Registration Number: 05227458

Corcel Plc (formerly Regency Mines Plc)
Annual Report and Accounts 2020

Contents

Strategic Report
Company Information and Advisers

Directors
James Parsons
Executive Chairman
Scott Kaintz
Chief Executive Officer
Nigel Burton
Senior Independent Non-Executive Director
Ewen Ainsworth
Independent Non-Executive Director

All of
Corcel Plc
(WeWork), 71-91 Aldwych House
London WC2B 4HN

Telephone
020 7747 9960

Website
www.corcelplc.com

Registered Company Number
05227458

Secretary
AMBA Secretaries Limited
400 Thames Valley Park Drive
Reading, Berkshire RG6 1PT

Registered Office
Salisbury House
Suite 425, London Wall
London EC2M 5PS

Solicitors
Gateley Plc
1 Paternoster Sq.
London EC4M 7DX

Nominated Adviser
Beaumont Cornish Limited
Building 3, Chiswick Park
566 Chiswick High Road
London W4 5YA

Accountants
Silvertree Partners LLP
3rd Floor, 14 Hanover Street
London EC2A 4EB

Tax Advisers
Cameron & Associates Limited
35-37 Lowlands Road
Harrow-on-the-Hill
Middlesex HA1 3AW

Auditor
PKF Littlejohn LLP
15 Westferry Circus, Canary Wharf
London E14 4HD

Broker
Monecor (London) Limited
ETX Capital
One Broadgate
London EC2M 2QS

Bankers
Coutts & Co
440 Strand
London WC2R 0QS

Registrars
Share Registrars Limited
The Courtyard
17 West Street
Farnham
Surrey GU9 7DR
Tel: 012 5282 1390

Chairman and CEO Statement

Overview

The twelve months period to 30 June 2020 has seen the Corcel Plc (previously Regency Mines Plc) ("the Company", "Corcel") story materially transformed.

We are delighted to report that Corcel today, despite a highly challenging period driven by the global pandemic, is progressing a balanced portfolio of mineral exploration projects, coupled with UK based energy generation and storage at the intersection of battery metals mining and their end use in both energy storage and the electric vehicle revolution. We believe Corcel, with its revamped strategy, fresh capital structure and re-energised team following the December 2019 relaunch, is now well positioned to take advantage of the growing trends underpinning the world's transition to a low carbon economy.

We therefore are pleased to present the Annual Report and Accounts for the year to 30 June 2020.

Battery Metals Exploration: PNG and Canada

The Company made good progress at its legacy Mambare nickel-cobalt project in Papua New Guinea, where it was focused on both resolving a historic partner dispute and re-initiating exploration activity, with a view to securing a mining lease covering the project. Nickel is a core battery metal with a supply crunch widely expected in the mid-2020s as the electric vehicle revolution gains pace.

On 7 April 2020, the Company successfully resolved a historic partner dispute and announced the terms of a settlement covering historic expenditures, which saw the Company reduce its immediate interest in Mambare to 41% and pay USD 50,000 in cash, issue 4,909,610 new ordinary shares and issue 4,909,610 warrants to its partner, Battery Metals Pty Ltd, who simultaneously waived all claims. The parties at the same time executed an amendment to their development agreement and are now aligned and working productively together.

The Company also conducted, during the period, the first exploration activities at Mambare since 2012, including 230km of line-cutting, followed by a ground penetrating radar programme, executed to support 200km of surveys. This program was designed to both increase understanding of the critical and previously underexplored plateau, while facilitating the application of a mining lease and associated permitting. The Company, through its partners, is currently engaging with the permitting authorities, government and local communities in PNG to renew the EL1390 exploration licence and to secure a new mining lease. The Company announced on 14 July 2020 that the Joint Venture partner had reported a successful Warden's Hearing, an important milestone in the process of applying for a mining license in PNG, and the first of its kind in the Oro province. The Company is targeting the development of a direct shipping ore operation, with short lead times, low capital requirements, no processing plant and associated chemicals and no pipeline or tailings.

