Registered number: 05389216

BLUEJAY MINING PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED
31 DECEMBER 2018

BLUEJAY MINING PLC

CONTENTS

BLUEJAY MINING PLC

COMPANY INFORMATION

Directors	Michael Hutchinson (Non-Executive Chairman) Peter Waugh (Non-Executive Director) Roderick McIllree (Chief Executive Officer) Ian Henderson (Non-Executive Director) – appointed 13 August 2018 Garth Palmer (Non-Executive Director) – appointed 5 June 2018
Company Secretary	Garth Palmer CA
Registered Office	2nd Floor 7-9 Swallow Street London W1B 4DE
Company Number	05389216
Bankers	HSBC Bank plc 129 New Bond Street London W1J 2JA
Nominated Adviser	S.P. Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London W1S 2PP
Broker	Hannam & Partners (Advisory) LLP 2 Park Street London W1K 2HX
Independent Auditor	PKF Littlejohn LLP Statutory Auditor 1 Westferry Circus Canary Wharf London E14 4HD
Solicitors	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW

BLUEJAY MINING PLC

CHAIRMAN'S REPORT

This has been another positive period for Bluejay Mining plc ('Bluejay' or the 'Company' and together with its subsidiaries the 'Group') as we continue to advance the development of our portfolio, in particular our flagship asset, the Dundas Ilmenite Project ('Dundas' or the 'Project') in Greenland, which continues to go from strength to strength. Importantly, we have achieved a number of significant milestones since my last report, all focussed on advancing Dundas towards the granting of an exploitation licence to facilitate production as soon as practicable. The recently announced agreement with Rio Tinto Iron and Titanium Canada Inc. ('Rio Tinto' or 'RTIT') paired with the recently updated onshore and maiden offshore resource at Dundas is a clear indication of the outstanding potential of the Project and work completed to date by the Group.

Signing an agreement with one of the world's largest mining groups is a key achievement in the history of Bluejay as part of our "discover, develop and deliver" strategy in Greenland. We believe that working with RTIT will provide an opportunity for both operational and economic optimisation as we jointly evaluate the Project through a bulk sample to be shipped to the Sorel-Tracy plant in Quebec, Canada, which is RTIT's major ilmenite processing facility.

In the period, following extensive drilling and trenching at the primary Moriusaq area, we published a >400% increase of the resource to 96 million tonnes at 6.9% ilmenite (in-situ), solidifying Dundas' position as the most significant, highest grade mineral sand ilmenite deposit in the world. Additionally, the potential of the economics and life-of-mine of Dundas was further enhanced by the delineation of an Exploration Target of 20 to 60 million tonnes of 6 to 10% ilmenite (in-situ) at the Iterlak Delta target, an area of similar size to the Moriusaq zone. Further work at Dundas, conducted by international mining consultants SRK Exploration Services LTD ('SRK'), has proved transformational as the Project now possesses a Total Mineral Resource of 117Mt at 6.1% ilmenite in situ, in addition to a JORC Maiden offshore Exploration Target of between 300 million tonnes and 570 million tonnes with an average grade range of 0.4-4.8 ilmenite in situ. SRK's ongoing work at Iterlak East and Iterlak West will continue to underpin the Project's scale and quality.

As part of the mining exploitation licence application we completed the Environmental Impact Assessment ('EIA') and Social Impact Assessment ('SIA'). The EIA, submitted to The Ministry of Nature and Environment, Government of Greenland in April 2019, presented three years of extensive environmental surveys and baseline studies agreed between the Group, stakeholders and the relevant Greenlandic authorities, represented by the Ministry of Mineral Resources & Labour, Ministry of Nature and Environment and its advisors, the Greenland Institute of Natural Resources and the Danish Centre for Environment & Energy at Aarhus University.

The EIA was prepared based upon the development scenario outlined in the optimised Pre-Feasibility Study ('PFS'), which anticipates annual production of 440,000 tonnes of ilmenite concentrate from the Project, and was prepared by Orbicon A/S, one of the most experienced environmental service providers with respect to mining and permitting related studies for mining operations in Greenland. The three year term for the EIA was agreed due to the limited existing understanding of the biodiversity in this environment, and allows the authorities to understand the impact of exploitation of the ilmenite-bearing sand within the licence area, as well as the broader region and forms a critical cornerstone in the application for an exploitation permit.

Importantly, the findings highlighted that there were no major issues identified at Dundas, repeatedly drawing attention to the feasibility of simple and low-impact mining and processing.

We have also completed and submitted the SIA to the Ministry of Industry, Energy & Research, Government of Greenland. This represents the completion of another core module in the application for an exploitation permit for Dundas, and we were delighted that the key findings were again highly positive.

The SIA constitutes three years of surveys and baseline studies and was built on the requirements determined in the Terms of Reference for the SIA, approved following public consultation with the various Greenlandic Authorities and stakeholders. It was prepared by international, multidisciplinary engineering consultancy company NIRAS Gruppen A/S ('NIRAS'), one of the most experienced SIA service providers with respect to mining and permitting related studies for operations in Greenland.

The SIA had a number of major positive findings. These included the creation of up to 175 direct employment positions, the increasing of skills within the workforce and an elevation in the level of training among the workforce within the mining sector in Greenland. It also anticipated a positive impact on local and national economy through the provision of goods and services from local companies and through payment of royalties, corporate taxes and income taxes. This is extremely important as Dundas is in an area of Greenland that currently has few job opportunities. We are therefore delighted to be able to contribute to this region and Greenland as a whole.

The PFS for Dundas is currently at a final draft stage and will be published as soon as practicable. The delay in the publication can be attributed to the significantly high level of detail that has been undertaken in producing this study. Looking ahead, this extended and in-depth PFS will result in both significant time and cost efficiencies, as this mitigates some of the test work required by Bluejay when it advances into the definitive feasibility stage. This will occur once the licence application has been lodged.

On a wider Project level, and as mentioned in the 2018 interim financial statements, we have also completed numerous work programmes including key geotechnical and surveying requirements, hydrogeology installations around the licence area, establishment of a year-round weather monitoring station, and geotechnical assessments for infrastructure locations. Infrastructure at the site has also been enhanced, including installation of a 350kVA power generation facility, completion of a 30-man camp to expand residential capacity, and an upgraded mining fleet.

As you can see, Dundas has maintained momentum towards production through our goal of finalising and submitting the relevant exploitation licence to the Government of Greenland. The last remaining components are the mineral reserve, mine plan and impact benefit agreement all of which we are working on.

Bluejay is not a one project company. Although the focus has been on Dundas, the Group is also advancing the 2,586 sq. km Disko-Nuussuaq Magmatic Massive Sulphide ('MMS') nickel-copper-platinum project ('Ni-Cu-PGM') ('Disko'). This has shown its potential to host mineralisation similar to the world's largest nickel/copper sulphide mine Norilsk-Talnakh. Disko is a working sulphide system with initial chemical assays in oxidised surface material returning 2.02% nickel, 0.8% copper and 0.2% cobalt. As a result of the prospectivity, Bluejay increased the licence size in May 2018 to 2,586km2, which is approximately the same size as Luxembourg. We believe the scale and potential of this asset is globally significant, and whilst Dundas has been our primary development focus, work is underway to refine drill targets to better determine Disko's development potential. As we secure development partners for Dundas, we envisage significantly increased activity at Disko whose potential value we don't believe is yet recognised by the market.

Also in Greenland, the Group continues evaluating the prospectivity of the 107sq km Kangerluarsuk Sed-Ex lead-zinc-silver project, where historical work has recovered grades of 41% zinc, 9.3% lead and 596 g/t silver and has identified four large-scale drill ready targets. We are also maintaining our Finnish projects; the Outokumpu copper project, Hammaslahti copper-zinc project and the Enonkoski nickel-copper PGE project. It is expected that the agreement with Rio Tinto will enable the Group to direct more attention on to the development of these additional assets in its portfolio.

On a corporate level, during the period, there were a number of changes to the Board; we welcomed Garth Palmer as a Non-Executive Director, who as Company Secretary already had a deep understanding of the business and Ian Henderson as a Non-Executive Director. We also said goodbye to Non-Executive Director Greg Kuenzel who stepped down to pursue other interests. Additionally, early in the period, we raised £17 million via the placing of 77,272,728 new ordinary shares in the Company. The funds raised from existing and new shareholders strengthened our institutional base which now includes Prudential M&G (12.12%) and Sand Grove Capital Management (9.91%).

Financial review

The loss before taxation of the Group for the year ended 31 December 2018 amounted to £10,776,686 (18 months to 31 December 2017: £2,680,708).

The Group's cash position at 31 December 2018 was £8,843,709 (31 December 2017: £2,901,922).

Outlook

Dundas is a confirmed world class project – it is a high-grade, defined and scalable deposit with a low capex simple processing route, in a strategic and supportive jurisdiction. Its potential has been noted internationally, most recently by RTIT. The delivery of a large bulk-sample to RTIT's Sorel-Tracy plant in Quebec is the initial operational focus within the agreement and we are confident that ilmenite sourced from Dundas will be shown to be valuable material for RTIT's operation.

The Project not only has the potential to provide significant value to the Company, its strategic partners and its shareholders, but also to the local region and to Greenland as a whole. This potential has been recognised by the Greenlandic authorities and Government who have consistently demonstrated their support for Bluejay and for this we are sincerely grateful. We realise the importance of this project to Greenland, and as such we are delighted with the close cooperation we are receiving from the relevant local authorities and national ministries to develop Dundas for the benefit of all stakeholders.

I am grateful for the support of shareholders and the Company will continue to provide updates regarding our operational progress and ongoing negotiations as regularly as possible. I would like to reiterate our thanks to the local community, the Greenlandic authorities and government, our dedicated team of staff, our advisors, our strategic partner and shareholders for their continued patience and support. I look forward to what I believe will be a transformational 2019/2020.

CHAIRMAN'S REPORT

Michael Hutchinson
Chairman
3 June 2019

BLUEJAY MINING PLC

STRATEGIC REPORT

The Directors of the Company present their Strategic Report on the Group for the year ended 31 December 2018.

Strategic approach

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 Greenland and to evaluate its existing and new mineral resource opportunities with a view to potential joint venture arrangements and/or other corporate activities.

Organisation overview

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

The Board comprises of one Executive Director and four Non-Executive Directors.

The Corporate Head Office of the Group is located in London, UK, and provides corporate support services to the overseas operations. Overseas operations are managed out of the Group's office in Outokumpu, Finland and Nuuk, Greenland.

Review of business

Throughout the year, the Dundas ilmenite project continued to be the primary focus of the Group. The 2018 work program resulted in a 5 million tonne resource upgrade and improved ilmenite grade at Mourisaq, with maiden resource areas for Iterlak pending technical verification. Further work streams included installation of hydrogeology, establishment of a year-round weather monitoring station and geotechnical assessments for infrastructure locations. Currently feasibility studies are nearing completion with a view to submitting an exploitation licence to the Government of Greenland in 2019.

Alongside Dundas, the Group has a wider portfolio of prospective assets situated in the Finland and Disko area of Greenland. At Disko, the Nickel, Copper, Cobalt & Platinum Project in West Greenland, work focused on refining drill targets. In Finland, the Group owns 100% of a portfolio of copper, zinc and nickel projects; the Hammaslahti Copper-Gold-Zinc Project, the Outokumpu Copper Project and the Kelkka Nickel Project. During the period drilling has been conducted on all Finnish licence areas and while the Directors remain confident in the commercial potential of these projects, they have taken the conservative approach to impair the carrying value of the exploration assets down to £3,983,108.

Financial performance review

The loss of the Group for the year ended 31 December 2018 before taxation amounts to £10,776,686 (31 December 2017: £2,680,708). This includes a non-cash impairment adjustment of £8.9 million in relation to the Finnish exploration assets.

The Board monitors the activities and performance of the Group on a regular basis. The Board uses financial indicators based on budget versus actual to assess the performance of the Group. The indicators set out below will continue to be used by the Board to assess performance over the period to 31 December 2019.

The three main KPIs for the Group are as follows. These allow the Group to monitor costs and plan future exploration and development activities:

KPI	2018	2017
Cash and cash equivalents	**£8,843,709**	£2,901,922
Administrative expenses as a percentage of total assets	**6.37%**	9.5%
Exploration costs capitalised during the period	**£6,251,969**	£4,600,044

Cash has been used to fund the Group's operations and facilitate its investment activities (refer to the Statements of Cash Flows on page 25).

Administrative expenses are the expenses related to the Group's ability to run the corporate functions to ensure they can perform their operational commitments.

