Cobra Resources plc

Annual Report and Financial Statements

for the year ended 31 December 2018

Contents

Company Information

Directors	Rolf Gerritsen – Executive Director Greg Hancock – Non-Executive Director Craig Moulton – Executive Director
Secretary	London Registrars Ltd
Registered Office	Suite A, 6 Honduras Street London EC1Y 0TH
Website	www.cobraresources.co.uk
Solicitors	Cooley (UK) LLP Dashwood, 69 Old Broad Street London EC2M 1QS
Auditors	PKF Littlejohn LLP Statutory Auditor 1 Westferry Circus, Canary Wharf London E41 4HD
Broker	SI Capital Limited 46 Bridge Street Godalming Surrey GU7 1HL
Registrars	Link Asset Services The Registry, 34 Beckenham Road Beckenham BR3 4TU

Investment Policy Statement

Investment Strategy

Cobra Resources plc (the "**Company**" or "**Cobra**") has been formed to explore, develop and mine precious and base metal projects.

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

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

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

The Company will only invest in projects where it can add value by either applying alternative geological models based on experience with similar mineralised systems, advancing the project through structured and disciplined exploration analysis or by leveraging alternative geochemical or geophysical technologies.

Following the acquisition of the Lady Alice Trust and Lady Alice Mines Pty Ltd (as trustee of the Lady Alice Trust), the Company has a project portfolio from which it aims to unlock embedded value and deliver shareholder returns through capital growth. It is the aim of the Company to explore and analyse the assets within this portfolio in order to optimise the risk-reward value equation for its shareholders. This may include monetising or divesting assets at any stage up to and including the building of economically sustainable operations.

With a positive global outlook for both base and precious metals, the Directors believe that the current asset portfolio provides an excellent base from which the company can potentially add significant value through the application of structured and disciplined exploration.

Further investments may be considered where assets in strategic commodities are either: (i) geologically prospective but undervalued; (ii) where technical knowledge and experience could be applied to add or unlock upside potential; (iii) where the assets may be synergistic to the current portfolio; or (iv) where project diversification will add strategic growth opportunities within an appropriate time frame.

Geography

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

Board of Directors

Rolf Gerritsen

Executive Director

Rolf Gerritsen is an entrepreneurial executive with over 30 years' experience with a specific focus on the Natural Resources sector. Mr Gerritsen is currently a director of MetalNRG, ECRG Consulting Limited, RCA Associates Limited, and Pearman Investments LLP. Mr Gerritsen has been working with the Boards of these companies developing, designing and implementing growth strategies. Mr Gerritsen has also acted as a consultant, with a focus on investor relations, for RockFire Resources plc (then Papua Mining plc), Pembridge Resources plc (then China Africa Resources plc), and Metal Tiger plc. Mr Gerritsen also spent three years in Paris working as a consultant with BBSP, France.

Craig Moulton

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

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

Greg Hancock

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

Greg Hancock has had over 25 years' experience in the capital markets of Australia and the UK. He maintains close links with the stockbroking and investment banking community and has a corporate finance practice which specialises in the resources sector. On the Australian Securities Exchange he is currently non-executive chair of Ausquest Limited, BMG Resources Limited and a non-executive director of Zeta Petroleum Plc, Strata X Energy Limited, Golden State Mining Limited and King Island Scheelite Limited. Typically, Mr Hancock is involved in the sourcing, negotiation, and financing of strategic resources for companies and then providing appropriate stewardship at board level. Mr Hancock has a limited number of private company interests including Franchise Investments International Ltd, Hancock Corporate Investments Pty Limited and has in the past been a non- executive director of Norsve Resources plc and foundation shareholder and executive chair of Cooper Energy Limited, an Australian Oil and Gas production company.

Strategic report

Investment Strategy

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Business development

On 7 March 2019, the Company announced that it had signed an acquisition agreement to acquire 100 per cent. of (i) the units in the Lady Alice Trust from the unitholders of the Lady Alice Trust, and (ii) the issued share capital of Lady Alice Mines Pty Ltd (as trustee for the Lady Alice Trust) from the Lady Alice Mines Pty Ltd shareholders.

The Lady Alice Trust is the sole owner of:

- 100% of right title and interest in South Australian Exploration Licence Number 6016, a formerly producing copper mine; and
- an entitlement to earn a 75 per cent. equity interest in five tenements near Wudinna in South Australia for gold exploration, under the terms of an agreement with Andromeda Metals Limited, a company listed on the Australian Securities Exchange, and Peninsula Resources Limited.

Additional details of the acquisition of the Lady Alice Trust can be found on the Company's website: www.cobraresources.co.uk

Organisation overview

The day-to-day management of the Company is overseen by Rolf Gerritsen from the Company's offices in central London. Regular meetings are held with the board of directors (the "**Directors**" or the "**Board**") to discuss all operational matters and any attractive investment opportunities.