With a view to acquiring battery metal resources, prior to the expected structural price increases, and introducing a second PNG project that is potentially highly complementary to Mambare, the Company announced on 7 April 2020 the partial purchase of the corporate debt of Resource Mining Corporation Pty Ltd (ASX: RMI) ("RMI"), the 100% owner of the WoWo Gap nickel-cobalt project in Papua New Guinea ("PNG"). RMI currently has a renewal application pending covering the EL1165 exploration license encompassing the WoWo gap project. The acquisition involved the Company purchasing AUD 1.7 million of debt in RMI for a consideration of £178,096 cash and 13,288,982 new ordinary shares of the Company (representing a 62% discount to the face value of the debt or at full face value an effective issue price of Regency Mines Plc shares of 5 pence, a 376% premium to the prevailing share price. The Company is looking for ways to coordinate and explore synergies between the two PNG projects and teams, with a view to pursuing regional organic growth and development in an operationally effective and cost-efficient manner. After the year-end, on 28 October 2020, the Company announced that it had exercised its option to acquire the balance of the RMI debt on the same terms, and on 17 November 2020 announced that the transaction had completed. Hence, the Company is currently positioned as senior lender to RMI with some AUD 4 million of debt.

The Company also, after the period end, completed its 2020 field programme at the Dempster Vanadium project in the Yukon. This included a soil geochemical survey to define drill targets ready for a potential 2021 drill programme, primarily focused on a 3km segment, where no work had been done previously. Results are expected in the near term from the laboratory in Canada, where COVID-19 related delays had been encountered.

Flexible Grid Solutions

The Company sees significant opportunity in projects, which support both grid load / frequency, balancing alongside flexible distributed clean energy production and storage. These energy storage and production projects, with their low-risk near-term cash flow potential, will offer Corcel investors an attractive balance to the significant blue-sky upside of the Company's battery metals projects.

With a view to expanding the Company’s exposure to this opportunity set, the Company purchased on 19 June 2020, a 50% interest in Weirs Drove Development Ltd (“WDD”), a developer of energy storage and solar projects in the United Kingdom. The WDD portfolio comprises a number of battery storage projects, including the flagship energy storage project in Burwell, Cambridgeshire which benefits from an offtake offer from Limejump Ltd, a subsidiary of Shell New Energies. The transaction consideration was a combination of £25,000 in cash and a further £100,000 loan upon the first WDD energy storage project reaching “shovel ready” status.

WDD has made progress at the Burwell site and, as announced on 22 September 2020, has secured both local planning permission and the required grid connection. The Company is now in the process of finalising the land lease, assessing final project economics and validating procurement timelines, all with a view to either initiating discussions with project funders (likely at an SPV level) or considering a quick sale of the project to a third party. The Company expects to update shareholders on progress shortly.

The Company is also delighted to be supported by ion Ventures, a privately owned developer of clean energy projects who provide first class technical advice under a MOU signed in December 2019.

During the period, the Company was also maturing a site in the Southport Energy Centre, located North of Liverpool however, the Burwell site in Cambridgeshire and other flexible power generation and storage opportunities now remain the Company’s primary focus in the UK.

Other Investments

During the period, the Company divested of its shareholdings in Curzon Energy Plc and Red Rock Resources Plc. The Company does not currently intend to hold significant positions in other listed Companies.

Corporate

The Company underwent a complete restructuring of its balance sheet and strategy in December 2019 coupled with a refreshing of the Board, including the introduction of James Parsons as Executive Chairman. The previous Chairman of the Company, Andrew Bell, retired from the Board on 12 September 2019 after a period of transition. As part of the restructuring, various debtors converted £1.1 million of debt to equity, while creating a balance of new loan notes totalling £0.762 million with an 8% interest rate and no payments due until December 2021. The Company’s Chairman is a shareholder and Director of C4 Energy Limited, who as announced on 5 December 2019, hold an option to acquire the entire outstanding debt. This debt restructuring was accompanied by the raising of £0.830 million of new equity capital. Further capital raises of £0.470 million and £0.210 million were completed in April and June 2020, alongside the acquisitions of the RMI debt and the interest in WDD. The loan notes, which were restructured in December 2019 had previously been refinanced in July 2019.