STRATEGIC REPORT

Exploration costs capitalised during the period consist of exploration expenditure on the Group's exploration licences net of foreign exchange rate movements.

Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. The key business risks affecting the Group are set out below.

Risks are formally reviewed by the Board, and appropriate processes are put in place to monitor and mitigate them. If more than one event occurs, it is possible that the overall effect of such events would compound the possible adverse effects on the Group.

Exploration risks

The exploration and mining business is controlled by a number of global factors, principally supply and demand which in turn is a key driver of global mineral prices; these factors are beyond the control of the Group. Exploration is a high-risk business and there can be no guarantee that any mineralisation discovered will result in proven and probable reserves or go on to be an operating mine. At every stage of the exploration process the projects are rigorously reviewed to determine if the results justify the next stage of exploration expenditure ensuring that funds are only applied to high priority targets.

The principal assets of the Group comprising the mineral exploration licences are subject to certain financial and legal commitments. If these commitments are not fulfilled the licences could be revoked. They are also subject to legislation defined by the Government; if this legislation is changed it could adversely affect the value of the Group's assets.

Dependence on key personnel

The Group and Company is dependent upon its executive management team and various technical consultants. Whilst it has entered into contractual agreements with the aim of securing the services of these personnel, the retention of their services cannot be guaranteed. The development and success of the Group depends on its ability to recruit and retain high quality and experienced staff. The loss of the service of key personnel or the inability to attract additional qualified personnel as the Group grows could have an adverse effect on future business and financial conditions.

Uninsured risk

The Group, as a participant in exploration and development programmes, may become subject to liability for hazards that cannot be insured against or third party claims that exceed the insurance cover. The Group may also be disrupted by a variety of risks and hazards that are beyond control, including geological, geotechnical and seismic factors, environmental hazards, industrial accidents, occupational and health hazards and weather conditions or other acts of God.

Funding risk

The only sources of funding currently available to the Group are through the issue of additional equity capital in the parent company or through bringing in partners to fund exploration and development costs. The Company's ability to raise further funds will depend on the success of the Group's exploration activities and its investment strategy. The Company may not be successful in procuring funds on terms which are attractive and, if such funding is unavailable, the Group may be required to reduce the scope of its exploration activities or relinquish some of the exploration licences held for which it may incur fines or penalties.

Financial risks

The Group's operations expose it to a variety of financial risks that can include market risk (including foreign currency, price and interest rate risk), credit risk, and liquidity risk. The Group has a risk management programme in place that seeks to limit the adverse effects on the financial performance of the Group by monitoring levels of debt finance and the related finance costs. The Group does not use derivative financial instruments to manage interest rate costs and, as such, no hedge accounting is applied.

Details of the Group's financial risk management policies are set out in Note 3 to the Financial Statements.

The Group Strategic Report was approved by the Board on 3 June 2019.

Roderick McIllree
CEO

DIRECTORS' REPORT

The Directors present their Annual Report on the affairs of Bluejay Mining plc together with the Financial Statements for the year ended 31 December 2018.

Dividends

The Directors do not recommend the payment of a dividend for the year (31 December 2017: £nil).

Directors & Directors' interests

The Directors who served during the year ended 31 December 2018 are shown below and had, at that time the following beneficial interests in the shares of the Company:

	31 December 2018		31 December 2017	
	Ordinary Shares	Options	Ordinary Shares	Options
Roderick McIllree	94,677,778	-	94,577,778	-
Greg Kuenzel (1)	n/a	n/a	36,738,715	1,500,000
Peter Waugh	74,127	1,950,000	40,385	1,950,000
Michael Hutchinson	-	1,800,000	-	1,800,000
Garth Palmer (2)	633,831	-	n/a	n/a
Ian Henderson (3)	-	-	n/a	n/a

(1) Greg Kuenzel's shares are held by Fitel Nominees Limited. Greg Kuenzel's options are held by Heytesbury Corporate LLP of which Greg is a partner. Greg resigned on 5 June 2018.
(2) Garth Palmer was appointed on 5 June 2018.
(3) Ian Henderson was appointed on 13 August 2018.

Further details on options can be found in Note 16 to the Financial Statements.

Substantial shareholders

The substantial shareholders with more than a 3% shareholding at 3 June 2019 are shown below:

	3 June 2019	
	Holding	Percentage
Prudential plc	103,635,316	12.12%
Roderick McIllree	94,677,778	11.07%
Deutsche Bank	85,187,497	9.96%
Sandgrove Capital Management LLP	84,748,052	9.91%
Jeremy Whybrow	38,530,019	4.51%
Gregory Kuenzel	36,738,715	4.30%
Shaun Bunn	27,241,915	3.19%

Corporate responsibility

Environmental

Bluejay undertakes its exploration activities in a manner that minimises or eliminates negative environmental impacts and maximises positive impacts of an environmental nature. Bluejay is a mineral explorer, not a mining company. Hence, the environmental impact associated with its activities is minimal. To ensure proper environmental stewardship on its projects, Bluejay conducts certified baseline studies prior to all drill programmes and ensures that areas explored are properly maintained and conserved.

Health and safety

Bluejay operates a comprehensive health and safety programme to ensure the wellness and security of its employees. The control and eventual elimination of all work related hazards requires a dedicated team effort involving the active participation of all employees. A comprehensive health and safety programme is the primary means for delivering best practices in health and safety management. This programme is regularly updated to incorporate employee suggestions, lessons learned from past incidents and new guidelines related to new projects with the aim of identifying areas for further improvement of health and safety management. This results in continuous improvement of the health and safety programme. Employee involvement is regarded as fundamental in recognising and reporting unsafe conditions and avoiding events that may result in injuries and accidents.

Internal controls

The Board recognises the importance of both financial and non-financial controls and has reviewed the Group's control environment and any related shortfalls during the period. Since the Group was established, the Directors are satisfied that, given the current size and activities of the Group, adequate internal controls have been implemented. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in light of the current activity and proposed future development of the Group, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Further details of corporate governance can be found in the Corporate Governance Report on page 11.

Going concern

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and, therefore, continue to adopt the going concern basis in preparing the Annual Report and Financial Statements. Further details on their assumptions and their conclusion thereon are included in the statement on going concern included in Note 2.4 to the Financial Statements.

Directors' and Officers' indemnity insurance

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors and Officers. These were made during the period and remain in force at the date of this report.

Financial Risk Management Objectives

The Group has disclosed the financial risk management objectives within note 3 to these Financial Statements.

Events after the reporting period

Events after the reporting period are set out in Note 29 to the Financial Statements.

Future developments

Details of future developments for the Group are disclosed in the Chairman's Report on page 3.

Provision of information to Auditor

So far as each of the Directors is aware at the time this report is approved:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditor

PKF Littlejohn LLP has signified its willingness to continue in office as auditor.

This report was approved by the Board on 3 June 2019 and signed on its behalf.

Roderick McIllree
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the Group and Parent Company Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company, 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;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume 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 Group and Company, and enable them to ensure that the Financial Statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the Financial Statements may differ from legislation in other jurisdictions.

The Company is compliant with AIM Rule 26 regarding the Company's website.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

CORPORATE GOVERNANCE REPORT

The Board of Bluejay Mining plc had adopted the QCA Corporate Governance Code ('the Code') as its code of corporate goverance. The Code is published by the Quoted Companies Allicance ("QCA") and is available at www.theqca.com. The key governance related matter that occurred during the financial year ended 31 December 2018 was the formal adoption of the QCA code.

Corporate Governance Report
The QCA Code sets out 10 principles that should be applied. These are listed below together with a short explanation of how the Company applies each of the principles:

Principle One
Business Model and Strategy

The Board has concluded that the highest medium and long term value can be delivered to its shareholders by the adoption of a single strategy for the Company. The principal activity of the Group is the exploration and development of precious and base metals and the aim is to create value for shareholders through the discovery and development of economic resource deposits.

The Board implements this strategy by focusing investment into the exploration of world-class mineralised domains, establishing a strict criteria for project selection, utilising industry recognised methods of exploration, developing a results-driven exploration approach, actively monitoring operational and financial performance, measured against deliverable targets and budgets and considering alternative commercial options for projects which no longer meet the established criteria of the Group. This can be summarised as follows:

- Continued development of the Dundas ilmenite project in Greenland toward commercialisation. Key milestones recently achieved include completion of environmental and social impact assessment studies. Continued work on the pre-feasibility study. Resource upgrade and maiden offshore exploration target. Further detail is included in the Chairman's Report on pages 3-5.
- Exploration of Disko-Nuussuaq and Kangerluarsuk projects also in Greenland. Expanded licence holding and identified drill targets.
- Maintenance of Finnish projects in order to determine the best way to continue their development and realise value for shareholders.

Principle Two
Understanding Shareholder Needs and Expectations

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its private shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting. Investors also have access to current information on the Company though its website, www.bluejaymining.com, and via Kevin Shiel, Head of Investor Relations who is available to answer investor relations enquiries.

Principle Three
Considering Wider Stakeholder and Social Responsibilities

The Board recognises that the long term success of the Company is reliant upon the efforts of the employees of the Company and its contractors, suppliers, regulators and other stakeholders. The Board has put in place a range of processes and systems to ensure that there is close oversight and contact with its key resources and relationships. For example, all employees of the Company participate in a structured Company-wide annual assessment process which is designed to ensure that there is an open and confidential dialogue with each person in the Company to help ensure successful two way communication with agreement on goals, targets and aspirations of the employee and the Company. These feedback processes help to ensure that the Company can respond to new issues and opportunities that arise to further the success of employees and the Company. The Company has close ongoing relationships with a broad range of its stakeholders and provides them with the opportunity to raise issues and provide feedback to the Company.

As part of the pre-feasibility studies currently underway at the Group's Dundas Titanium project in Greenland, a detailed social impact assessment study is being undertaken. This has involved completing a white paper, which included a public stakeholder consultation process. The results of this public consultation and engagement process were overwhelmingly positive and a high degree of support was received from the relevant stakeholders

Principle Four
Risk Management

In addition to its other roles and responsibilities, the Audit Committee is responsible to the Board for ensuring that procedures are in place and are being implemented effectively to identify, evaluate and manage the significant risks faced by the Company. The risk assessment matrix below sets out those risks, and identifies their ownership and the controls that are in place. This matrix is updated as changes arise in the nature of risks or the controls that are implemented to mitigate them. The Audit Committee reviews the risk matrix and the effectiveness of scenario testing on a regular basis. The following principal risks and controls to mitigate them, have been identified:

Activity	Risk	Impact	Control(s)
Operation	Injury to staff	Injury to staff whilst operating heavy machinery in remote location	Creating a safe working environment through strict procedures and regular training.
Regulatory adherence	Breach of rules	Censure or withdrawal of authorisation	Strong compliance regime instilled at all levels of the Company
Strategic	Market downturn Failure to deliver commerciality	Change in Macro economic conditions Inability to secure offtake agreements	Ongoing monitoring of economic events and markets. Active marketing and experienced management
Financial	Misappropriation of Funds IT Security	Fraudulent activity and loss of funds Loss of critical financial data	Robust financial controls and split of duties. Regular back up of data online and locally.

The Directors have established procedures, as represented by this statement, for the purpose of providing a system of internal control. An internal audit function is not considered necessary or practical due to the size of the Company and the close day to day control exercised by the executive Directors. However, the Board will continue to monitor the need for an internal audit function. The Board works closely with and has regular ongoing dialogue with the outsourced finance function and has established appropriate reporting and control mechanisms to ensure the effectiveness of its control systems.

Principle Five
A Well Functioning Board of Directors

As at the date hereof the Board comprised, the CEO Roderick McIllree, the Chairman Michael Hutchinson and three Non-Executive Directors, Peter Waugh, Ian Henderson and Garth Palmer. Biographical details of the current Directors are set out within Principle Six below. Executive and Non-Executive Directors are subject to re-election at intervals of no more than three years. The letters of appointment of all Directors are available for inspection at the Company's registered office during normal business hours.

The Board meets at least four times per annum. It has established an Audit Committee, Remuneration Committee and AIM Compliance Committee, particulars of which appear hereafter. The Board has agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee. The Non-Executive Directors are considered to be part time but are expected to provide as much time to the Company as is required. The Board considers that this is appropriate given the Company's current stage of operations. It shall continue to monitor the need to match resources to its operational performance and costs and the matter will be kept under review going forward. Michael Hutchinson, Peter Waugh and Ian Henderson are considered to be Independent Directors.

The Company shall report annually on the number of Board and committee meetings held during the year and the attendance record of individual Directors. In order to be efficient, the Directors meet formally and informally both in person and by telephone. To date there have been at least quarterly meetings of the Board, and the volume and frequency of such meetings is expected to continue at this rate.

