919)
Balance at 30 September 2020	4,377,127	4,377,127

10. Loss per share

The calculation of the basic and diluted loss per share is based on the following data:

	30 Sep 2020	**30 Sep 2019**
Earnings		
Loss from continuing operations for the year attributable to the equity holders of the Company (£)	(1,058,084)	(£243,119)
Number of shares		
Weighted average number of Ordinary Shares for the purpose of basic and diluted earnings per share	60,707,758	26,187,212
Basic and diluted loss per share (pence)	(1.74)	(0.93)

There are no potentially dilutive shares in issue.

11. Investment in subsidiary

Details of the Company's subsidiary at 30 September 2020 are as follows:

Name of the subsidiary	Place of incorporation	Portion of ordinary shares held	Principal activity
Consolidated African Resources (Uganda) Ltd	Uganda	100%	Exploration

12. Long term: non-current assets

	30 Sep 2020		30 Sep 2019	
	Group	Company	Group	Company
	GBP	GBP	GBP	GBP
Loan to subsidiaries (see below)	-	344,720	-	-
Less: provision	-	(18,499)	-	-
Total	**-**	**326,221**	**-**	**-**

During the year, the Company agreed to cover some expenses for Consolidated African Resources (Uganda) Ltd ("CARU") for the value of £344,720 (2019: £223,431). Following the Company's adoption of IFRS 9, a provision of £18,499 (2019: £11,172) has been made against this loan. Following the acquisition of CARU, the loan now is considered to be a long term assets (see note 13 for 2019 figures)

On 18 December 2020 the Company and its subsidiary entered into a loan agreement. This agreement replaces any previous loan agreements. The facility is for an amount up to £5,000,000 and carries and interest of 5% per annum chargeable at year end. The amount borrowed during the year was £121,289 (2019: £233,431). The total interest charged for the year ended 30 September 2020 was £16,415 (2019:£ Nil)

13. Trade and other receivables

	30 Sep 2020		30 Sep 2019	
	Group	Company	Group	Company
	GBP	GBP	GBP	GBP
Current				
Loan to CARU	-	-	223,431	223,431
Other receivables	67,902	109,569	37,495	37,495
Prepayments	4,119	4,119	7,100	7,100
Less: provision	**-**	-	(11,172)	(11,172)
Total	**72,021**	**113,688**	**256,854**	**256,854**

14. Creditors: Amounts falling due within one year

	30 Sep 2020		30 Sep 2019	
	Group	Company	Group	Company
	GBP	GBP	GBP	GBP
Payables	281,726	264,105	-	-
Other payables	175,225	-	91,724	91,724
Accruals and provisions	41,637	41,637	20,000	20,000
Total	**498,588**	**305,742**	**111,724**	**111,724**

15. Creditors: Amounts falling after one year

CARU entered into as agreement for surface rights over the land in the mineral area of his licence. The land owners granted CARU a 49 year lease over an area. The lease is payable in 11 instalments effective 31st January 2020.

	30 Sep 2020	30 Sep 2019
	GBP	GBP
Total payable as at 1 October	-	-
Addition to non-current liabilities	1,009,049	-
Interest charged during the period	11,923	-
Exchange loss on valuation	3,765	-
Total payable as at 30 September	**1,024,737**	-
Analysis between current and non-current liability		
Payable within 12 months	175,225	-
Payable after 12 months	849,512	-
	1,024,737	**-**

The value of the lease is measured at the present value of the contractual payments due to the lessor over the lease term , with the discount rate of 5%.

16. Stated capital

	Number of shares issued	Nominal value per share GBP	Share capital GBP	Share Premium GBP	Total share capital GBP
At 30 Sep 2018	**21,666,664**		**400,000**	**-**	**400,000**
Issue of Ordinary Shares 3	10,000,000	0.005	50,000	350,000	400,000
Share issued costs			-	(140,017)	(140,017)
At 30 Sep 2019	**31,666,664**		**450,000**	**209,983**	**659,983**
Issue of Ordinary Shares 4	66,666,662	0.005	333,333	3,666,667	4,000,000
Share issue costs	-	-	-	-	-
At 30 Sep 2020	**98,333,326**		**783,333**	**3,876,650**	**4,659,983**

On 18 April 2019, the Company issued a further 8,500,000 Ordinary Shares of 0.5p each were issued at a price of 4 pence per share, to raise £340,000 before costs, or £260,000 after costs. In addition, a further 1,500,000 Ordinary Shares

were issued in settlement of £60,000 of costs incurred under two Facilitation Agreements with third party service providers.