After the period end, the Company (previously known as Regency Mines Plc) changed its name to Corcel Plc. The purpose of the name change was to more closely reflect the Company's strategy to develop its businesses across the battery metals exploration and flexible grid solutions space.

Discussion of Results

The Group incurred a loss of £1.482 million in the period ended 30 June 2020. Exploration expenses increased to £0.205 million (2019: £0.069 million), reflecting increased levels of activity at the Mambare project in PNG. Finance costs over the year totalled to £0.247 million, reflecting interest and finance fees (2019: £0.377million). Overall, administrative costs increased slightly for the year to £0.838 million (2019: £0.653 million), reflecting the costs associated with the transition of the Board during the period.

Prospects

Overall, after a focused period of restructuring, rebranding and clean up, and despite the highly challenging external environment, we believe shareholders have good cause to be optimistic about the future of Corcel Plc. We thank our shareholders for their support and wish them, our advisors, staff and their families safe passage through these turbulent times.

We both remain committed to building Corcel into a substantial value generating business supporting the transition to electric vehicles and a lower carbon economy.

James Parsons
Executive Chairman

Scott Kaintz
Chief Executive Officer

Overview of the Business

The Company is listed on London's AIM market (AIM:CRCL) and manages a portfolio of battery metals exploration and development projects coupled with flexible energy storage and production assets in the United Kingdom.

Business Strategy

The Company seeks to operate at the intersection of battery metals in the ground and some of the most critical end use cases of batteries in the form of industrial energy storage projects and flexible power generation. With the world focused on decarbonization of the global economy, an increase in the use of renewables and the electrification of transport are the projected outcomes, and this is expected to dramatically increase demand for batteries in the coming years. Corcel looks to position itself to benefit from these trends by acquiring and developing battery metal assets prior to their actual values being recognised in the broader market, and by investing and developing the energy and energy storage projects the UK grid requires in order to accommodate the growth of renewables and the increased demand of electric vehicles.

Principal Risks and Risk Management

Exploration and development is an inherently high-risk business, whereas developing energy storage and production projects is significantly less risky, outlined here are some of the primary risks identified:

Exploration Risk

The Group's business is mineral exploration, evaluation and development, which are speculative activities. There is no certainty that Corcel will proceed to the development of any of its projects or otherwise realise their full value. The Group aims to mitigate this risk, when evaluating new business opportunities by targeting areas of potential, where there is at least some historical drilling or geological data available and where leading exploration consultants believe there is strong evidence of world class battery metal deposits.

Resource Risk

All mineral projects have risk associated with defined grade and continuity. Mineral Reserves and Resources are calculated by the Group in accordance with accepted industry standards and codes but are always subject to uncertainties in the underlying assumptions, which include geological projections and commodity price assumptions. This may include variations in the style of mineralisation encountered as well as the failure to discover economic deposits. Use of recognised international mining consultants ensures that the resources produced by the Company use the most modern techniques and interpretation methods in order to minimise the associated levels of uncertainty.

Environmental Risk

Exploration of a project can be adversely affected by environmental legislation and the unforeseen results of environmental studies carried out during evaluation of a project. Any disturbance to the environment, during exploration on any of the licence areas, will be rehabilitated in accordance with the prevailing local regulations. Environmental consultants, where utilised, provide an extra level of focus on these risks, ensuring the Company operates within local regulations and with an eye towards long-term environmental impacts.

Developer Risk

Development of energy projects may rely on third parties to both identify sites and to pursue the initial development of grid connections, planning permission and lease arrangements. Reliance on third parties has the advantage of offering exposure to the widest number of projects to be included in the Company's pipeline, however this exposes the Company to the risk that outsourced developers will not bring quality projects to the Company or will not be able to develop them to shovel ready status in a professional manner. These risks can be mitigated by performing due diligence on developer groups prior to engagement and by seeking to work only with experienced developers with a significant track record of identifying and commissioning energy storage and production projects.