Details of the Directors' attendance at the Board meetings are set out below:

	Meetings Attended	Meetings eligible to attend
Roderick McIllree	4	4
Michael Hutchinson	4	4
Peter Waugh	4	4
Garth Palmer	3	3
Ian Henderson	2	2

Principle Six
Appropriate Skills and Experience of the Directors

The Board currently consists of five Directors and, in addition, the Company has employed the services of Garth Palmer to act as the Company Secretary. The Company is satisfied that given its size and stage of development, between the Directors, it has an effective and appropriate balance of skills and experience across technical, commercial and financial disciplines. The Director's experience and skills are listed on the companies website, www.bluejaymining.com,

The Board shall review annually the appropriateness and opportunity for continuing professional development whether formal or informal.

Roderick McIllree
Chief Executive Officer

Micheal Hutchinson
Chairman and Non-Executive Director
Member of the Audit Committee, Remuneration Committee and AIM Compliance Committee.

Peter Waugh
Independent Non-Executive Director
Chairman of the Remuneration Committee and member of the AIM Compliance Committee.

Ian Henderson
Independent Non-Executive Director
Chairman of the Audit Committee and member of the Remuneration Committee.

Garth Palmer
Non-Executive Director
Chairman of the AIM Compliance Committee and member of the Audit Committee.

Where necessary the Board has engaged external professional consultants on an ongoing basis to ensure the Company is meeting it's strategies. The key advisers to the Company are SP Angel Corporate Finance LLP, H&P Advisory Ltd, St Brides Partners Ltd and Hill Dickinson.

The Board engages external geologists, environmental speciailists and a number of other specialised consultants to produce the required surverys and reports for the Environmental Impact Assessment, Social Impact Assessment and Pre-Feasibility Study. The key advisers to the Group were SRK Exploration, Orbicon A/S, KeypointE Pty Ltd, Quedtech Pty Ltd, Wood Canada Ltd and Titanium Industry Global Advisory.

The Board have ensured that the all external advisers are knowledgable and provide the required skillset.

Principle Seven
Evaluation of Board Performance

Internal evaluation of the Board, the Committees and individual Directors is to be undertaken on an annual basis and on a three-yearly cycle the evaluations may be facilitated by an independent evaluator. Whilst the Board has not yet had any internal reviews, they are scheduled to take place in Q3 2019. The internal reviews will be in the form of peer appraisal and discussions to determine the effectiveness and performance of the various governance components, as well as the Directors' continued independence.

The results and recommendations that come out of the appraisals for the Directors shall identify the key corporate and financial targets that are relevant to each Director and their personal targets in terms of career development and training. Progress against previous targets shall also be assessed where relevant.

Principle Eight
Corporate Culture

The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. The corporate governance arrangements that the Board has adopted are designed to ensure that the Company delivers long term value to its shareholders and that shareholders have the opportunity to express their views and expectations for the Company in a manner that encourages open dialogue with the Board. The Board recognises that their decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is acutely aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole and the way that employees behave. A large part of the Company's activities are centred upon what needs to be an open and respectful dialogue with employees, clients and other stakeholders.

Therefore, the importance of sound ethical values and behaviours is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great import on this aspect of corporate life and seeks to ensure that this flows through all that the Company does. The Directors consider that at present the Company has an open culture facilitating comprehensive dialogue and feedback and enabling positive and constructive challenge. The Company has adopted, with effect from the date on which its shares were admitted to AIM, a code for Directors' and employees' dealings in securities which is appropriate for a company whose securities are traded on AIM and is in accordance with the requirements of the Market Abuse Regulation which came into effect in 2016.

Principle Nine
Maintenance of Governance Structures and Processes

Ultimate authority for all aspects of the Company's activities rests with the Board, the respective responsibilities of the Chairman and Chief Executive Officer arising as a consequence of delegation by the Board. The Board has adopted appropriate delegations of authority which set out matters which are reserved to the Board. The Chairman is responsible for the effectiveness of the Board, while management of the Company's business and primary contact with shareholders has been delegated by the Board to the Chief Executive Officer.

Audit Committee
The Audit Committee comprises Peter Waugh and Garth Palmer, and Ian Henderson chairs this committee. This committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported. It receives reports from the executive management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. The Audit and Committee shall meet not less than twice in each financial year and it has unrestricted access to the Company's auditors.

Remuneration Committee
The Remuneration Committee comprises Michael Hutchinson and Ian Henderson, and Peter Waugh chairs this committee. The Remuneration Committee reviews the performance of the executive Directors and employees and makes recommendations to the Board on matters relating to their remuneration and terms of employment. The Remuneration Committee also considers and approves the granting of share options pursuant to the share option plan and the award of shares in lieu of bonuses pursuant to the Company's Remuneration Policy.

AIM Compliance Committee
The AIM Compliance Committee comprises Michael Hutchinson and Peter Waugh, and Garth Palmer chairs this committee. The AIM Compliance Committee is responsible for the coordinating and monitoring the Company's regulatory responsibilities including liaising with the Nomad and the London Stock Exchange as necessary. The purpose of the AIM compliance committee is to designate responsibility of ensuring best practice and application of the defined corporate governance procedures.

Nominations Committee
The Board has agreed that appointments to the Board will be made by the Board as a whole and so has not created a Nominations Committee.

Non-Executive Directors
The Board has adopted guidelines for the appointment of Non-Executive Directors which have been in place and which have been observed throughout the year. These provide for the orderly and constructive succession and rotation of the Chairman and non-executive Directors insofar as both the Chairman and non-executive Directors will be appointed for an initial term of three years and may, at the Board's discretion believing it to be in the best interests of the Company, be appointed for subsequent terms. The Chairman may serve as a Non-Executive Director before commencing a first term as Chairman.

In accordance with the Companies Act 2006, the Board complies with: a duty to act within their powers; a duty to promote the success of the Company; a duty to exercise independent judgement; a duty to exercise reasonable care, skill and diligence; a duty to avoid conflicts of interest; a duty not to accept benefits from third parties and a duty to declare any interest in a proposed transaction or arrangement.

Principle Ten
Shareholder Communication

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. The Company has close ongoing relationships with its private shareholders. Institutional shareholders and analysts have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting.

Investors also have access to current information on the Company though its website, www.bluejaymining.com, and via Kevin Shiel, Head of Investor Relations who is available to answer investor relations enquiries.

CORPORATE GOVERNANCE REPORT

The Company shall include, when relevant, in its annual report, any matters of note arising from the Audit or Remuneration committees.

Garth Palmer
Non-Executive Director

3 June 2019

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUEJAY MINING PLC

Opinion

We have audited the Financial Statements of Bluejay Mining plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2018 which comprise the Statements of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Statements of Cash Flows and the 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's and of the Parent Company's affairs as at 31 December 2018 and of the Group's and Parent Company's loss for the period then ended;
- the Group Financial Statements have been properly prepared in accordance with IFRSs 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the Financial Statements in the UK, including the FRC's Ethical Standard as applied to listed 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 Directors' use 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 Group's or the Parent Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial Statements are authorised for issue.

Our application of materiality

	2018	2017	Basis for materiality
Group	*£550k*	*£400k*	*2% of gross assets*
Parent Company	*£40k*	*£60k*	*2% of expenses*

Our calculation of materiality increased from 2017 along with the increase in the Group's gross assets. We consider gross assets to be the most significant determinant of the Group's financial position and performance used by shareholders.

Whilst materiality for the Group Financial Statements as a whole was £550k, each significant component of the Group was audited to a level of materiality ranging between £40k - £550k. We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. Materiality is used to determine the financial statement areas that are included within the scope of our audit and the extent of sample sizes during the audit.

We agreed with the audit committee that we would report to the committee all individual audit differences identified during the course of our audit in excess of £27.5k (2017: £20k). There were no misstatements identified during the course of our audit that were individually, or in aggregate, considered to be material.

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. In particular we looked at areas involving significant accounting estimates and judgements by the Directors and considered future events that are inherently uncertain. As in all of our audits, we also 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.

Of the 10 components of the group, a full scope audit was performed on the complete financial information of 4 components, a limited scope review was performed on 3 components assessed as material and the remaining components were subject to analytical review only because they were not material to the Group.

Of the 10 reporting components of the group, 2 are located in Finland and audited by a component auditor operating under our instruction, 1 component is located in Greenland and audited by a PKF network firm operating under our instruction and the audit of the remaining components were principally performed in London, conducted by PKF Littlejohn LLP using a team with specific experience of auditing mining exploration entities and publicly listed entities. The Senior Statutory Auditor interacted regularly with the component audit teams during all stages of the audit and was responsible for the scope and direction of the audit process. This, in conjunction with additional procedures performed, gave us appropriate evidence for our opinion on the Group and Parent Company financial statements.

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.

Carrying value of intangible assets (refer Note 7)	How the scope of our audit responded to the key audit matter
The Group holds exploration and evaluation assets of £15,478,246 which relate to the Dundas Titanium Project in Greenland and a portfolio of copper, zinc and nickel projects in Finland. **The carrying value and recoverability of these assets are tested annually for impairment. The estimated recoverable amount of this balance is subjective due to the inherent uncertainty involved in the assessment of exploration projects.** **Management have recognised an impairment in relation to the projects in Finland during the year. There is a risk that the exploration and evaluation assets require further impairment.**	We have obtained and reviewed the Directors impairment review of intangible assets which considered the areas listed as indicators of impairment under IFRS 6. Our work included the following: • Obtaining the exploration licenses and ensuring they remain valid; • Performing substantive testing on certain components capitalised additions; • Reviewing the responses of component auditors to our instructions and reviewing their working papers; • Reviewing key external reports for indicators of impairment; • Considering the Group's future plans for the exploration projects and that activity and expenditure thereto was planned; and • Considering whether there was an indicator that the carrying amount of capitalised expenditure was not recoverable.

Net investments in subsidiaries, including in intercompany receivables (refer note 9)	How the scope of our audit responded to the key audit matter
The Parent Company's net investment in subsidiaries is £20,918,061. **The carrying value of the net investment in subsidiaries is ultimately dependent on the value of the underlying assets. Many of the underlying assets are exploration projects which are at an early stage of exploration making it difficult to determine their value. Valuations for these sites are therefore based on judgments and estimates made by the Directors - which leads to a risk of misstatement.**	We have obtained and reviewed the Directors impairment review of the carrying value of the Parent Company's net investment in the subsidiaries. Our work included: • Reviewing the impairment indicators listed in IFRS 6 including specific consideration regarding the renewal of the exploration licenses; • Obtaining and reviewing available key external reports; • Reviewing the audit working papers of certain components to assess impairment considerations of exploration assets made by their auditors; and

	• Discussing with management the basis for impairment or non-impairment of investment in subsidiaries and loans receivable from subsidiaries. In forming our opinion on the Financial Statements, which is not modified, we draw to the users attention the disclosure within note 9 and within the Critical Accounting Estimates and Judgements which states that the loan due from FinnAust Mining Finland Oy has a carrying value of £6,398,621. This exceeds the recoverable amount of the Group's associated intangible asset by £2,415,513 which indicates the existence of a material uncertainty. The Financial Statements do not include the adjustments that would result if the Company was unable to fully recover the carrying value of the loan due from FinnAust Mining Finland Oy.

HMRC enquiry (note 26)	**How the scope of our audit responded to the key audit matter**
There is an ongoing enquiry with HMRC which will be heard at tribunal. The total value of the amount in dispute at 31 December 2018 is considered to be £719k, which can be broken into two parts: 1) **£255k of input VAT reclaimed during 2012-2015 which HMRC has already repaid and is pursuing the Company; and** 2) **£464k of input VAT on returns submitted 2015 – 2018 which HMRC has withheld payment, although the Company has recorded as a receivable.** **There is an inherent uncertainty as to the outcome of the tribunal and therefore a risk of material misstatement.**	We have obtained director's assessment of the outcome of the tribunal and therefore the likely recovery of the VAT receivable. Our work included; • Consideration of the adequacy of the disclosure made in note 26 to the Financial Statements and within the Critical Accounting Estimates and Judgements concerning the ongoing dispute with HMRC regarding the recovery of input VAT; • We have obtained and reviewed correspondence and documentation relating to the case for consistency with director's assessment; • We have considered the opinions of key external advisers as to the likely outcome of the case; and • We have reviewed the the calculation of the receivable as at 31 December 2018 for accuracy. In forming our opinion on the Financial Statements, which is not modified, we draw to the users attention that the dispute will be heard at tribunal, the outcome of which is uncertain and this along with the other matters explained in note 25 to the Financial Statements, indicates the existence of a material uncertainty. The financial statements do not include the adjustments that would result if the Company was unsuccessful with its case at the tribunal.