Financial performance

The Company recorded a loss of £573,332 equating to a loss of £0.0195 per ordinary share with net cash inflow for the period of £328,135. The Company raised £773,501 through a placing of ordinary shares of nominal value 1 pence per share (the "**Ordinary Shares**") at 1.5 pence per Ordinary Share. The Company's cash deposits stood at £328,135 at the period end.

Principal risks and uncertainties

Interest rate risk

The Company finances its operations through new investment funds raised. The Board utilises short term floating rate interest bearing accounts to ensure adequate working capital is available whilst maximising returns on deposits.

Liquidity risk

The Company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. More information about the Company's liquidity risk, and the management of that risk, is given under the paragraph 'Going Concern' in Note 3 to the financial statements for the year ended 31 December 2018 (the "**Financial Statements**").

Currency risk

The Company trades substantially within the United Kingdom and the majority of its transactions are denominated in Sterling. Consequently, the Directors do not currently consider currency risk to be material to the Company.

Fair values

Except where shown above, the fair values of the Company's financial instruments are considered equal to the book value.

Price and credit risk

The Directors do not consider price or credit risk to be currently material to the Company.

Environmental responsibility

The Company is aware of the potential impact that it may have on the environment. The Company will ensure that it at a minimum complies with the local regulatory requirements with regard to the environment.

Social, community and human rights responsibility

The Company recognises its responsibility under English law to promote the success of the Company for the benefit of its members as a whole. The Company also understands that it has a responsibility towards partners, suppliers and contractors and the local community in which it operates.

By order of the Board

Rolf Gerritsen

Executive Director

26 April 2019

Directors' report

The Directors present their first annual report on the affairs of the Company, together with the Financial Statements. The Company was incorporated on 25 January 2018.

Fundraising

The Company raised £723,326 net of costs during the period.

Results and dividends

The Company's results are described in the Statement of Comprehensive Income on page 26. The Financial Statements are set out on pages 26 to 39.

The Company has incurred a loss for the period of £573,332.

The Directors do not recommend the payment of a dividend.

Key performance indicators

Given the nature of the Company's activities, the Directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the Company's business at the present time.

Directors

The Directors who served during the period and up to the date of approval of the Financial Statements were are as follows:

Rolf Gerritsen (appointed 6 August 2018)

Greg Hancock (appointed 1 March 2018)

Craig Moulton (appointed 27 March 2019)

Ken Watson (appointed 1 March 2018, resigned 5 April 2019)

Dr Geoffrey Cowley (appointed 25 January 2018, resigned 6 August 2018)

Greg Hancock is an independent non-executive Director.

Share capital

Information relating to Ordinary Shares issued during the period is given in Note 12 to the Financial Statements.

Substantial shareholdings

At the close of business on 25 April 2019, the following substantial shareholders held 3% or more of the Company's ordinary share capital:

	Ordinary shares of £0.01 each	Percentage of issued share capital
Share Nominees Limited	36,411,153	54.16%
Jim Nominees Limited	8,615,587	12.81%
MetalNRG plc	4,166,666	6.20%
Value Generation Limited	3,250,000	4.83%
Hargreaves Lansdown (Nominees) Limited	3,085,700	4.59%
Redstone Metals Pty Limited	2,666,666	3.97%
Bank of New York (Nominees) Limited	2,575,000	3.83%

Charitable and political donations

During the period there were no charitable or political contributions.

Events after the reporting period

There are no significant post balance sheet events to disclose for the period ended 31 December, other than those set out in Note 16 to the Financial Statements.

Directors' remuneration

The remuneration of the Directors has been fixed by the Board as a whole. The Board seeks to provide appropriate reward for the skill and time commitment required in order to retain the right calibre of Director without paying more than is necessary.

Details of Directors' fees and of payments made for professional services rendered are set out in the Remuneration Report and Note 6 to the Financial Statements.

Management incentives

On 27 March 2018, the Company introduced a share option plan (the "**Share Option Plan**") under the Share Option Plan with Non-Employee Sub-Plan to enable the issue of options as part of the remuneration of key management personnel and Directors to enable them to purchase Ordinary Shares. However, the Share Option Plan was amended by the Board and re-entered into on 11 February 2019. During the year no options were issued to Directors nor key management personnel.

Going concern

The Company's day to day financing is from its available cash resources.

Proceeds from the issue of shares during the period amounted to £733,501 and cash and cash equivalents at 31 December 2018 amounted to £328,135. The Company has sufficient funds to meet its working capital needs whilst further funding will be required either through equity raisings or other financial arrangements to fund future acquisitions. This additional funding cannot be guaranteed.