Financing & Liquidity Risk
The Group has an ongoing requirement to fund its activities through the equity capital markets. There is no certainty such funds will be available when required by the business. To date, the Group has managed to raise the required funds, primarily through equity placements and debt facilities.

The cost of available capital may fluctuate significantly and can include high interest rates and the requirement to offer new equity at a discount to current prices. The Company can be affected by international financial markets and risk appetites, low projections of future world GDP growth may depress commodity prices and perceived future levels of demand. Supply and demand of individual commodities may also impact valuations of current and future resources and projects in the Group portfolio.

Corporate finance planning and analysis facilitates multiple avenues to access capital and assists in lowering overall finance costs. Expansion of capital reserves and cost reduction efforts provides the Company with additional resilience during sector downturns. The Directors have prepared cash flow forecasts for at least the next 12 months from the date of this report and are confident that the Company can raise additional equity funds, if required. Nevertheless, in the event that the Group is unable to secure further financial resources it may have a detrimental impact on the Group's activities and viability of its licences and projects and its ability to monetise and realise value from them.

Political Risk
All countries carry political risk that can lead to interruption of project activities. Politically stable countries can have enhanced environmental and social risks, risks of strikes and changes to taxation, whereas less developed countries can have, in addition, risks associated with changes to the legal framework, civil unrest and expropriation of assets. The Company has working knowledge of the countries in which it holds exploration licences and has appointed experienced local operators to assist the Company in its activities in order to help reduce possible political risks wherever possible.

COVID-19
The Company recognises the uncertainty and volatility caused by the ongoing COVID-19 crisis. The health and safety of our staff and associates is of primary concern and we have taken steps to mitigate this risk by avoiding face to face meetings and through the greater adoption of video-conferencing and remote meetings. This year's AGM will reflect the current business environment and ongoing risks associated with the COVID-19 pandemic.

Operationally, COVID-19 has not caused significant disruptions to the Company's projects during the year, however the inability to travel to site and for related meetings, has likely impacted the speed in which the Company has advanced some of its initiatives, including several, which rely on governmental processes. With vaccines now anticipated during the course of 2021, the Company expects some easing of these obstacles over the coming year.

Internal Controls & Risk Management
The Directors are responsible for the Group's system of internal financial controls. Although no system of internal financial control can provide absolute assurance against material misstatement or loss, the Group's system is designed to provide reasonable assurance that problems are identified on a timely basis and dealt with appropriately. In carrying out their responsibilities, the Directors have put in place a framework of controls to ensure as far as possible that ongoing financial performance is monitored in a timely manner, that corrective action is taken and that risk is identified as early as practically possible, and they have reviewed the effectiveness of internal financial controls.

Key Performance Indicators (KPIs)

At this stage in the Company's development, with no production or reoccurring revenues, the Directors take the view that KPIs would not provide materially useful information to investors at this time. As the business develops further, the addition of KPIs will be considered and added as appropriate.

Corporate Responsibility

Corcel aims to be socially and environmentally responsible, following and exceeding standards set for exploration and investment companies around the world. As a responsible operator, the Company has developed a Corporate Social Responsibility ("CSR") policy that aims to align exploration and investment activities with the expectation of local stakeholders in relation to environmental, economic and social impacts. As an explorer, Corcel's impact on local communities is the most significant area of focus. The firm's CSR framework places the emphasis on stakeholder engagement and information dissemination, ensuring the local community is aware of the Company plans and activities where appropriate.

Governance

The Board considers sound governance as a critical component of the Company's success and the highest priority. The Company has a newly revamped and engaged Board, with a strong non-executive presence drawn from varied backgrounds and with well-functioning governance committees. Through the Company's compensation policies and variable components of employee remuneration, the Remuneration Committee of the Board seeks to ensure that the Company's values are reinforced in employee behaviour and that effective risk management is promoted.