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 Group and Parent Company Financial Statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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, based on the work undertaken in the course of the audit:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLUEJAY MINING PLC

- the information given in the strategic report 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 Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company Financial Statements 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 Statement of Directors' Responsiblities, the Directors are responsible for the preparation of the Group and Parent Company Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Group and Parent Company Financial Statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

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.

Zahir Khaki (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

1 Westferry Circus
Canary Wharf
London E14 4HD

3 June 2019

BLUEJAY MINING PLC

STATEMENTS OF FINANCIAL POSITION
As at 31 December 2018 **Company number: 05389216**

	Note	Group 31 December 2018 £	Group 31 December 2017 £	Company 31 December 2018 £	Company 31 December 2017 £
Non-Current Assets					
Property, plant and equipment	6	**2,846,091**	631,054	**44,277**	8,333
Intangible assets	7	**15,478,246**	17,971,795	**-**	-
Investment in subsidiaries	9	**-**	-	**20,918,061**	19,717,873
		18,324,337	18,602,849	**20,962,338**	19,726,206
Current Assets					
Financial assets at fair value through profit or loss	8	**330,402**	-	**330,402**	-
Trade and other receivables	10	**768,960**	642,870	**840,620**	620,891
Cash and cash equivalents	11	**8,843,709**	2,901,922	**8,777,619**	2,820,884
		9,943,071	3,544,792	**9,948,641**	3,441,775
Total Assets		**28,267,408**	22,147,641	**30,910,979**	23,167,981
Non-Current Liabilities					
Deferred Tax Liabilities	13	**496,045**	496,045	**-**	-
		496,045	496,045	**-**	-
Current Liabilities					
Trade and other payables	12	**783,836**	564,471	**469,554**	358,306
		783,836	564,471	**469,554**	358,306
Total Liabilities		**1,279,881**	1,060,516	**469,554**	358,306
Net Assets		**26,987,527**	21,087,125	**30,441,425**	22,809,675
Equity attributable to owners of the Parent					
Share capital	15	**7,800,237**	7,792,372	**7,800,237**	7,792,372
Share premium	15	**43,739,139**	27,220,576	**43,739,139**	27,220,576
Other reserves	17	**(6,799,892)**	(6,949,904)	**311,397**	312,045
Retained losses		**(17,751,957)**	(6,975,919)	**(21,409,348)**	(12,515,318)
Total Equity		**26,987,527**	21,087,125	**30,441,425**	22,809,675

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the Parent Company Income Statement and Statement of Comprehensive Income. The loss for the Company for the year ended 31 December 2018 was £8,894,678 (period ended 31 December 2017: £1,999,470).

The Financial Statements were approved and authorised for issue by the Board of Directors on 3 June 2019 and were signed on its behalf by:

Garth Palmer
Director

The Notes on pages 26 to 51 form part of these Financial Statements.

CONSOLIDATED INCOME STATEMENT
For the year ended 28 February 2013

Continued operations	Note	Year ended 31 December 2018 £	18 month period ended 31 December 2017 £
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses	24	(1,800,851)	(2,111,312)
Other gains/(losses)	21	(93,111)	-
Foreign exchange		(23,757)	70,953
Operating Loss		**(1,917,719)**	**(2,040,359)**
Impairments	7	(8,873,585)	(643,168)
Finance income	20	12,209	1,717
Other income		2,409	1,102
Loss before Income Tax		**(10,776,686)**	**(2,680,708)**
Income tax expense	0	-	-
Loss for the Period attributable to owners of the Parent		**(10,776,686)**	**(2,680,708)**
Basic and Diluted Earnings Per Share attributable to owners of the parent during the period (expressed in pence per share)	23	**(1.279)p**	**(0.408)p**

The Notes on pages 26 to 51 form part of these Financial Statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2018

	Year ended 31 December 2018 **£**	18 month period ended 31 December 2017 £
Loss for the year/period	**(10,776,686)**	(2,680,708)
Other Comprehensive Income:		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	**150,660**	694,161
Other comprehensive income for the year/period, net of tax	**(10,626,026)**	(1,986,547)
Total Comprehensive Income attributable to owners of the Parent	**(10,626,026)**	(1,986,547)

The Notes on pages 26 to 51 form part of these Financial Statements.

BLUEJAY MINING PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2018

	Note	Share capital £	Share premium £	Other reserves £	Retained losses £	Total £	Non-controlling interest £	Total equity £
Balance as at 1 July 2016		**7,763,676**	**16,183,675**	**(7,600,301)**	**(4,458,414)**	**11,888,636**	**590,561**	**12,479,197**
Loss for the period		-	-	-	(2,680,708)	(2,680,708)	-	(2,680,708)
Other comprehensive income for the period								
Items that may be subsequently reclassified to profit or loss								
Currency translation differences		-	-	694,161	-	694,161	-	694,161
Total comprehensive income for the period		**-**	**-**	**694,161**	**(2,680,708)**	**(1,986,547)**	**-**	**(1,986,547)**
Proceeds from share issues	15	28,596	11,645,757	-	-	11,674,353	-	11,674,353
Issue costs	15	-	(678,756)	-	-	(678,756)	-	(678,756)
Share based payments	16	100	69,900	-	-	70,000	-	70,000
Issued options	16	-	-	119,439	-	119,439	-	119,439
Exercised options	16	-	-	(163,203)	163,203	-	-	-
Acquisition of non-controlling interest on business combination		-	-	-	-	-	(590,561)	(590,561)
Total transactions with owners, recognised directly in equity		**28,696**	**11,036,901**	**(43,764)**	**163,203**	**11,185,036**	**(590,561)**	**10,594,475**
Balance as at 31 December 2017		**7,792,372**	**27,220,576**	**(6,949,904)**	**(6,975,919)**	**21,087,125**	**-**	**21,087,125**
Balance as at 1 January 2018		**7,792,372**	**27,220,576**	**(6,949,904)**	**(6,975,919)**	**21,087,125**	**-**	**21,087,125**
Loss for the year		-	-	-	(10,776,686)	(10,776,686)	-	(10,776,686)
Other comprehensive income for the year								
Items that may be subsequently reclassified to profit or loss								
Currency translation differences		-	-	150,660	**-**	150,660	-	150,660
Total comprehensive income for the year		**-**	**-**	**150,660**	**(10,776,686)**	**(10,626,026)**	**-**	**(10,626,026)**
Proceeds from share issues	15	7,828	17,092,171	-	-	17,099,999	-	17,099,999
Issue costs	15	-	(641,071)	-	-	(641,071)	-	(641,071)
Share based payments	16	37	67,463	-	-	67,500	-	67,500
Exercised options	16	-	-	(648)	648	-	-	-
Total transactions with owners, recognised directly in equity		**7,865**	**16,518,563**	**(648)**	**648**	**16,526,428**	**-**	**16,526,428**
Balance as at 31 December 2018		**7,800,237**	**43,739,139**	**(6,799,892)**	**(17,751,957)**	**26,987,527**	**-**	**26,987,527**

The Notes on pages 26 to 51 form part of these Financial Statements.

BLUEJAY MINING PLC

COMPANY STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2018

	Note	Share capital £	Share premium £	Other reserves £	Retained losses £	Total equity £
Balance as at 1 July 2016		**7,763,676**	**16,183,675**	**355,809**	**(10,679,051)**	**13,624,109**
Loss for the period		-	-	-	(1,999,470)	(1,999,470)
Total comprehensive income for the period		**-**	**-**	**-**	**(1,999,470)**	**(1,999,470)**
Proceeds from share issues	15	28,596	11,645,757	-	-	11,674,353
Issue costs	15	-	(678,756)	-	-	(678,756)
Share based payments	16	100	69,900	-	-	70,000
Issued options	16	-	-	119,439	-	119,439
Exercised options	16	-	-	(163,203)	163,203	-
Total transactions with owners, recognised directly in equity		**28,696**	**11,036,901**	**(43,764)**	**163,203**	**11,185,036**
Balance as at 31 December 2017		**7,792,372**	**27,220,576**	**312,045**	**(12,515,318)**	**22,809,675**
Balance as at 1 January 2018		**7,792,372**	**27,220,576**	**312,045**	**(12,515,318)**	**22,809,675**
Loss for the year		-	-	-	(8,894,678)	(8,894,678)
Total comprehensive income for the year		**-**	**-**	**-**	**(8,894,678)**	**(8,894,678)**
Proceeds from share issues	15	7,828	17,092,171	-	-	17,099,999
Issue costs	15	-	(641,071)	-	-	(641,071)
Share based payments	16	37	67,463	-	-	67,500
Exercised options	16	-	-	(648)	648	-
Total transactions with owners, recognised directly in equity		**7,865**	**16,518,563**	**(648)**	**648**	**16,526,428**
Balance as at 31 December 2018		**7,800,237**	**43,739,139**	**311,397**	**(21,409,348)**	**30,441,425**

The Notes on pages 26 to 51 form part of these Financial Statements.

STATEMENTS OF CASH FLOWS
For the year ended 31 December 2018

		Group		Company	
	Note	**Year ended 31 December 2018** £	18 month period ended 31 December 2017 £	**Year ended 31 December 2018** £	18 month period ended 31 December 2017 £
Cash flows from operating activities					
Loss before income tax		**(10,776,686)**	(2,680,708)	**(8,894,678)**	(1,999,470)
Adjustments for:					
Loss on financial assets at FVTPL	8	**96,573**	-	**96,573**	-
Depreciation	6	**250,590**	46,868	**12,745**	9,504
Share options expense	15	**-**	119,439	**-**	119,439
Share based payments	15	**45,000**	70,000	**45,000**	70,000
Intercompany management fees		**-**	-	**(620,482)**	(280,628)
Impairment on Assets	7	**8,873,585**	643,168	**8,010,452**	646,319
Foreign exchange		**(32,914)**	(70,953)	**(208,838)**	(15,915)
Changes in working capital:					
(Increase)/Decrease in trade and other receivables	10	**(126,090)**	(145,345)	**321,918**	(82,277)
Increase/(Decrease) in trade and other payables	12	**241,867**	127,963	**(42,224)**	4,142
Net cash used in operating activities		**(1,428,075)**	(1,889,568)	**(1,279,534)**	(1,528,886)
Cash flows from investing activities					
Purchase of property plant and equipment	6	**(2,452,284)**	(653,568)	**(32,883)**	(5,909)
Purchase of software	6	**(15,806)**	(7,352)	**(15,806)**	(7,352)
Loans granted to subsidiary undertakings		**-**	-	**(8,746,995)**	(5,631,501)
Loans granted to third parties		**-**	(54,000)	**-**	(54,000)
Purchase of quoted shares measured at fair value through the profit or loss	8	**(426,975)**	-	**(426,975)**	-
Purchase of intangible assets	7	**(6,251,969)**	(4,600,044)	**-**	-
Net cash used in investing activities		**(9,147,034)**	(5,314,964)	**(9,222,659)**	(5,698,762)
Cash flows from financing activities					
Proceeds from issue of share capital	15	**17,099,999**	10,355,803	**17,099,999**	10,355,803
Transaction costs of share issue	15	**(641,071)**	(678,756)	**(641,071)**	(678,756)
Net cash generated from financing activities		**16,458,928**	9,677,047	**16,458,928**	9,677,047
Net decrease/(increase) in cash and cash equivalents		**5,883,819**	2,472,515	**5,956,735**	2,449,399
Cash and cash equivalents at beginning of year/period		**2,901,922**	425,046	**2,820,884**	371,485
Exchange gain on cash and cash equivalents		**57,968**	4,361	**-**	-
Cash and cash equivalents at end of year/period	11	**8,843,709**	2,901,922	**8,777,619**	2,820,884

The Notes on pages 26 to 51 form part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

1. General information

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

The address of its registered office is 7-9 Swallow Street, London, W1B 4DE.

2. Summary of significant Accounting Policies

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

2.1. Basis of preparation of Financial Statements

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') and IFRS Interpretations Committee ('IFRS IC') as adopted by the European Union, the Companies Act 2006 that applies to companies reporting under IFRS and IFRS IC interpretations. The Consolidated Financial Statements have also been prepared under the historical cost convention, except as modified for assets and liabilities recognised at fair value on business combination.

The Financial Statements are presented in Pound Sterling rounded to the nearest pound.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements are disclosed in Note 4.