However, the Directors are confident that adequate funding can be raised as required to meet the Company's current and future liabilities, which has been confirmed within the cash flow forecast prepared by the Board for the 12 months ending 30 April 2020.

For the reasons outlined above, the Directors are satisfied that the Company will be able to meet its current and future liabilities, and continue trading, for the foreseeable future and, in any event, for a period of not less than 12 months from the date of approving the financial statements. The preparation of the financial statements on a going concern basis is therefore considered to remain appropriate.

Management of capital

The Company's objectives when managing capital are:

- to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders; and
- to provide an adequate return to shareholders by exploring investment opportunities.

The Company sets the level of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

Control procedures

The Board has approved financial budgets and cash forecasts; in addition, it has implemented procedures to ensure compliance with applicable accounting standards and effective

Directors’ report, continued

reporting. There is no internal audit function however the Board meets regularly to discuss any internal audit matters if they arise.

Financial instruments

The Company uses financial instruments, comprising cash and trade and other receivables and trade and other payables, which arise directly from its operations. The main purpose of these instruments is to further the Company’s operations.

Interest rate risk

The Company finances its operations through new investment funds raised. The Board utilises short term floating rate interest bearing accounts to ensure adequate working capital is available whilst maximising returns on deposits.

Liquidity risk

The Company seeks to manage financial risk, to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. More information about the company’s liquidity risk, and the management of that risk, is given under ‘Going Concern’ in Note 3 to the Financial Statements.

Currency risk

The Company trades substantially within the United Kingdom and the majority of its transactions are denominated in Sterling. Consequently, the Directors do not currently consider currency risk to be material to the Company. As overseas acquisitions are made, the Company will seek to implement a currency risk policy.

Fair values

Except where shown above, the fair values of the Company’s financial instruments are considered equal to the book value.

Price and credit risk

The Directors do not consider price or credit risk to be currently material to the Company.

Disclosure of information to auditors

So far as each Director is aware, there is no relevant audit information of which the Company’s auditors are unaware, and the Directors have taken all the 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 Company’s auditors are aware of that information.

Auditors

The Directors will place a resolution before the annual general meeting in 2019 (the “**2019 AGM**”) to reappoint PKF Littlejohn LLP as auditors for the coming period. PKF Littlejohn LLP has expressed their willingness to continue in office as auditors

By order of the Board

Rolf Gerritsen

Executive Director

26 April 2019

Statement of directors' responsibilities

Directors' responsibilities for the financial statements

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

English law requires the Directors to prepare Company financial statements for each financial period. The Directors have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the European Union ("**EU**"). Under English law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the Company and of the profit or loss of the Company for that period.

In preparing the Financial Statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRS as adopted by the EU have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the requirements of the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detention of fraud and other irregularities.

The maintenance and integrity of the Company's website is the responsibility of the Directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

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

Corporate Governance Statement

Introduction

The Company recognises the importance of, and is committed to, high standards of corporate governance. At the date of this Annual Report, while the Company is not under an obligation to adopt a governance code on a 'comply or explain' basis given its status as a standard listed company on the main market for listed securities of the London Stock Exchange, the Directors have opted to observe the requirements of the UK Corporate Governance Code to the extent they consider appropriate in light of the Company's size, stage of development and resources. The Directors will take into account the Corporate Governance Guidelines for Smaller Quoted Companies published by the Quoted Companies Alliance so far as it is practicable and appropriate.

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.

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

Set out below are the Company's corporate governance practices for the year ended 31 December 2018.

Leadership

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

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

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

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

Corporate Governance Statement, continued

Leadership, continued

Summary of the Board's work in the year – During the year, the Board considered all relevant matters within its remit, but focused in particular on the identification of a suitable investment opportunity for the Company to pursue.

Attendance at meetings:

Member	Role	Meetings attended
G Cowley	Director	2
K Watson	Chairman	6
G Hancock	Director	6
R Gerritsen	Director	4

All Directors attended 100% of Board meetings they were entitled to attend during the period. The Board is pleased with the high level of attendance and participation of Directors at Board and committee meetings.

Non-executive director

The non-executive Director brings a broad range of business and commercial experience to the Company and has a particular responsibility to challenge independently and constructively the performance of the executive management (where appointed) and to monitor the performance of the management team in the delivery of the agreed objectives and targets. Cobra has one non-executive Director, Greg Hancock.

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.

The Board does not comply with the provision of the UK Corporate Governance Code that at least half of the Board, excluding the Chairman, should comprise non-executive directors determined by the Board to be sufficiently independent.

Audit Committee

The Board as a whole will review audit, remuneration and risk matters, on the basis of adopted terms of reference governing the matters to be reviewed and the frequency with which such matters are considered. The Board as a whole will also take responsibility for the appointment of auditors and payment of their audit fee, monitor and review the integrity of the Financial Statements and take responsibility for any formal announcements on the Company's financial performance.