Analysis by Gender

Category	Male	Female
Directors	4	0
Other Employees	0	1

Employees and Employee Development

The Company is dependent upon the qualities and skills of its employees and their commitment plays a major role in the Company's business success. Employees' performance is aligned to the Company's goals through an annual performance review process and via incentive programmes. The Company provides employees with information about its activities through regular briefings and other media. The Company operates a share option scheme, operated at the discretion of the Remuneration Committee and an employee Share Incentive Plan, operated by the Trustees of the scheme.

Diversity and Inclusion

The Company does not discriminate on the grounds of age, gender, nationality, ethnic or racial origin, non-job-related-disability, sexual orientation or marital status. The Company gives due consideration to all applications and provides training and the opportunity for career development wherever possible. The Board does not tolerate discrimination of any form, positive or negative, and all appointments are based solely on merit.

Health and Safety

The Company includes Health and Safety ("H&S") procedures and frameworks in all of its planning and field activities, with an emphasis on top-down as well as bottom-up ownership and responsibility, quality training of all personnel, and risk assessments that go beyond mere regulatory compliance. Comprehensive Risk Assessments of Health and Safety Systems have been developed to identify existing risks, to implement relevant mitigation measures and to identify new risks before they may be directly applicable to our operations. Corcel's H&S strategy includes project and location specific training, H&S inductions, Emergency Response Plans and field team reporting procedures applied to Corcel's projects worldwide.

Section 172 Statement

Section 172 (1) of the Companies Act 2006 obliges the Directors to promote the success of the Company for the benefit of the Company's members as a whole.

The section specifies that the Directors must act in good faith, when promoting the success of the Company and in doing so have regard (amongst other things) to:

a. the likely consequences of any decision in the long term,

b. the interests of the Company's employees,

c. the need to foster the Company's business relationship with suppliers, customers and others,

d. the impact of the Company's operations on the community and environment,

e. the desirability of the Company maintaining a reputation for high standards of business conduct, and

f. the need to act fairly as between members of the Company.

Decision Making and Implementation

The Board is collectively responsible for the decisions made towards the long-term success of the Company and how the strategic, operational and risk management decisions have been implemented throughout the business is detailed in this Strategic Review on pages 6 to 10.

Employee Engagement

The Board recognises that employees are one of the key resources, which enables delivering Company's vision and goals. Annual pay and benefit reviews are carried out to determine whether all levels of employees are benefited equally and to retain and encourage skills vital for the business. The Remuneration Committee oversees and make recommendations of executive remuneration and any long-term share awards. The Board encourages management to improve employee engagement and to provide necessary training in order to use their skills in the relevant areas in the business. The Board periodically reviews the health and safety measures implemented in the business premises and improvements are recommended for better practices.

The employees are informed of the results and important business decisions and are encouraged to feel engaged and to improve career potential.

Suppliers, Customers and Regulatory Authorities

The Board acknowledges that a strong business relationship with suppliers and customers is a vital part of the growth. Whilst day to day business operations are delegated to the executive management, the Board sets directions with regard to new business ventures. The Board uphold ethical behaviour across all sectors of the business and encourages management to seek comparable business practices from all suppliers and customers doing business with the Company. We value the feedback we receive from our stakeholders and we take every opportunity to ensure that where possible their wishes are duly considered.

Community and Environment

The Board recognises that the long-term success of the Company will be enhanced by good relations with different internal and external groups and to understand their needs, interest and expectations.

Corcel is committed to sustainable natural resource investment and development worldwide and recognises a responsibility to protect the environments in which it operates. The Company seeks to manage and mitigate environmental risks as well as to minimise the overall impact of our operations on the people and countries in which we operate. The Board encourages that good relations are cultivated with local governments and communities, aiming to better understand various parties' aspirations and ensure that the Company's business activities are compliant not only with local and global laws, including environmental laws, but also where possible take account of local expectations and priorities.

Maintaining High Standards of Business Conduct

The Board places great importance on this aspect of corporate life, where failure could put the Company at risk, and seeks to ensure that this flows through all its business interactions and at all levels of the Company. The Board upholds the importance of sound ethical values and behaviour not only because it is important to the Company to successfully achieve its corporate objectives and to transmit this culture throughout the organisation but also to set a benchmark and send a signal of what it will and will not do in some of the jurisdictions in which the Company operates.