2.2. New and amended standards

(a) New and amended standards mandatory for the first time for the financial periods beginning on or after 1 January 2018

As of 1 January 2018, the Company adopted IFRS 9, Financial Instruments ('IFRS 9'), which replaced IAS 39, Financial Instruments: Recognition and Measurement. IFRS 9 addresses the classification, measurement and recognition of financial assets and liabilities.

The Company reviewed the financial assets and liabilities reported on its Statement of Financial Position and completed an assessment between IAS 39 and IFRS 9 to identify any accounting changes. The financial assets subject to this review were trade and other receivables and financial assets held at fair value through profit or loss. The financial liabilities subject to this review were the trade and other payables. Based on this assessment of the classification and measurement model, there were no changes to classification and measurement other than changes in terminology.

Of the other IFRSs and IFRICs, none have had a material effect on future Company Financial Information

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

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

Standard	Impact on initial application	Effective date
IFRS 16	Leases	1 January 2019
IFRS 9 (Amendments)	Prepayment features with negative compensation	1 January 2019
IAS 28 (Amendments)	Long term interests in associates and joint ventures	1 January 2019
2015-2017 Cycle	Annual improvements to IFRS Standards	1 January 2019
IFRS 3 (Amendments)	Business combinations	*1 January 2020

**subject to EU endorsement*

Of the other IFRSs and IFRICs, none are expected to have a material effect on future Company financial statements.

2.3. Basis of Consolidation

The Consolidated Financial Statements consolidate the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has 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 the investee.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has 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 consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Investments in subsidiaries are accounted for at cost less impairment within the parent company financial statements. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the Group. All significant intercompany transactions and balances between Group enterprises are eliminated on consolidation.

2.4. Going concern

The Group's business activities together with the factors likely to affect its future development, performance and position are set out in the Chairman's Report on pages 3-5. In addition, Note 3 to the Consolidated Financial Statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposure to market, credit and liquidity risk.

The Consolidated Financial Statements have been prepared on a going concern basis. Although the Group's assets are not generating revenues and an operating loss has been reported, the Directors are of the view that the Group has sufficient funds to undertake its operating activities over the next 12 months from the date these financial statements are approved including any additional payments required in relation to its current exploration projects. The Group has financial resources which the Directors consider will be sufficient to fund the Group's committed expenditure both operationally and on various exploration projects for this time period. However, in order to complete other exploration work over the life of existing projects and as additional projects are identified, additional funding will be required. The amount of funding cannot be forecast with any certainty at the point of approval of these Financial Statements and the Group will be required to raise additional funds either via an issue of equity or through the issuance of debt. The Directors are reasonably confident that funds will be forthcoming if and when they are required. Should additional funding not be forthcoming the Directors have agreed, if circumstances require, to defer payment of their fees until such time as adequate funding is received and if necessary scale back exploration activity.

The Directors have a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the Group and Company Financial Statements.

2.5. Segment reporting

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

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

2.6. Foreign currencies

(a) Functional and presentation currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The functional currency of the UK parent entity and UK subsidiary is Pound Sterling, the functional currency of the Finnish and Austrian subsidiaries is Euros and the functional currency of the Greenlandic subsidiaries is Danish Krone. The Financial Statements are presented in Pounds Sterling which is the Company's functional and Group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where such items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each period end date presented are translated at the period-end closing rate;
- income and expenses for each Income Statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future, are taken to other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the Income Statement as part of the gain or loss on sale.

2.7. 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 measurement of exploration and evaluation assets and which are classified as intangible assets relate to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production.

Exploration and evaluation assets are recorded and held at cost

Exploration and evaluation assets are not subject to amortisation, as such at the year-end all intangibles held have an indefinite life, 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 Income Statement.

Exploration and evaluation assets recorded at fair-value on business combination

Exploration assets which are acquired as part of a business combination are recognised at fair value in accordance with IFRS 3. When a business combination results in the 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.

2.8. Investments in subsidiaries

Investments in Group undertakings are stated at cost, which is the fair value of the consideration paid, less any impairment provision.

2.9. Property, plant and equipment

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

Office Equipment – 5 years
Machinery and Equipment – 5 to 15 years
Software – 2 years

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. If an impairment review is conducted following an indicator of impairment, assets which are not able to be assessed for impairment individually are assessed in combination with other assets within a cash generating unit.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains' in the Income Statement.

2.10. Impairment of non-financial assets

Assets that have an indefinite useful life, for example, intangible assets not ready to use, and goodwill, are not subject to amortisation and are tested annually for impairment. Property, plant and equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11. Financial assets

(a) Classification

The Group classifies its financial assets at amortised cost and at fair value through the profit or loss. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(b) Recognition and measurement

Amortised cost
Regular purchases and sales of financial assets are recognised on the trade date at cost – the date on which the Group commits to purchasing or selling the asset. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Fair value through the profit or loss
Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL.The Group holds equity instruments that are classified as FVTPL as these were acquired principally for the purpose of selling in the near term.

Financial assets at FTVPL, are measured at fair value at the end of each reporting period, with any fair value gains or losses recognised in profit or loss. Fair value is determined by using market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorised into different levels based on how observable the inputs used in the valuation technique utilised are (the 'fair value hierarchy'):

- *Level 1*: Quoted prices in active markets for identical items (unadjusted)
- *Level 2*: Observable direct or indirect inputs other than Level 1 inputs
- *Level 3*: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

The Group measures its investments in quoted shares using the quoted market price.

(c) Impairment of financial assets

The Group 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 Group 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.

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 (not subject to provisional pricing) and other receivables due in less than 12 months, the Group applies the simplified approach in calculating ECLs, as permitted by IFRS 9. Therefore, the Group does not track changes in credit risk, but instead, recognises a loss allowance based on the financial asset’s lifetime ECL at each reporting date.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(d) Derecognition
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. This is the same treatment for a financial asset measured at FVTPL.

2.12. 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 Group’s financial liabilities include trade and other payables and loans.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the statement of profit or loss and other comprehensive income.

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.

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.

Liabilities within the scope of IFRS 9 are classified as financial liabilities at fair value through profit and loss or other liabilities, as appropriate.

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

Financial liabilities included in trade and other payables are recognised initially at fair value and subsequently at amortised cost.

2.13. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand.

2.14. Equity

Equity comprises the following:

- "Share capital" represents the nominal value of the Ordinary shares;
- "Share Premium" represents consideration less nominal value of issued shares and costs directly attributable to the issue of new shares;
- "Other reserves" represents the merger reserve, foreign currency translation reserve, redemption reserve and share option reserve where;
    - "Merger reserve" represents the difference between the fair value of an acquisition and the nominal value of the shares allotted in a share exchange;
    - "Foreign currency translation reserve" represents the translation differences arising from translating the financial statement items from functional currency to presentational currency;
    - "Reverse acquisition reserve" represents a non-distributable reserve arising on the acquisition of Finland Investments Limited;
    - "Redemption reserve" represents a non-distributable reserve made up of share capital;
    - "Share option reserve" represents share options awarded by the group;
- "Retained earnings" represents retained losses.

2.15. Share capital, share premium and deferred shares

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 the proceeds provided there is sufficient premium available. Should sufficient premium not be available placing costs are recognised in the Income Statement.

Deferred shares are classified as equity. Deferred shares have no rights to receive dividends, or to attend or vote at general meetings of the Company and are only entitled to a return of capital after payment to holders of new ordinary shares of £100,000 per each share held.

2.16. Share based payments

The Group operates a number of equity-settled, share-based schemes, under which the Group receives services from employees or third party suppliers as consideration for equity instruments (options and warrants) of the Group. The fair value of the third party suppliers' services received in exchange for the grant of the options is recognised as an expense in the Income Statement or charged to equity depending on the nature of the service provided. The value of the employee services received is expensed in the Income Statement and its value is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability or sales growth targets, or remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

The fair value of the share options and warrants are determined using the Black Scholes valuation model.

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense or charge is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Income Statement or equity as appropriate, with a corresponding adjustment to a separate reserve in equity.

When the options are exercised, the Group issues new shares. The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium when the options are exercised.

2.17. Taxation

No current tax is yet payable in view of the losses to date.

Deferred tax is recognised for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets (including those arising from investments in subsidiaries), are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be used.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is calculated at the tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply to the period when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are not discounted.

3. Financial risk management

3.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. None of these risks are hedged.

Risk management is carried out by the London based management team under policies approved by the Board of Directors.

Market risk

(a) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro, Danish Krone and the British Pound. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group negotiates all material contracts for activities in relation to its subsidiaries in either British Pounds, Euros or Danish Krone. The Group does not hedge against the risks of fluctuations in exchange rates. The volume of transactions is not deemed sufficient to enter into forward contracts as most of the foreign exchange movements result from the retranslation of inter company loans. The Group has not sensitised the figures for fluctuations in foreign exchange rates as the Directors are of the opinion that these fluctuations, apart from the retranslation of intercompany loans at the closing rate, would not have a significant impact on the financial statements of the Group. However, the Directors acknowledge that, at the present time, the foreign exchange retranslations have resulted in rather higher than normal fluctuations which are separately disclosed, and is predominantly due to the exceptional nature of the Euro exchange rate in the last two years in the current economic climate. The Directors will continue to assess the effect of movements in exchange rates on the Group's financial operations and initiate suitable risk management measures where necessary.

(b) Price risk

The Group is not exposed to commodity price risk as a result of its operations, which are still in the exploration phase. The Directors will revisit the appropriateness of this policy should the Group's operations change in size or nature.

The Group has exposure to equity securities price risk, as it holds listed equity investments.

Credit risk

Credit risk arises from cash and cash equivalents as well as outstanding receivables. Management does not expect any losses from non-performance of these receivables. The amount of exposure to any individual counter party is subject to a limit, which is assessed by the Board.

The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk.

Liquidity risk

In keeping with similar sized mineral exploration groups, the Group's continued future operations depend on the ability to raise sufficient working capital through the issue of equity share capital or debt. The Directors are reasonably confident that adequate funding will be forthcoming with which to finance operations. Controls over expenditure are carefully managed.

With exception to deferred taxation, financial liabilities are all due within one year.

3.2. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to enable the Group to continue its exploration and evaluation activities, 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 issue of shares or sell assets to reduce debts.

At 31 December 2018 the Group had borrowings of £nil (31 December 2017: £nil) and defines capital based on the total equity of the Company. The Group monitors its level of cash resources available against future planned exploration and evaluation activities and may issue new shares in order to raise further funds from time to time.

Given the Group's level of debt versus its cash at bank and cash equivalents, the gearing ratio is immaterial.

3.3. Sensitivity analysis

On the assumption that all other variables were held constant, and in respect of the Group and the Company's expenses the potential impact of a 10% increase/decrease in the UK Sterling:Euro and UK Sterling:DKK Foreign exchange rates on the Group's loss for the period and on equity is as follows:

Potential impact on euro expenses: 2018	**Loss before tax for the year ended 31 December 2018**		Equity before tax for the period ended 31 December 2017	
	Group	**Company**	Group	Company
Increase/(decrease) in foreign exchange rate	**£**	**£**	£	£
10%	(11,659,970)	**(8,894,679)**	28,323,990	30,441,425
-10%	(9,893,402)	**(8,894,679)**	25,651,064	30,441,425

Potential impact on DKK expenses: 2018	**Loss before tax for the year ended 31 December 2018**		Equity before tax for the period ended 31 December 2017	
	Group	**Company**	Group	Company
Increase/(decrease) in foreign exchange rate	**£**	**£**	£	£
10%	(10,840,250)	**(8,894,679)**	27,018,281	30,441,425
-10%	(10,713,122)	**(8,894,679)**	26,956,773	30,441,425

4. Critical accounting estimates and judgements

The preparation of the Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the period. Actual results may vary from the estimates used to produce these Financial Statements.

Estimates and judgements are regularly evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Items subject to such 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 years, include but are not limited to:

Impairment of intangible assets – exploration and evaluation costs

Exploration and evaluation costs have a carrying value at 31 December 2018 of £15,478,246 (2017: £17,971,795). Such assets have an indefinite useful life as the Group has a right to renew exploration licences and the asset is only amortised once extraction of the resource commences. Management tests for impairment annually whether exploration projects have future economic value in accordance with the accounting policy stated in Note 2.7. Each exploration project is subject to an annual review by either a consultant or senior company geologist to determine if the exploration results returned during the period warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration long term metal prices, anticipated resource volumes and supply and demand outlook. In the event that a project does not represent an economic exploration target and results indicate there is no additional upside a decision will be made to discontinue exploration; an impairment charge will then be recognised in the Income Statement.