Remuneration Committee

Currently, due to the size of the Company there is no Remuneration Committee. Remuneration paid to Directors is disclosed in the Directors' Remuneration Report. The Board as a whole will consider the Board's size, structure and composition and the scale and structure of the Directors' fees, taking into account the interests of shareholders and the performance of the Company.

Corporate Governance Statement, continued

Nomination Committee

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

Share Dealing Code

The Board has adopted a code (the "**Share Dealing Code**") for dealings in the Company's securities by Directors or applicable employees which contains provisions appropriate for a company whose shares are admitted to trading on the Official List.
The Company will take all reasonable steps to ensure compliance by the Directors and any applicable employees with the terms of the Share Dealing Code.

Shareholder relations

Communication and dialogue – Open and transparent communication with shareholders is given high priority and there is regular dialogue with investors, as well as general presentations made throughout the year. 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 financial results promptly to individual shareholders and also publishes them on the Company's website: www.cobraresources.co.uk. Regular updates to record news in relation to the Company are included on the Company's website.

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

Annual General Meeting – At every AGM individual shareholders will be given the opportunity to put questions to the Chairman and to other members of the Board that may be present. 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 practicable after the meeting.

Diversity

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

By order of the board

Rolf Gerritsen

Executive Director

26 April 2019

Directors Remuneration Report

The Company is yet to establish a remuneration committee and currently the Board reviews remuneration granted to the Directors. The Board reviews the scale and structure of the Directors' fees, taking into account the interests of shareholders and the performance of the Company and Directors.

The items included in the Directors' Remuneration Report are audited unless otherwise stated.

Statement of Cobra Resources plc's policy on Directors' remuneration by the Executive Director

As Executive Director, I am pleased to introduce our Directors' Remuneration Report. The Directors' Remuneration Policy, which is set out on pages 16 to 19 of this report, will be submitted to shareholders for approval at the 2019 AGM.

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

The Company has no current remuneration committee as the directors are contracted to the Company by way of service agreements or letters of appointment. Remuneration is fixed although Board meetings are held where the remuneration of Directors is considered. A remuneration committee is not considered necessary at this time but the Board will continually review the matter.

Remuneration Components

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

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

The Executive Director has entered into a service agreement with the Company and the Non-Executive Director has entered into a letter of appointment with the Company.

All such contracts impose certain restrictions as regards the use of confidential information and intellectual property and the Executive Director's service contract imposes restrictive covenants which apply following the termination of the agreement.

Other matters

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

The Company has established a workplace pension scheme but it does not presently have any employees qualifying under the auto-enrolment pension rules who have not opted out of the scheme. It does not currently pay pension amounts in relation to Directors' remuneration. The Company has not paid out any excess retirement benefits to any Directors or past Directors. During the period the Company paid £4,000 in cash and a further £7,500 in shares as part of a settlement agreement to Geoffrey Cowley.

Directors Remuneration Report, continued

Recruitment Policy

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

Payment for loss of Office

If a contract is to be terminated, the Company will determine such mitigation as it considers fair and reasonable in each case.

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

Service agreements and letters of appointment

The Executive Director's service agreement is not for a fixed term and may be terminated by the Company or the Executive Director by giving 3 months' notice.

Name	Date of service agreement	Notice period by Company (months)	Notice period by Director (months)
R Gerritsen	17 August 2018	3 months	3 months
G Cowley*	25 June 2018		

*G Cowley resigned on 6 August 2018

The terms of the all Directors' appointments are subject to their re-election by the Company's shareholders at any AGM at which the all Directors stand for re-election.

The Non-Executive Directors of the Company do not have service contracts but are appointed by letters of appointment. Each Non-Executive Director's term of office runs for an initial period of three years unless terminated earlier upon written notice or upon their resignations.

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

Name	Date of service agreement	Current term (years)	Notice period by Company (months)	Notice period by Director (months)
G Hancock	12 November 2018	< 1	1 month	1 month
K Watson*	12 November 2018			

*K Watson resigned on 8 April 2019

Directors Remuneration Report, continued

Executive Directors' remuneration - audited

The table below sets out the remuneration received by the Executive Directors for the period ended 31 December 2018:

Executive Directors	Remuneration 2018 £	Options 2018 £	Fees 2018 £	Total 2018 £
G Cowley	24,000	-	2,000	26,000
R Gerritsen	21,300	-	48,000	69,300
Total	**45,300**	-	**50,000**	**95,300**

Non-Executive Directors' remuneration - audited

The table below sets out the remuneration received by each Non-Executive Director during the period ended 31 December 2018:

Non-Executive Directors	Fees 2018 £	Share based payments 2018 £	Total 2018 £
G Hancock	-	-	-
K Watson	-	-	-
Total	**-**	**-**	**-**