The Company is incorporated in the UK and governed by the Companies Act 2006, the Group's business operations are carried out within the UK and Internationally, which requires the Company to conform with the various statutory and regulatory provisions in the UK as well as in other locations in which it operates. The Company has adopted the Quoted Companies Alliance Corporate Governance Code 2018 (the 'QCA Code') and the Board recognises the need to maintain a high standard of corporate governance as well as to comply with AIM Rules to safeguard the interest of the Company's stakeholders. The corporate governance arrangements that the Board has adopted, together with a punctilious observance of applicable regulatory requirements also form part of the corporate culture, requiring a standard of behaviour when interacting with contractors, business partners, service providers, regulators and others. For example, the Company has adopted an Anti-Corruption and Bribery Policy, Whistleblowing Policy, HR and H&S Policies that dictate acceptable behaviour as well as the Share Dealing Code for Directors and employees, required for the AIM listed companies and in accordance with the requirements of the Market Abuse Regulation, which came into effect in 2016. Staff training on anti-corruption and anti-bribery is monitored and refresher courses are provided as when required to ensure that the issues of bribery and corruption remain at the forefront of peoples' mind.

Shareholder Engagement

The Board places equal importance on all shareholders and recognises the significance of transparent and effective communications with shareholders. As an AIM listed company, there is a need to provide fair and balanced information in a way that is understandable to all stakeholders and particularly our shareholders.

The Board recognises that it is accountable to shareholders for the performance and activities of the Company and is committed to providing effective communication with its shareholders. Significant developments are disseminated through stock exchange announcements. The changes to the Board and Board Committees, changes to major shareholder information, QCA Code disclosure updates are promptly published on the website to enable the shareholders to be kept abreast of the Company's affairs. The Company's Annual Report and Notice of Annual General Meetings (AGM) are available to all shareholders and the Interim Report and other investor presentations are also available for the last five years and can be downloaded from the Company's website. In addition, press releases and Twitter at @CorcelPlc as well as Company interviews, broker notes, video updates and presentations, all of which are available on the Company's website www.corcelplc.com, where the shareholders may sign up to receive news releases directly by e-mail.

Shareholders are also encouraged to attend the Company's Annual General Meetings, where they can formally ask questions, raise issues and vote on the resolutions as well as engage in a more informal one-to-one dialogue with the Executive Directors.

The Board is mindful that, with the COVID-19 pandemic, 2020 has been a difficult year, with shareholders being unable to attend the Company's AGM and other investor events that would ordinarily be held throughout the course of the year. The Company continues to work hard to engage with shareholders through the regulatory RNS announcements, the website and other forms of electronic communication.

The Strategic Report has been approved and signed on behalf of the Board.

James Parsons
Executive Chairman

30 November 2020

Governance
Chairman’s Corporate Governance Statement

On behalf of the Board, I am pleased to present the Corporate Governance Report for the year ended 30 June 2020. We at Corcel believe that having a solid corporate governance structure throughout the business is a vital factor in achieving our strategic goals and creating value for our shareholders. The Board is committed to maintaining high standards of corporate governance and in this it is guided by the Quoted Companies Alliance’s Corporate Governance Code (the “QCA Code”). The Directors believe the QCA Code to be the most appropriately recognised corporate governance code for the Company. During the year under review, the Board continued to uphold the principles of the QCA Code across the business.

Corcel follows a medium to long-term corporate strategy with the objective of identifying and developing natural resource investments with attractive risk-weighted return profiles, primarily in the battery metals and distributed energy space. These may include early stage projects with higher risk and larger upside as well as more mature and conservative investments with near-term cash flow potential. The Company delivers its business strategy with tightly controlled overheads, supplementing its financial resources through corporate transactions, JVs and partnerships as well as trading and disposals or exchanges for listed shares of non-core assets.