The Directors have reviewed the estimated value of each project prepared by management and have concluded that the project in Finland be impaired to it's recoverable amount of £3,983,108. The recoverable amount is the Director's assessment of the value of the work performed on the active projects since 2014. Therefore the recoverable amount and the corresponding impairment charge is considered to be a critical accounting estimate.

There was no impairment recognised in respect of the Dundas project in Greenland.

Recoverability of the loan due from FinnAust Mining Finland Oy

The Directors have assessed that there is an impairment to the carrying value of the Intangible assets in respect of the projects in Finland and accordingly have also impaired the carrying value of the investment and receivable from Finland Investments Limited in the Company financial statements. The Directors have not impaired a receivable due from FinnAust Mining Finland Oy with a carrying value of £6,398,621. The recoverability of this receivable is dependent on the success of the underlying project in Finland, which the Directors have assessed to have a recoverable amount of £3,983,108. Therefore, the carrying value of the receivable from FinnAust Mining Finland Oy exceeds the recoverable amount of the projects in Finland by £2,415,513. The Directors consider that the receivable due from FinnAust Mining Finland Oy will be recovered in full by enterting into a joint arrangement with a preferred partner, however the Group has not finalised such an arrangements and therefore the recoverability of the receivable in the Company financial statements is considered to be a critical accounting estimate.

VAT receivable

At 31 December 2018, the Group and Company have recognised an amount of £463,704 (2017: £287,731) within trade and other receivables which relates to VAT receivable. The amount is subject to an on-going enquiry with HMRC, further details of which can be found in Note 26. The Directors believe that the amount will be recovered in full and therefore have not recognised any impairment to the carrying value of this amount.

Useful economic lives of property, plant and equipment

The annual depreciation charge for property, plant and equipment is sensitive to changes in the estimated useful economic lives and residual values of the assets, taking into account that the assets are not used throughout the whole year due to the seasonality of the licence locations. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on economic utilisation and the physical condition of the assets. See note 6 for the carrying amount of the property plant and equipment and note 2.9 for the useful economic lives for each class of assets.

Share based payment transactions

The Group has made awards of options and warrants over its unissued share capital to certain Directors as part of their remuneration package. Certain warrants have also been issued to shareholders as part of their subscription for shares and suppliers for various services received. No share options or warrants were issued in the current year.

The valuation of these options and warrants involves making a number of critical estimates relating to price volatility, future dividend yields, expected life of the options and forfeiture rates. These assumptions have been described in more detail in Note 16.

5. Segment information

Management has determined the operating segments based on reports reviewed by the Board of Directors that are used to make strategic decisions. During the period the Group had interests in four geographical segments; the United Kingdom, Greenland, Austria, and Finland. Activities in the UK are mainly administrative in nature whilst the activities in Austria and Finland relate to exploration and evaluation work.

The Group had no turnover during the period.

2018	**Greenland £**	**Finland £**	**UK £**	**Total £**
Revenue	-	-	-	**-**
Administrative expenses	(499,927)	(92,937)	(1,207,987)	**(1,800,851)**
Foreign Exchange	(155,111)	(63,818)	195,172	**(23,757)**
Finance Income	-	-	12,209	**12,209**
Other Income	-	2,409	-	**2,409**
Impairment on intangible asset	-	8,873,586	-	**(8,873,586)**
Loss before tax per reportable segment	478,708	8,707,376	1,590,602	**10,776,686**
Additions to PP&E	2,395,852	23,548	48,690	**2,468,090**
Additions to intangible asset	5,148,986	1,102,983	-	**6,251,969**
Reportable segment assets	11,960,517	4,081,746	12,225,145	**28,267,408**

2017	**Greenland £**	**Finland £**	**UK £**	**Total £**
Revenue	-	-	-	**-**
Administrative expenses	27,846	(97,633)	(2,041,525)	**(2,111,312)**
Foreign Exchange	1,791	(8)	69,170	**70,953**
Finance Income	-	15	1,702	**1,717**
Other Income	1,102	-	-	**1,102**
Impairment on intangible asset	-	-	(643,168)	**(643,168)**
Loss before tax per reportable segment	30,739	(97,626)	(2,613,821)	**(2,680,708)**
Additions to PP&E	647,660	-	13,260	**660,920**
Additions to intangible asset	3,986,730	2,000,553	-	**5,987,283**
Reportable segment assets	6,982,095	11,867,293	3,298,253	**22,147,641**

6. Property, plant and equipment

Group

	Software	Machinery & equipment	Office equipment	Total
	£	£	£	£
Cost				
As at 1 July 2016	**5,312**	**21,750**	**5,431**	**32,493**
Exchange Differences	-	1,602	-	1,602
Additions	7,352	647,659	5,909	660,920
As at 31 December 2017	**12,664**	**671,011**	**11,340**	**695,015**
As at 1 January 2018	**12,664**	**671,011**	**11,340**	**695,015**
Exchange Differences	-	6,204	-	6,204
Additions	15,806	2,414,335	37,949	2,468,090
As at 31 December 2018	**28,470**	**3,091,550**	**49,289**	**3,169,309**
Depreciation				
As at 1 July 2016	**734**	**10,438**	**4,438**	**15,610**
Charge for the period	7,379	36,371	3,118	46,868
Exchange differences	-	1,483	-	1,483
As at 31 December 2017	**8,113**	**48,292**	**7,556**	**63,961**
As at 1 January 2018	**8,113**	**48,292**	**7,556**	**63,961**
Charge for the year	6,363	235,935	8,292	250,590
Exchange differences	-	8,667	-	8,667
As at 31 December 2018	**14,476**	**292,894**	**15,848**	**323,218**
Net book value as at 31 December 2017	**4,551**	**622,719**	**3,784**	**631,054**
Net book value as at 31 December 2018	**13,994**	**2,798,656**	**33,441**	**2,846,091**

Depreciation expense of £250,590 (31 December 2017: £46,868) for the Group has been charged in administration expenses.

Company

	Software	Office equipment	Total
	£	£	£
Cost			
As at 1 July 2016	**5,312**	**3,124**	**8,436**
Additions	7,352	5,909	13,261
As at 31 December 2017	**12,664**	**9,033**	**21,697**
As at 1 January 2018	**12,664**	**9,033**	**21,697**
Additions	15,806	32,883	48,689
As at 31 December 2018	**28,470**	**41,916**	**70,386**
Depreciation			
As at 1 July 2016	**734**	**3,124**	**3,858**
Charge for the period	7,379	2,127	9,506
As at 31 December 2017	**8,113**	**5,251**	**13,364**
As at 1 January 2018	**8,113**	**5,251**	**13,364**
Charge for the year	6,363	6,382	12,745
As at 31 December 2018	**14,476**	**11,633**	**26,109**
Net book value as at 31 December 2017	**4,551**	**3,782**	**8,333**
Net book value as at 31 December 2018	**13,994**	**30,283**	**44,277**

Depreciation expense of £12,745 (31 December 2017: £9,505) for the Company has been charged in administration expenses.

7. Intangible assets

Intangible assets comprise exploration and evaluation costs. Exploration and evaluation assets are all internally generated. These are measured at cost and have an indefinite asset life. Once the pre-production phase has been entered into, the exploration and evaluation assets will cease to be capitalised and commence amortisation.

	Group	
	31 December 2018	31 December 2017
Exploration & Evaluation Assets - Cost and Net Book Value	**£**	£
As at 1 January	**17,971,795**	12,627,680
Additions	**6,251,969**	4,600,044
Acquired through acquisition (at fair value)	**-**	622,702
Exchange differences	**128,067**	764,537
Impairments	**(8,873,585)**	(643,168)
As at year end	**15,478,246**	17,971,795

The Dundas project in Greenland has a current JORC compliant mineral resource of 117 million tonnes at 6.1% ilmenite (in-situ) and has been confirmed as the highest-grade mineral sand ilmenite project globally. Exploration projects in Finland and the Disko project in Greenland are at an early stage of development and there are no JORC (Joint Ore Reserves Committee) or non-JORC compliant resource estimates available to enable value in use calculations to be prepared. The Directors therefore undertook an assessment of the following areas and circumstances that could indicate the existence of impairment:

- The Group's right to explore in an area has expired, or will expire in the near future without renewal;
- No further exploration or evaluation is planned or budgeted for;

- A decision has been taken by the Board to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves; or
- Sufficient data exists to indicate that the book value will not be fully recovered from future development and production.

Following their assessment, the Directors concluded that an impairment charge of £8,873,585 was prudent in relation to the Finnish exploration assets for the year ended 31 December 2018. The impairment charge was recognised as the amount being the difference between the fair value of the intangibles and the carrying amount. Management based the recoverable amount using a mix of level 2 and level 3 inputs as per the fair value hierarchy table. Similar observable direct or indirect inputs where viewed and factored into the fair value assessment, as well as non-derived market data that were based on management's expertise and knowledge of the industry.

8. Financial assets measured at fair value

	Group		Company	
	31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
	£	£	**£**	£
As at 1 January	-	-	-	-
Acquisition of quoted shares	426,975	-	426,975	-
Fair value loss	(96,573)	-	(96,573)	-
As at year end	**330,402**	**-**	**330,402**	**-**

These investments are held for short-term trading purposes. At the reporting date, the shares were revalued and a loss of £96,573 was recognised in the profit or loss.

The assets are measured in accordance with Level 1 of the fair value hierarchy by using the quoted market price. There have been no transfers between fair value levels during the year.

9. Investments in subsidiary undertakings

	Company	
	31 December 2018	31 December 2017
	£	£
Shares in Group Undertakings		
At beginning of period	**9,700,002**	8,605,609
Additions	**-**	1,094,393
Impairment charge	**(7,700,000)**	-
At end of period	**2,000,002**	9,700,002
Loans to Group undertakings	**18,918,059**	10,017,871
Total	**20,918,061**	19,717,873

Investments in Group undertakings are stated at cost, which is the fair value of the consideration paid, less any impairment provision.

Following the Directors intangible asset impairment assessment the Directors concluded that the impairment of the investment in and loan to Finland Investments Limited with a carrying value of £8,010,452 be impaired in full. The Directors continue to recognise the loan due from FinnAust Mining Finland Oy with a carrying value of £6,398,621 as they believe that the amount will be fully recovered through the Group's involvement in the future activities of the exploration projects in Finland.

Subsidiaries

Name of subsidiary	Registered office address	Country of incorporation and place of business	Proportion of ordinary shares held by parent (%)	Proportion of ordinary shares held by the Group (%)	Nature of business
Centurion Mining Limited	2nd Floor 7-9 Swallow Street, London, England, W1B 4DE	United Kingdom	100%	100%	Dormant
Centurion Universal Limited	2nd Floor 7-9 Swallow Street, London, England, W1B 4DE	United Kingdom	100%	100%	Holding
Centurion Resources GmbH	Schottenring 14 /525 1010 Vienna, Austria	Austria	Nil	100%	Exploration
Finland Investments Limited	2nd Floor 7-9 Swallow Street, London, England, W1B 4DE	United Kingdom	100%	100%	Holding
FinnAust Mining Finland Oy	Kummunkatu 23, FI-83500 Outokumpu, Finland	Finland	Nil	100%	Exploration
FinnAust Mining Northern Oy	Kummunkatu 23, FI-83500 Outokumpu, Finland	Finland	Nil	100%	Exploration
BJ Mining Limited	2nd Floor 7-9 Swallow Street, London, England, W1B 4DE	BVI	100%	100%	Exploration
Disko Exploration Limited	2nd Floor 7-9 Swallow Street, London, England, W1B 4DE	United Kingdom	100%	100%	Exploration
Dundas Titanium A/S	c/o Nuna Advokater ApS, Qullilerfik 2, 6, Postboks 59, Nuuk 3900, Greenland	Greenland	Nil	100%	Exploration

All subsidiary undertakings are included in the consolidation.

The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

10. Trade and other receivables

	Group		Company	
	31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
Current	**£**	£	**£**	£
Trade receivables	**30,237**	30,614	**30,236**	30,614
Amounts owed by Group undertakings	**-**	-	**191,346**	163,519
Amounts owed by Directors	**-**	41,623	**-**	41,623
Prepayments	**72,989**	55,587	**62,685**	43,404
VAT receivable (See note 25)	**517,178**	346,274	**463,704**	287,731
Other receivables	**148,556**	168,772	**92,649**	54,000
Total	**768,960**	642,870	**840,620**	620,891

The fair value of all receivables is the same as their carrying values stated above.

At 31 December 2018 all trade and other receivables were fully performing. No ageing analysis is considered necessary as the Group has no significant trade receivable receivables which would require such an analysis to be disclosed under the requirements of IFRS 7.