Directors beneficial share interests - audited

The interests of the Directors who served during the year in the share capital of the Company at 31 December 2018 and at the date of this report or their resignation (or earlier) were as follows:

Name of Director	Number of ordinary shares held at 31 December 2018	As at the date of this report	Number of share warrants	Number of share options/warrants vested but unexercised
G Cowley *	500,100	500,100	-	-
R Gerritsen	-	-	-	-
K Watson **	2,666,666	2,666,666	2,666,666	2,666,666
G Hancock	-	-	-	-

* G Cowley resigned on 6 August 2018

** K Watson resigned on 8 April 2019

Relative importance of spend on pay

The table below illustrates a comparison between total remuneration to distributions to shareholders and loss before tax for the financial period ended 31 December 2018:

	Distributions to shareholders	Total Director pay	Operational cash outflow
	£	£	£
Year ended 31 December 2018	nil	45,300	393,191

Total Director pay includes fees for Directors in continuing operations. Further details on Director remuneration are provided in Note 6 to the Financial Statements.

Operational cash outflow has been shown in the table above as cash flow monitoring and forecasting in an important consideration for the Board when determining cash-based remuneration for Directors and employees.

Historical share price performance comparison

The table below compares the share price performance (based on a notional investment of £100) of Cobra Resources plc against the FTSE SmallCap for the period November 2018 to December 2018 calculated on a month-end spot basis. The FTSE SmallCap is been chosen to provide a wider market comparator constituting companies of an appropriate size:

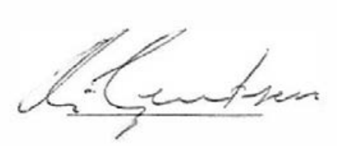
	FTSE Small Cap	Cobra Resources plc
	£	£
31 December 2018	90.97	85.00
19 November 2018	100.00	175.00

Cobra Resources plc was listed on 12 November 2018 and therefore no historical share price data exists prior to this period. It is for these reason that the historical investment performance is not reflective of the current Company.

Consideration of shareholder views

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

Approved on behalf of the Board of Directors.



Rolf Gerritsen

Executive Director

26 April 2019

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

Opinion

We have audited the financial statements of Cobra Resources plc (the '**Company**') for the period ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements (together 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 ("**IFRS**") as adopted by the European Union.

In our opinion, the Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with IFRS as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 section "Auditor's responsibilities for the audit of the financial statements" section of this report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the United Kingdom, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the use by the directors of the Company (the "**Directors**") of the going concern basis of accounting in the preparation of the Financial Statements is not appropriate; or
- the Directors have not disclosed in the Financial Statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the Financial Statements are authorised for issue.

Our application of materiality

Materiality is a key concept in the context of an audit. In providing an opinion on whether the Financial Statements provide a 'true and fair' view, we are providing an opinion on whether the Financial Statements as a whole are free from material misstatement whether due to fraud or error.

Materiality is an expression of the relative significance of a particular matter in the context of the Financial Statements as a whole. An item, either individually or in aggregate, is considered material if omitting it or misstating it could reasonably be expected to influence decisions that users make on the basis of an entity's financial statements. Materiality has both quantitative and qualitative characteristics. It depends on the size or nature of the item or error judged in the particular circumstances of its omission or misstatement.

We determine materiality in order to:

- assist in establishing the scope of our audit engagement and the design of our audit tests;
- calculate sample sizes where we are undertaking substantive testing; and
- assist in evaluating the effect of known and likely misstatements on the Financial Statements.

We have determined our Overall Financial Statement Materiality to be £28,500 which has been set at 5% of expenses incurred.

We consider total expenses to be the most significant determinant of the Company's financial performance used by shareholders. Until the Company finds a suitable investment, it will be non-revenue generating and so we have based our assessment of materiality on total expenses incurred in the period.

We set performance materiality at 65% of Overall Financial Statement Materiality.

An overview of the scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the Financial Statements. As in all of our audits, we addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	**How the scope of our audit responded to the key audit matter**
Going concern (refer to note 3)	
The Company has raised finance during the period to fund its Investment Strategy but has yet to acquire a suitable investment. The cash and cash equivalent balance as at 31 December 2018 amounted to £328,135. **Since the period end, the Company has announced its first acquisition via a reverse takeover which is subject to finalisation.**	Our work included the following; • Critical assessment of the Directors' going concern assessment, challenging the forecast and key assumptions; • Assessment of the cash flow forecast for committed and contracted expenditure versus discretionary expenditure, compared to the level of available cash resources;

The risk for our audit was whether the above contributed to a material uncertainty that may cost doubt on the ability of the Company to continue as a going concern.	• Review of the Company's strategy and progress since the period end, to understand the likelihood of its success and impact on cash flow; and • Assessment of the adequacy of disclosures in the Financial Statements.