On 28 April 2020, the Company issued a further 66,666,662 Ordinary Shares of 0.5p each were issued at a price of 6 pence per share, to raise £4,000,000 before costs. £2.000,000 of this capital raised was used for the acquisition of CARU.

All of the shares issued, with different nominal values, are classed as ordinary and have similar rights attached to them.

The Directors are authorised to issue 138,333,326 ordinary shares. As at 30 September 2020 the number of shares issued and fully paid were 98,333,326 (2019: 31,666,664).

17. Share based payments

Warrants

The following warrants were issued as part of the shares subscriptions:

	Number issued	Expiry
Warrants - 27 June 2018	10,833,336	4 years
Warrants - 31 August 2019	3,625,000	4 years
Warrants - 28 April 2020	16,666,666	4 years
Warrants - 28 April 2020	1,250,000	4 years
	32,375,002	

	27 June 2018 Warrants	31 August 2019 Warrants	28 April 2020 Warrants	28 April 2020 Warrants
Number of warrants issued	10,833,336	3,625,000	16,666,666	1,250,000
Share price	3.0p	4.5p	6.0p	6.0p
Exercise price	4.0p	6.0p	8.0p	6.0p
Expected volatility	51%	51%	51%	51%
Expected live (yrs.)	4	4	4	4
Risk free interest rate	0.82%	0.48%	0.23%	0.23%
Dividend yield	Nil	Nil	Nil	Nil

Expected volatility was based on an average of similar entities volatility percentages.

The total share based payment recognised in the Consolidated Statement of Changes in Equity during the year was £66,693 (2019: £28,272).

18. Financial instruments

18.1 Categories of financial instruments

	30 Sep 2020		30 Sep 2019	
	Group	Company	Group	Company
	GBP	GBP	GBP	GBP
Financial assets at amortised cost				
Trade and other receivables	4,119	4,119	249,754	249,754
Cash and cash equivalents	205,856	205,740	141,992	141,992
Financial liabilities at amortised cost				
Trade and other payables	498,588	305,742	111,724	111,724
Lon term liabilities	849,512	-	-	-

18.2 Financial risk management objectives and policies

The Company's major financial instruments include bank balances, trade and other payables and accrued expense. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments, and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk
The Group operated internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar ("USD") and Ugandan shilling ("UGX"). Foreign exchange risk arises from future commercial transactions, recognised monetary assets and liabilities and net investments in foreign operations.

Credit risk
Credit risk arises on investments, cash balances and debtor balances, The amount of credit risk is equal to the amounts stated in the statements of financial position for each of the assets (note 9, 12 & 13).

Liquidity risk
Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company aims to maintain flexibility in funding.

The maturity of the Company's financial liabilities at the statement of financial position date, based on the contracted undiscounted payments as disclosed in note 14 & 15, falls within one year and payable on demand.

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

19. Related party transactions

The are no related party transactions during the year except for the Directors' remuneration, which has been disclosed in note 6.

Sam Quinn is a director and shareholder of the Company and a Director of Lionshead Consultants Limited. During the year, Lionshead Consultants Limited charged fees for consultancy fees of £10,000 (2019:£ Nil).

20. Events after the reporting date

On 12 October 2020, the Group issued 3,339,806 shares at a price of 5.15p per share to stakeholders for services provided.

On 27 November 2020, 1,750,000 warrants were exercised at a price of 4p per share.

On 02 December 2020, the Group issued further 1,540,984 shares at a price of 6.1p per share for services provided.

On 23 December 2020, further 5,000,000 shares were issues at a price of 6p each, of which 416,667 and 416,667 were acquired by Cameron Pearce and Sam Quinn. Further 416,667 were acquired by the management of the Group. Each share carries the entitlement to 1 warrant at 8p each for the period of 3 years.

On 23 December 2020 the Group granted the following options all with an exercise price of 6p per option and a maximum life of five years from the date they were issued. These options will not vest unless the share price of the Group trades in excess of 10p per share for 10 consecutive days.

Share options	**Number issued**	**Expiry**
Cameron Pearce (Director)	2,500,000	5 years
Sam Quinn (Director)	1,750,000	5 years
Alexander Passmore (Director)	750,000	5 years
Michael Ralston	2,500,000	5 years
Iain Wearing	2,500,000	5 years
	10,000,000	

On 18 January 2021 the group announced that it had raised £500,000 in an oversubscribed placing at 8 pence per share, Placees have also received an attaching half-warrant to subscribe for shares at 10 pence per share for a period of three years. An application will be made for 6,250,000 ordinary shares to be admitted to trading on the official list of the London Stock Exchange with effect from 29 January 2021.

At the date of this report the total number of share in issue were 116,214,116 and the total number of warrants were 38,750,002.

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