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

	Group		Company	
	31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
	£	£	**£**	£
UK Pounds	**618,352**	463,315	**809,699**	620,891
Euros	**70,756**	82,615	**-**	-
Danish Krone	**79,852**	96,940	**30,921**	-
	768,960	642,870	**840,620**	620,891

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

11. Cash and cash equivalents

	Group		Company	
	31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
	£	£	**£**	£
Cash at bank and in hand	**8,843,709**	2,901,922	**8,777,619**	2,820,884

All of the UK entities cash at bank is held with institutions with an AA- credit rating. The Finland and Greenland entities cash at bank is held with institutions whose credit rating is unknown.

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

	Group		Company	
	31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
	£	£	**£**	£
UK Pounds	**8,781,031**	2,820,998	**8,777,619**	2,820,884
Euros	**4,762**	68,491	**-**	-
Danish Krone	**57,916**	12,433	**-**	-
	8,843,709	2,901,922	**8,777,619**	2,820,884

12. Trade and other payables

	Group		Company	
	31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
	£	£	**£**	£
Trade payables	**514,490**	424,372	**326,225**	297,504
Other creditors	**125,671**	76,422	**13,861**	8,657
Accrued expenses	**143,675**	63,677	**129,468**	52,145
	783,836	564,471	**469,554**	358,306

Trade payables include amounts due of £395,950 in relation to exploration and evaluation activities.

13. Deferred tax

An analysis of deferred tax liabilities is set out below.

	Group		Company	
	2018	2017	2018	2017
	£	£	£	£
Deferred tax liabilities				
- Deferred tax liability after more than 12 months	**496,045**	496,045	**-**	-
Deferred tax liabilities	**496,045**	496,045	**-**	-

The Group has additional capital losses of approximately £8,873,586 (2017: £643,168) and other losses of approximately £5,971,780 (2017: £5,067,761) available to carry forward against future taxable profits. No deferred tax asset has been recognised in respect of these tax losses because of uncertainty over the timing of future taxable profits against which the losses may be offset.

14. Financial Instruments by Category

Group

	31 December 2018			31 December 2017		
	Amortised cost	FVTPL	Total	Amortised cost	FVTPL	Total
Assets per Statement of Financial Performance	£	£	£	£	£	£
Trade and other receivables (excluding prepayments)	**695,971**	**-**	**695,971**	587,283	-	587,283
Financial assets at fair value through profit or loss	**-**	**330,402**	**330,402**	-	-	-
Cash and cash equivalents	**8,843,709**	**-**	**8,843,709**	2,901,922	-	2,901,922
	9,539,680	**330,402**	**9,870,082**	3,489,205	-	3,489,205

	31 December 2018		31 December 2017	
	Amortised cost	Total	Amortised cost	Total
Liabilities per Statement of Financial Performance	£	£	£	£
Trade and other payables (excluding non-financial liabilities)	**783,836**	**783,836**	564,471	564,471
	783,836	**783,836**	564,471	564,471

Company

	31 December 2018			31 December 2017		
	Amortised cost	FVTPL	Total	Amortised cost	FVTPL	Total
Assets per Statement of Financial Performance	£	£	£	£	£	£
Trade and other receivables (excluding prepayments)	**777,935**	**-**	**777,935**	577,487	-	577,487
Financial assets at fair value through profit or loss	**-**	**330,402**	**330,402**	-	-	-
Cash and cash equivalents	**8,777,619**	**-**	**8,777,619**	2,820,884	-	2,820,884
	9,555,554	**330,402**	**9,885,956**	3,398,371	-	3,398,371

	31 December 2018		31 December 2017	
	At amortised cost	Total	At amortised cost	Total
Liabilities per Statement of Financial Performance	£	£	£	£
Trade and other payables (excluding non-financial liabilities)	**469,554**	**469,554**	358,306	358,306
	469,554	**469,554**	358,306	358,306

15. Share capital and premium

Group and Company	Number of shares		Share capital	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
Ordinary shares	850,007,782	771,357,866	85,001	77,136
Deferred shares	588,104,193	588,104,193	588,104	588,104
Deferred A shares	71,271,328,120	71,271,328,120	7,127,132	7,127,132
Total	**72,709,440,095**	**72,630,790,179**	**7,800,237**	**7,792,372**

Issued and fully paid at 0.01 pence per share	Number of Ordinary shares	Share capital £	Share premium £	Total £
At 1 July 2016	**484,400,804**	**48,440**	**16,183,675**	**16,232,115**
Issue of new shares – 13 July 2016 (1)	10,000,000	1,000	479,100	480,100
Issue of new shares – 8 December 2016 (2 & 3)	117,184,457	11,719	5,228,092	5,239,811
Issue of new shares – 4 January 2017 (4)	7,584,238	758	499,242	500,000
Exercise of Options – 22 February 2017	1,000,000	100	19,900	20,000
Exercise of Options – 27 February 2017	2,000,000	200	144,800	145,000
Issue of new shares – 13 March 2017 (5)	108,071,388	10,807	583,586	594,393
Exercise of Options – 31 March 2017	1,333,333	133	99,867	100,000
Exercise of Options – 4 April 2017	1,625,000	163	52,338	52,501
Exercise of Options – 20 April 2017	2,766,667	277	228,472	228,749
Exercise of Options – 8 May 2017	250,000	25	18,725	18,750
Exercise of Options – 24 May 2017	1,500,000	150	112,350	112,500
Issue of new shares – 9 June 2017 (6)	29,166,667	2,917	3,172,574	3,175,490
Exercise of Options – 28 July 2017	1,550,000	155	154,845	155,000
Exercise of Options – 31 October 2017	1,284,366	128	128,308	128,436
Exercise of Warrants – 1 November 2017	1,000,000	100	69,900	70,000
Exercise of Warrants – 18 December 2017	640,946	64	44,802	44,866
As at 31 December 2017	**771,357,866**	**77,136**	**27,220,576**	**27,297,712**
As at 1 January 2018	**771,357,866**	**77,136**	**27,220,576**	**27,297,712**
Issue of new shares – 11 January 2018	143,495	14	22,486	22,500
Issue of new shares – 1 February 2018 (7)	77,272,728	7,728	16,351,200	16,358,928
Issue of new shares – 23 May 2018	97,835	10	22,490	22,500
Exercise of Options – 1 October 2018	1,000,000	100	99,900	100,000
Issue of new shares – 19 October 2018	135,858	13	22,487	22,500
As at 31 December 2018	**850,007,782**	**85,001**	**43,739,139**	**43,824,140**

(1) Includes issue costs of £19,900
(2) Issue of shares for deferred cash consideration for BJ Mining Limited.
(3) Includes issue costs of £334,347
(4) Issue of shares for acquisition of Avannaa Exploration Limited

(5) Issue of shares for remaining ownership in BJ Mining Limited
(6) Includes issue costs of £324,509
(7) Includes issue costs of £641,071
(8) The share capital disclosure has been restated from the prior year to include a more detailed split between class of share. In addition, the deferred shares which were disclosed separately on the Statement of Financial Position have been included within share capital for clearer presentation. This does not constitute a prior year adjustment.

Deferred Shares (nominal value of 0.01 pence per share)	Number of Deferred shares	Share capital £
As at 1 July 2016	**588,104,193**	**588,104**
As at 31 December 2017	**588,104,193**	**588,104**
As at 1 January 2018	**588,104,193**	**588,104**
As at 31 December 2018	**588,104,193**	**588,104**

Deferred A Shares (nominal value of 0.01 pence per share)	Number of Deferred A shares	Share capital £
As at 1 July 2016	**71,271,328,120**	**7,127,132**
As at 31 December 2017	**71,271,328,120**	**7,127,132**
As at 1 January 2018	**71,271,328,120**	**7,127,132**
As at 31 December 2018	**71,271,328,120**	**7,127,132**

On 11 January 2018 the Company issued and allotted 143,495 new Ordinary Shares at a price of 15.68 pence per share per share to extinguish liabilities for services provided in the period ended 31 December 2017.

On 1 February 2018 the Company raised £16,358,928 via the issue and allotment of 77,272,728 new Ordinary Shares at a price of 22 pence per share.

On 23 May 2018 the Company issued and allotted 97,835 new Ordinary Shares at a price of 23 pence per share per share as consideration for services provided during the year.

On 1 October 2018 the Company issued and allotted 1,000,000 new Ordinary Shares at a price of 10 pence per share as an exercise of options.

On 19 October 2018 the Company issued and allotted 135,858 new Ordinary Shares at a price of 16.56 pence per share per share as consideration for services provided during the year.

16. Share based payments

The Company has established a share option scheme for Directors, employees and consultants to the Group. Share options and warrants outstanding and exercisable at the end of the period have the following expiry dates and exercise prices:

			Options & Warrants	
Grant Date	Expiry Date	Exercise price in £ per share	**31 December 2018**	**31 December 2017**
29 November 2013	29 May 2019	0.10	5,000,000	6,000,000
4 March 2016	3 March 2019	0.06	1,000,000	1,000,000
17 December 2016	17 December 2021	0.07	2,689,768	2,689,768
9 June 2017	9 June 2022	0.165	1,025,000	1,025,000
17 October 2017	17 October 2020	0.20	5,350,000	5,350,000
17 October 2017	17 October 2020	0.25	5,350,000	5,350,000
17 October 2017	17 October 2020	0.30	5,350,000	5,350,000
			25,764,768	**26,764,768**

The Company and Group have no legal or constructive obligation to settle or repurchase the options or warrants in cash.

The fair value of the share options and warrants was determined using the Black Scholes valuation model. The parameters used are detailed below:

	2013 Options	2016 Options	2016 Options	2017 Options
Granted on:	29/11/2013	4/3/2016	17/12/2016	9/6/2017
Life (years)	5.5 years	3 years	5 years	5 years
Share price (pence per share)	5.7p	3.03p	7p	15.5p
Risk free rate	2.25%	0.81%	0.81%	0.56%
Expected volatility	26.41%	48.40%	17.64%	31.83%
Expected dividend yield	-	-	-	-
Marketability discount	20%	20%	20%	20%
Total fair value (£000)	4	3	17	34

	2017 Options	2017 Options	2017 Options
Granted on:	17/10/2017	17/10/2017	17/10/2017
Life (years)	3 years	3 years	3 years
Share price (pence per share)	17.75p	17.75p	17.75p
Risk free rate	0.5%	0.5%	0.5%
Expected volatility	13.85%	13.85%	13.85%
Expected dividend yield	-	-	-
Marketability discount	20%	20%	20%
Total fair value (£000)	42	8	1

The expected volatility of the 2013, 2016 and 2017 options is based on historical volatility for the six months prior to the date of granting.

The risk-free rate of return is based on zero yield government bonds for a term consistent with the option life.
A reconciliation of options and warrants granted over the year to 31 December 2018 is shown below:

	2018		2017	
	Number	**Weighted average exercise price (£)**	Number	Weighted average exercise price (£)
Outstanding at beginning of period	**26,764,768**	**0.1879**	19,309,366	0.1347
Expired	-	-	-	-
Exercised	(1,000,000)	0.1000	(13,950,312)	0.1347
Granted	-	-	21,405,714	0.2210
Outstanding as at period end	**25,764,768**	**0.1913**	26,764,768	0.1879
Exercisable at period end	**25,764,768**	**0.1913**	26,764,768	0.1879

	2018				2017			
Range of exercise prices (£)	**Weighted average exercise price (£)**	**Number of shares**	**Weighted average remaining life expected (years)**	**Weighted average remaining life contracted (years)**	Weighted average exercise price (£)	Number of shares	Weighted average remaining life expected (years)	Weighted average remaining life contracted (years)
0 – 0.05	**-**	**-**	**-**	**-**	-	-	-	-
0.05 – 2.00	0.1913	25,764,768	1.65	1.65	0.1879	26,764,768	2.61	2.61

During the period there was a charge of £nil (2017: £119,439) in respect of share options.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2018

17. Other reserves

	Group					
	Merger reserve	Foreign currency translation reserve	Reverse acquisition reserve	Redemption reserve	Share option reserve	Total
	£	£	£	£	£	£
At 31 December 2017	**166,000**	**809,052**	**(8,071,001)**	**36,463**	**109,582**	**(6,949,904)**
Currency translation differences	-	150,660	-	-	-	**150,660**
Exercised options	-	-	-	-	(648)	**(648)**
At 31 December 2018	**166,000**	**959,712**	**(8,071,001)**	**36,463**	**108,934**	**(6,799,892)**

	Company			
	Merger reserve	Redemption reserve	Share option reserve	Total
	£	£	£	£
At 31 December 2017	**166,000**	**36,463**	**109,582**	**312,045**
Exercised options	-	-	(648)	**(648)**
At 31 December 2018	**166,000**	**36,463**	**108,934**	**311,397**

18. Employee benefit expense

	Group		Company	
	Year ended 31 December 2018	18 month period ended 31 December 2017	**Year ended 31 December 2018**	18 month period ended 31 December 2017
Staff costs (excluding Directors)	**£**	£	**£**	£
Salaries and wages	**790,179**	242,059	**279,567**	216,984
Social security costs	**108,061**	18,656	**9,836**	16,476
Retirement benefit costs	**1,616**	700	**1,374**	700
	899,856	261,415	**290,777**	234,160

The average monthly number of employees for the Group during the year was 16 (period ended 31 December 2017:11) and the average monthly number of employees for the Company was 9 (period ended 31 December 2017: 6).