Other information

The other information comprises the information included in the Annual Report, other than the Financial Statements and our auditor's report thereon. The Directors are responsible for the other information. 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 the audit:

- the information given in the Strategic rReport and the Directors' Report for the financial period 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 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, or returns adequate for our audit have not been received from branches not visited by us; or

- the Financial Statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the 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 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 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 on 28 February 2019 to audit the Financial Statements.

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

As part of our audit procedures, we gained an understanding of the legal and regulatory framework applicable to the Company and considered the risk of acts by the Company which were contrary to applicable laws and regulation, including fraud. We designed audit procedures to respond to the risk, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentation of through collusion. Our tests include making enquiries of management, as well as inspecting underlying supporting documentation and calculations.

As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud. Procedures designed and executed to address these risks included the review and testing of journal entries during the period, testing and evaluating management's key accounting estimates for reasonableness and consistency, review of transactions through the bank statements, and undertaking cut-off procedures to verify proper cut-off of expenses.

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

Use of our report

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

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

1 Westferry Circus
Canary Wharf
London E14 4HD

26 April 2019

Statement of Comprehensive Income
for the period ended 31 December 2018

	Notes	31 December 2018
		£
Revenue		-
Administrative expenses		(376,860)
IPO expenses		(196,472)
Operating loss		(573,332)
Finance income and cost		-
Loss before taxation	5	(573,332)
Income tax	7	-
Loss for the period attributable to the equity holders		(573,332)
Earnings per share - basic and diluted attributable to the equity holders	8	£0.0195

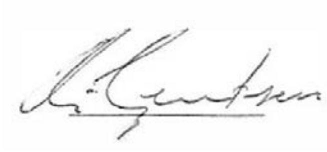
All operations are considered to be continuing.

There was no other comprehensive income for the period.

Statement of Financial Position
as at 31 December 2018

	Note	**31 December 2018**	
		£	**£**
ASSETS			
Current assets			
Trade and other receivables	10	28,147	
Cash and cash equivalents	9	328,135	
TOTAL ASSETS			356,282
LIABILITIES			
Current liabilities			
Trade and other payables	11	(27,248)	
TOTAL LIABILITIES			(27,248)
NET ASSETS			329,034
EQUITY			
Share capital	13	672,335	
Share premium		160,992	
Share based payment reserve	14	69,038	
Retained earnings		(573,332)	
TOTAL EQUITY			329,034

These financial statements were approved by the Board of Directors on 26 April 2019 and signed on its behalf by:



Rolf Gerritsen
Executive Director

Statement of Changes in Equity
for the period ended 31 December 2018

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total
	£	£	£	£	£
Loss for the period	-	-	-	(573,332)	(573,332)
Total comprehensive loss	-	-	-	(573,332)	(573,332)
Shares issued at incorporation	1	-	-	-	1
Share warrant charge	-	-	69,038	-	69,038
Share capital issued	672,335	211,167	-	-	883,501
Cost of share issue	-	(50,175)	-	-	(50,175)
Total contributions by and distributions to owners of the Company	672,335	160,992	69,038	-	902,366
As at 31 December 2018	672,335	160,992	69,038	(573,332)	329,034

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

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

Statement of Cash Flows
for the period ended 31 December 2018

	Notes	31 December 2018 £
Cash flows from operating activities		
Loss for the period		(573,332)
Shares issued in lieu of fees		110,002
Increase in trade and other receivables		(28,147)
Increase in trade and other payables		27,248
Share warrant charge		69,038
Net cash used in operating activities		(395,191)
Cash flows from financing activities		
Proceeds from issue of shares		773,501
Transaction costs of issue of shares		(50,175)
Net cash flows from financing activities		723,326
Net increase in cash and cash equivalents	9	328,135
Cash and cash equivalents at the beginning of period		-
Cash and cash equivalents at end of period	9	328,135

NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1 General information

The Company was incorporated on 25 January 2018 as Cobra Resources Limited in England and Wales with company number 11170056 under the Companies Act 2006. The Company subsequently re-registered as a public company on 17 July 2018 and changed its name to Cobra Resources plc. On 12 November 2018, the Company's entire issued share capital was admitted to listing on the Official List of the FCA and admitted to trading on the Main Market of the London Stock Exchange.

The address of its registered office is c/o London Registrars, Suite A, 6 Honduras Street, London EC14 0TH.

The principal activity of the Company is to identify opportunities for investment in base and metals exploration.

2 Basis of preparation

These Financial Statements have been prepared in accordance with IFRSand IFRS interpretations Committee ("**IFRS IC**") interpretations as adopted by the European Union and the policies stated elsewhere within the Financial Statements.

The Financial Statements presented in Pounds Sterling, which is the Company's functional and presentational currency and has been prepared under the historical cost convention.