The Board upholds its responsibility to govern the Company in the best interests of all its stakeholders. The Board takes charge of formulating, reviewing and approving the Company’s strategy, financial activities and operational performance, whilst working closely with the executive team. The Board has established Audit and Remuneration Committees to provide additional review and scrutiny in their respective areas. The Committees report back to the Board and make appropriate recommendations with regard to the matters under their purview.

The Board, as a whole, is committed to instill a culture across the Company, delivering strong values and behaviours. Emphasis has been placed on rebuilding and strengthening all segments across the business, whilst working within a structured governance framework. Adding value to all stakeholders has been at the forefront of the Board and executive management’s thinking. Corcel recognises all sectors of stakeholders in delivering our strategy and we are mindful of our responsibilities and duties to our stakeholders. A statement detailing our stakeholders and our engagement with them is included in the Strategic Report on pages 6 to 10.

James Parsons
Executive Chairman

30 November 2020

QCA Code 2018 Principles

The Board is committed to maintaining high standards of corporate governance and in this it is guided by the Quoted Companies Alliance's Corporate Governance Code (the "QCA Code"). The QCA Code sets out ten principles that are listed below together with a short explanation of how the Company applies each of the principles and reasons for any non-compliance.

Further disclosures regarding the Company's application of the QCA Code can be found on the Company's website.

Principle	**Corcel's Application**
Establish a strategy and business model, which promote long-term value for shareholders	Corcel follows a medium to long-term corporate strategy with the objective of identifying and developing natural resource investments with attractive risk weighted return profiles. The Company has embarked on early stage exploration projects with higher risk and larger upside as well as more mature and conservative investments with near-term cash flow potential and actively exploring in leveraging its existing portfolio of nickel-cobalt assets through exposure to the ongoing revolution in batteries and energy storage technologies. The Company seeks to grow its business and make acquisitions and disposals to crystalise gains and enhance shareholder value. Company's Business Model and Strategy is detailed on pages 6 to 10 of the Strategic Review.
Seek to understand and meet shareholder needs and expectations	The Company seeks to understand the varied needs and expectations of its shareholders and recognises that in order to ensure a good match between the shareholder profile and the Company's Business Model and the plans for implementation of that model, it needs to manage shareholder communications clearly regarding expectations and timelines. This is achieved by giving regular updates on developments via RNS announcements, Twitter service, Company interviews and meetings, both informal and formal, in order to serve the needs of private and institutional investors as well as analysts. The Company also engages with shareholders and prospective investors via a periodic Newsletter, Annual General Meeting and presentations at UK Investor shows.
Take into account wider stakeholder and social responsibilities and their implications for long-term success	Corcel recognises its duties to stakeholders, including employees, whether at parent company or joint venture, and investment level business partners, consultants and contractors as well as suppliers, service providers and regulators. The Company strives to be a responsible corporate citizen in all its territories of operation and has established a range of processes and systems to ensure that there is ongoing two-way communication, control and feedback processes in place to enable appropriate and timely responses to stakeholder needs interests and expectations.

Principle	Corcel's Application
Embed effective risk management, considering both opportunities and threats, throughout the organisation	The Company continues to build an effective risk management framework, which identifies the risks to which the Company has been or could be exposed. The Audit Committee overseas the Company's financial reporting, including accounting policies and internal financial controls and is responsible for ensuring that the financial performance of the Company is properly monitored and reported to the Board. Details on principal risks and internal controls established for Risk management are set out on pages 6 to 10 of the Strategic Review.
Maintain the Board as a well-functioning balanced team led by the Chair	The QCA Code requires that the boards of AIM companies have an appropriate balance between Executive and Non-Executive Directors of which at least two should be independent. The Board currently comprises of four Directors with a 50/50 balance of Executive and Non-Executive Directors. The Board has two Independent Non-Executive Directors, of which Nigel Burton is the senior Independent Non-Executive Director. The Board, led by the Chair, has the necessary skills and knowledge to discharge their duties and responsibilities effectively. The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operational performance. Day to day management is delegated to the Executive Directors, responsible for consulting the Board on all significant financial and operational matters. The Board approves the annual budget and amendments to it, issues of shares or other securities and all significant acquisitions and disposals. The Board believes that it is in the best interests of the Company to have the role of the Chairman as an executive position, given the early stage of growth of the business and the entrepreneurial skills required to secure value growth. To further strengthen the independence of the Board, Nigel Burton, assumed the role of Senior Independent Non-Executive Director at the time of James Parsons' appointment as Executive Chairman. The Board meets as regularly as necessary and also has established an Audit Committee and a Remuneration Committee to provide support in these specific areas. The attendance of the Board and Committee meetings are set out in on page 17 of the Annual Report. Further details of the Companies application of principal Five is set out in the QCA Code disclosures published on the Company's website.