Of the above Group staff costs, £485,063 (period ended 31 December 2017: £135,513) has been capitalised in accordance with IFRS 6 as exploratory related costs and are shown as an intangible addition in the year.

19. Directors' remuneration

	Year ended 31 December 2018			
	Short-term benefits	Post-employment benefits	Share based payments	Total
	£	£	£	£
Executive Directors				
Roderick McIllree	182,783	640	-	183,423
Non-executive Directors				
Greg Kuenzel [(1)]	10,286	5	-	10,291
Ian Henderson	19,022	-	-	19,022
Garth Palmer	16,114	330	-	16,444
Peter Waugh	24,000	-	-	24,000
Michael Hutchinson	25,000	315	-	25,315
	277,205	**1,290**	**-**	**278,495**

Of the above Group Directors Remuneration, £42,905 (31 December 2017: £18,075) has been capitalised in accordance with IFRS 6 as exploratory related costs and are shown as an intangible addition in the year.

	Period ended 31 December 2017			
	Short-term benefits	Post-employment benefits	Share based payments	Total
	£	£	£	£
Executive Directors				
Roderick McIllree	34,524	106	-	34,630
Non-executive Directors				
Greg Kuenzel	49,328	109	-	49,437
Graham Marshall [(2)]	-	-	-	-
Peter Waugh	12,328	94	6,278	18,700
Michael Hutchinson	8,334	-	5,795	14,129
	104,514	**309**	**12,073**	**116,896**

[(1)] Gregory Kuenzel resigned on 2 June 2018
[(2)] Graham Marshall resigned on 16 October 2017

Details of fees paid to Companies and Partnerships of which the Directors detailed above are Directors and Partners have been disclosed in Note 27.

The remuneration of Directors and key executives is determined by the remuneration committee having regard to the performance of individuals and market trends.

20. Finance income

	Group	
	Year ended 31 December 2018	Period ended 31 December 2017
	£	£
Interest received from cash and cash equivalents	**12,209**	1,717
Finance Income	**12,209**	1,717

21. Other gain/(losses)

	Group	
	Year ended 31 December 2018 £	Period ended 31 December 2017 £
Loss on financial assets measured at fair value through profit or loss	**(96,573)**	-
Other gains/(losses)	**3,462**	-
Other gain/(losses)	**(93,111)**	-

22. Income tax expense

No charge to taxation arises due to the losses incurred.

The tax on the Group's loss before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the losses of the consolidated entities as follows:

	Group	
	Year ended 31 December 2018 £	Period ended 31 December 2017 £
Loss before tax	**(10,776,686)**	(2,680,708)
Tax at the applicable rate of 20.30% (2017: 21.82%)	(2,187,667)	(584,930)
Effects of:		
Expenditure not deductible for tax purposes	1,807,738	5,120
Depreciation in excess of/(less than) capital allowances	(450,153)	(593)
Net tax effect of losses carried forward	830,082	580,403
Tax charge	**-**	-

The weighted average applicable tax rate of 20.3% (2017: 21.82%) used is a combination of the 19% standard rate of corporation tax in the UK, 20% Finnish corporation tax and 30% Greenlandic corporation tax.

The Group has a potential deferred income tax asset of approximately £1,179,569 (2017: £1,028,755) due to tax losses available to carry forward against future taxable profits. The Company has tax losses of approximately £5,897,843 (2017: £5,067,761) available to carry forward against future taxable profits. No deferred tax asset has been recognised on accumulated tax losses because of uncertainty over the timing of future taxable profits against which the losses may be offset.

23. Earnings per share

Group

The calculation of the total basic earnings per share of (1.279) pence (31 December 2017: (0.408) pence) is based on the loss attributable to equity holders of the parent company of £10,776,686 (31 December 2017: £2,680,708) and on the weighted average number of ordinary shares of 842,546,640 (31 December 2017: 656,936,094) in issue during the year.

In accordance with IAS 33, basic and diluted earnings per share are identical for the Group as the effect of the exercise of share options would be to decrease the earnings per share. Details of share options that could potentially dilute earnings per share in future periods are set out in Note 16.

24. Expenses by nature

	Group	
	Year ended 31 December 2018	Period ended 31 December 2017
	£	£
Directors' fees	**107,299**	81,914
Employee salaries	**173,859**	211,175
AIM related costs (including Public Relations)	**345,917**	461,770
Establishment expenses	**91,211**	111,308
Auditor remuneration	**69,727**	57,981
Auditor fees for other services	**126,579**	127,096
Travel & subsistence	**141,906**	160,549
Professional & consultancy fees	**397,944**	496,622
Insurance	**54,832**	57,102
Depreciation	**250,590**	46,868
Share Option expense	**-**	119,439
Other expenses	**40,987**	179,488
Total administrative expenses	**1,800,851**	2,111,312

Services provided by the Company's auditor and its associates

During the year, the Group (including overseas subsidiaries) obtained the following services from the Company's auditors and its associates:

	Group	
	Year ended 31 December 2018	Period ended 31 December 2017
	£	£
Fees payable to the Company's auditor and its associates for the audit of the Parent Company and Consolidated Financial Statements	**47,000**	44,500
Fees payable to the Company's auditor for tax compliance & other services	**70,778**	92,235

25. Commitments

(a) Royalty agreements

As part of the contractual arrangement with Magnus Minerals Limited ('Magnus') the Group has agreed to pay royalties on revenue from mineral sales arising from mines developed by the Group. Under the terms of the respective Royalty Agreements between Magnus and the Company, the Group shall pay the following:

- 0.5% of net smelter returns over mineral production from the Kainuu Schist Belt tenements;
- 1.0% of net smelter returns over mineral production from the Outokumpu Savonara Mine Belt tenements;
- 1.5% of net smelter returns over mineral production from the Enonoski Area tenements; and
- 2.5% of net smelter returns over mineral production from the Hammaslahti Area tenements.

The Enonoski and Hammaslahti Royalty Agreements further provide that royalty entitlements may be extended to future rights with the respective areas of influence defined with the agreements.

Additionally, under the terms of the Kainuu Schist Belt Royalty Agreement and the Outokumpu Savonara Mine Belt Royalty Agreement the Group is obligated to pay SES Finland Limited a 0.5% net smelter royalty in respect of production from the associated tenements and Western Areas Limited ("Western Areas") 0.5% of net smelter returns over mineral production of the tenements using a biological leaching technology owned by Western Areas.

(b) License commitments

Bluejay now owns 5 mineral exploration licenses in Greenland. Licence 2015/08 is a part of the Dundas project and licences 2011/31, 2012/29, 2017/01 & 2018/16 are part of the Disko projects in Greenland. These licences include commitments to pay annual licence fees and minimum spend requirements.

As at 31 December 2018 these are as follows:

Group	Group		
	License fees £	Minimum spend requirement £	Total £
Not later than one year	128,050	634,756	762,806
Later than one year and no later than five years	146,975	5,124,649	5,271,624
Total	**275,025**	**5,759,405**	**6,034,430**

(c) Operating lease commitments

The Group leases office premises under a non-cancellable operating lease agreement. The lease is on an initial fixed term of two years from 31 July 2017. The lease expenditure charged to the Income Statement during the year is disclosed in Note 24 and is included within establishment expenses.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Group	
	31 December 2018 £	31 December 2017 £
Not later than one year	**35,000**	60,000
Later than one year but not later than five years	**-**	35,000
Total lease commitment	**35,000**	95,000

26. Contingent liabilities

The Directors are in the process of appealing an assessment made by HMRC which relates to the Company's ability to claim input VAT because, in the view of HMRC, the Company does not technically constitute a business for the purposes of VAT and is not eligible to make such claims in connection with services it supplied to the Company's subsidiaries. The initial assessment raised by HMRC is for an amount of £255,492 and relates to input VAT claimed and repaid by HMRC between 2012-2015. At the point the assessment was raised, HMRC ceased to repay any further claims for input VAT made by the Company. The Company has continued to submit the appropriate returns to HMRC and as a result, the Company has a receivable from HMRC of £463,704 at 31 December 2018 which is included within trade and other receivables. HMRC has made a further protective assessment for this amount, bringing the total amount of the dispute at 31 December 2018 to £719,196.

The Directors strongly refute the view of HMRC that the Company does not constitute a business for VAT purposes. The case is proceeding to Tribunal and resolution is not expected any earlier than Q4 2019. The Company has engaged professional services of legal counsel who will be representing it before the Tribunal. Counsel confirms the Company has a strong case.

Accordingly, the Directors believe that the amount of £719,196 will be recovered in full and therefore have not recognised any impairment to the carrying value of this amount.

27. Related party transactions

Loans to Group undertakings

Amounts receivable as a result of loans granted to subsidiary undertakings are as follows:

	Company	
	31 December 2018	31 December 2017
	£	£
Finland Investments Ltd	**-**	310,451
FinnAust Mining Finland Oy	**6,398,621**	5,087,869
Centurion Mining Limited	**345**	195
BJ Mining Limited	**1,010,623**	1,155,963
Dundas Titanium A/S	**11,112,258**	3,256,326
Disko Exploration Limited	**396,212**	207,067
At 31 December (Note 9)	**18,918,059**	10,017,871

Loans granted to subsidiaries have increased during the year due to additional loans being granted to the subsidiaries, and foreign exchange gain of £208,836, given that no loans were repaid during the year.

These amounts are unsecured and repayable in Euros and Danish Krone when sufficient cash resources are available in the subsidiaries.

All intra Group transactions are eliminated on consolidation.

Other transactions

The Group defines its key management personnel as the Directors of the Company as disclosed in the Directors' Report.

Heytesbury Corporate LLP, a limited liability partnership of which Garth Palmer is a partner, was paid a fee of £84,000 for the year ended 31 December 2018 (18 month period ended 31 December 2017: £126,000) for the provision of corporate management, accounting and consulting services to the Company. There was a balance of £8,537 owing at year end (31 December 2017: £nil) .

RM Corporate Limited, a limited company of which Roderick McIllree is a director, was paid a fee of £126,996 for the year ended 31 December 2018 (18 month period ended 31 December 2017: £97,500) for the provision of corporate management and consulting services to the Company. There was a balance of £12,700 owing at year end (31 December 2017: £nil).

PMW Consulting Limited, a limited company of which Peter Waugh is a director, was paid a fee of £52,600 for the year ended 31 December 2018 (18 month period ended 31 December 2017: £40,838) for consulting services to the Company. There was a balance of £10,000 owing at year end (31 December 2017: £nil).

Greenland Gas & Oil Limited, a limited company of which Roderick McIllree is a director, was paid a fee of £9,300 for the year ended 31 December 2018 (18 month period ended 31 December 2017: £45,400) for geological information systems consulting services to the Company. There was no balance outstanding at the year-end (31 December 2017: £nil).

JW Geological Limited, a limited company of which Jeremy Whybrow is a director, was paid a fee of £16,667 for the year ended 31 December 2018 (31 December 2017: £63,988) for consulting services to the Company. Jeremy Whybrow is a substantial shareholder of the Company. There was no balance outstanding at the period-end.

28. Ultimate controlling party

The Directors believe there is no ultimate controlling party.

29. Events after the reporting date

On 24 January 2019, warrant holders exercised warrants over 1,000,000 new ordinary shares at 6p per share and 1,461,615 new ordinary shares at 7p per share.

On 3 May 2019, option holders exercised options over 300,000 new ordinary shares at a price of 10p per share.

On 10 May 2019, option holders exercised options over 2,200,000 new ordinary shares at a price of 10p per share.

On 24 May 2019, Bluejay Mining plc and Dundas Titanium A/S entered into an agreement with Rio Tinto Iron and Titanium Canada Inc. (‘RTIT’) to further analyse the Ilmenite from the Dundas project. The Group and RTIT will work together to review and improve the technical work that has been completed at Dundas to date.