The preparation of the Financial Statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Board to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 3.

Standards and interpretation issued and not yet effective:

	Effective date
IFRS 16 Leases	1 January 2019
IFRIC 23 Uncertainty over Income Tax Treatments	1 January 2019
IAS 28 (amendments) Long-term Interests in Associates and Joint Ventures	1 January 2019
IFRS 3 (amendments) Business Combinations	Not yet determined*
Annual Improvements to IFRSs: 2015-2017 cycle	1 January 2019*

* Not yet endorsed for use in the EU

3 Significant accounting policies

The Financial Statements based on the following policies which have been consistently applied:

Going concern

The Financial Statements have been prepared on a going concern basis. The Company meets its working capital requirements from its cash and cash equivalents. To date, the Company has raised finance for its activities in discrete transfers and has not generated revenues from operations. As such, the Company's ability to continue as a going concern will depend upon future successful capital raisings or loans from third parties.

Proceeds from the issue of Ordinary Shares during the period amounted to £733,501 and cash and cash equivalents at 31 December 2018 amounted to £328,135. The Company has sufficient funds to meet its working capital needs whilst further funding will be required either through equity raisings or other financial arrangements to fund future acquisitions. This additional funding cannot be guaranteed.

Business Development

On 7 March 2019 the Company announced that it had signed an acquisition agreement to acquire 100 per cent. of (i) the units in the Lady Alice Trust from the unitholders of the Lady Alice Trust, and (ii) the issued share capital of Lady Alice Mines Pty Ltd (as trustee for the Lady Alice Trust) from the Lady Alice Mines Pty Ltd shareholders.

Excluding the effect of future acquisitions, the Company should be able to meet its contracted and committed expenditure for at least the next 12 months from existing cash and cash equivalents.

Thus, the Directors continue to adopt the going concern basis of accounting in preparing the Financial Statements.

Cash and cash equivalents

In the Statement of Cash Flows, cash and cash equivalents comprise cash at bank and in hand and demand deposits with banks and other financial institutions, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial Assets

Loans and Receivables

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

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

Subsequent measurement

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

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

Financial assets at amortised cost (debt instruments)

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

- the financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- the rights to receive cash flows from the asset have expired; or

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

Impairment of financial assets

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

Financial liabilities

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

Subsequent measurement

Loans and borrowings and trade and other payables

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

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 and other comprehensive income.

Derecognition

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

Equity

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 from the proceeds.

Taxation

Income tax for the period is based on the taxable income for the year. Taxable income differs from profit as reported in the statement of comprehensive income for the period as there are some items which may never be taxable or deductible for tax and other items which may be deductible or taxable in other periods. Income tax for the period is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Share based payments

The fair value of services received in exchange for the grant or share warrants is recognised as an expense in profit or loss. A corresponding increase is recognised in equity.

4 Financial risk factors

The Company's activities expose it to a variety of financial risks. The Company's Board monitors and manages the financial risks relating to the operations of the Company.

Market risk

The Company is not currently exposed to market risk.

Foreign currency risk

The Company has no material exposure to foreign currency fluctuations.

Credit risk

The Company has no exposure to credit risk.

Liquidity risk

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

Interest rate risk

The only financial assets (other than short term debtors) are cash at bank and in hand. The interest earned in the period was negligible.

Capital risk management

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

Critical accounting estimates and judgements

The Company makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual results may differ from these estimates and assumptions. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

5 Expenses by nature

	Year ended 31 December 2018 £
Accountancy fees	15,656
Auditors remuneration	14,750
Directors' remuneration	47,300
IT and website costs	2,325
Legal and professional fees	476,684
Office costs	3,651
Travel costs	12,966

573,332

6 Directors' remuneration

There were no employees during the period apart from the Directors. No Directors had benefits accruing under money purchase pension schemes.

Period ended 31 December 2018	Remuneration £	Options £	Fees £	Total £
G Cowley	24,000	-	2,000	**26,000**
R Gerritsen	21,300	-	48,000	**69,300**
	45,300	**-**	**50,000**	**95,300**

- An amount of £2,000 was paid to EDC Holdings Limited in respect of Geoffrey Cowley, a Director of the Company, in respect of consultancy fees.
- Included in the above is £4,000 paid to G Cowley as part of a settlement agreement upon his resignation as Director of the Company.
- During the year ended 31 December 2018, professional fees of £48,000 were paid to RCA Associates Ltd, a company of which Rolf Gerritsen is a director, for assistance with the IPO.

7 Income tax expense

	Year ended 31 December 2018 £
Current tax for the period	-
Income tax	-
	-

The tax on the Company's loss before tax differs from the theoretical amount that would arise as follows:

	Year ended 31 December 2018 £
Loss before taxation	(573,332)
Expected tax charge at 19 per cent.	(108,933)
Expenses disallowed for tax	37,330
Unutilised tax losses carried forward	71,603
Tax for the period	-

No deferred tax has been recognised in the period to 31 December 2018.

8 Earnings per share

Basic earnings per share is calculated by dividing the earnings attributable to shareholders by the weighted average number of Ordinary Shares outstanding during the period.

	As at 31 December 2018		
Basic and diluted EPS	**Earnings £**	**Weighted average number of shares**	**Per-share amount £**
Earnings attributable to shareholders	(573,332)	29,354,855	(0.0195)

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

9 Cash and cash equivalents

	As at 31 December 2018 £
Cash at bank	328,135
	328,135

10 Trade and other receivables

	As at 31 December 2018 £
Prepayments	28,147
	28,147

11 Trade and other payables

	As at 31 December 2018 £

Trade creditors	6,600
Accrued expenses	20,648
	27,248

12 Financial Instruments

	As at 31 December 2018 £
Financial assets	
Loans and receivables	328,135
	356,282
Financial liabilities	
Loans and payables	24,499
	24,499

13 Share capital

	Number	**31 December 2018 £**
Issued during the period		
On 25 January 2018 on incorporation(1)	100	1
On 14 February 2018(2)	25,000,000	250,000
On 15 November 2018(3)	42,233,432	422,334
At 31 December 2018	**67,233,532**	**672,335**

Notes:
(1) On incorporation, the Company issued one Ordinary Share of nominal value £1.00 for cash consideration of £1.00. Since incorporation, by way of ordinary resolution, such Ordinary Share of nominal value £1.00 was sub-divided into 100 Ordinary Shares of nominal value £0.01.

(2) On 14 February 2018, the Company issued (i) 25,000,000 Ordinary Shares at £0.01 per Ordinary Share for cash consideration of £250,000 and (ii) 25,000,000 share warrants at an exercise price of £0.02 and a life term of 36 months from the date of admission. The warrants are exercisable in whole or in part at any time during their term subject to conditions and have been issued to shareholders.

(3) On 15 November 2018, the Company issued (i) 34,900,000 Ordinary Shares at £0.015 per Ordinary Share for cash consideration of £523,500 (ii) 34,900,000 share warrants at an exercise price of £0.02 and a life term of 36 months from the date of admission (iii) 7,333,432 Ordinary Shares of £0.015 were issued in lieu of fees at £0.015 per Ordinary Share and (iv) 3,451,916 share warrants at an exercise price of £0.02 and a life term of 36 months from the date of admission .

14 Share based payments

Warrants

	Number of warrants	Weighted average exercise price £
Warrants at 1 January 2018	—	—
Issued during the year	63,351,916	0.02
Lapsed	—	—
Warrants as at 31 December 2018	63,351,916	0.02
Exercisable at 31 December 2018	63,351,916	0.02

At 31 December 2018, the weighted average remaining contractual life of the warrants outstanding was two years.

The fair value of the warrants granted to investors was measured by reference to the exercise price.

A charge of £69,038 has been recognised in the income statement in relation to warrants issued to advisors during the year. A charge of £110,002 in respect of shares issued in lieu of fees has been debited to share capital as a cost of the issue of equity.

15 Related party transaction

On incorporation, the Company issued one Ordinary Share of £1.00 for cash consideration of £1.00 to a former Director of the Company, Geoffrey Cowley.

During the period ended 31 December 2018 (i) professional fees of £48,000 were paid to RCA Associates Ltd, a company of which Rolf Gerritsen is a director, for his assistance with IPO (ii) an amount of £2,000 was paid to EDC Holdings, a company in which Geoffrey Cowley is a director, in respect of consultancy services (iii) Geoffrey Cowley received 500,100 shares valued at £7,502 in lieu of fees (iv) Ken Watson received 2,666,666 Ordinary Shares valued at £40,000 and (v) Ken Watson received 2,666,666 warrants valued at £53,333.

16 Post balance sheet events

On 7 March 2019, the Company announced that it had signed an acquisition agreement to acquire 100 per cent. of (i) the units in the Lady Alice Trust from the unitholders of the Lady Alice Trust, and (ii) the issued share capital of Lady Alice Mines Pty Ltd (as trustee for the Lady Alice Trust) from the Lady Alice Mines Pty Ltd shareholders.

The Lady Alice Trust is the sole owner of:

- 100% of right title and interest in South Australian Exploration Licence Number 6016, a formerly producing copper mine; and
- an entitlement to earn a 75 per cent. equity interest in five tenements near Wudinna in South Australia for gold exploration, under the terms of an agreement with Andromeda Metals Limited, a company listed on the Australian Securities Exchange, and Peninsula Resources Limited.

17 Ultimate controlling party

There is no ultimate controlling party.