QCA Code 2018 Principles

continued

Principle	**Corcel's Application**
Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities	The Board consists of four Directors, two Executives and two Independent Non-Executives, and the Company believes that there is a strong balance of resource sector, technical, financial, accounting, legal and public markets skills. The profiles of the Board of Directors are included on page 16 of the Annual Report.
Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement	Whilst the Board has not undertaken any formal training, this is something that will be considered as the business grows and the Board is further established. The Directors have a wide knowledge of the business and requirements of Directors' fiduciary duties. The Directors receive briefings and updates from the Company's advisors (legal, auditors, NOMAD and broker) on developments and initiatives as they deem appropriate. The Company's auditors brief the Audit Committee on accounting and regulatory developments, impacting the Company. Individual Directors may engage external advisors at the expense of the Company upon approval by the Board in appropriate circumstances.
Promote a corporate culture that is based on ethical values and behaviours	The Company aims to ensure an open and respectful dialogue with shareholders and other interested parties for them to have the opportunity to express their views and expectations for the Company. In this dialogue, the importance of sound ethical values and behaviour is emphasised, both because it is important if the Company is to successfully achieve its corporate objectives that this culture is transmitted through the organisation, and also to set a benchmark and send a signal of what it will and will not do in some of the jurisdictions in which the Company operates. The Board places great importance on this aspect of corporate life, where failure could put the Company at risk, and seeks to ensure that this flows through all its business interactions and at all levels of the Company. The Company has adopted an Anti-Corruption and Bribery Policy, Whistleblowing Policy, HR and H&S Policies that dictate acceptable behaviour as well as the Share Dealing Code for Directors and employees, required for the AIM listed companies and in accordance with the requirements of the Market Abuse Regulations.. The Company has a zero-tolerance approach to bribery and corruption and has an Anti-Bribery Policy in place to protect the Company, its employees and those third parties to which the business engages with. Employees are reminded of their obligations regularly.

Principle	Corcel's Application
Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board	The Company's governance structure, including matters reserved for the Board is set out on pages 17 to 18 of the Annual Report.
Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders	The Board recognises that it is accountable to shareholders for the performance and activities of the Company and Group and to this end is committed to providing effective communication with the shareholders of the Company. The Company's financial and operational performance are summarised in the Annual Report and the Interim Report, with regular updates on significant matters are disseminated to the shareholders via Stock Exchange announcements. Companies stakeholders are kept up to date through descriptions of projects, press comments, broker notes, video updates and various presentations published on the Company's website.

Board of Directors

James Parsons

Executive Chairman

In addition to his role as Executive Chairman of Corcel, James is currently Executive Chairman of Ascent Resources Plc and Non-Executive Chairman at Echo Energy Plc and Coro Energy Plc. James has over 20 years' experience in the fields of strategy, management, finance and corporate development in the energy industry. He started his career with the Royal Dutch Shell Group, where he spent 12 years with Shell working in Brazil, the Dominican Republic, Scandinavia, the Netherlands and London. James was previously Chief Executive at Sound Energy Plc for 8 years, is a qualified accountant and has a BA Honours in Business Economics.

Scott Kaintz

Chief Executive Officer

Scott Kaintz has 10 years of experience managing and operating small-cap natural resource development companies. He has a degree in Russian Language and Russian Area Studies from Georgetown University and MBA degrees from London Business School and Columbia Business School. He started his career as a US Air Force Officer and analyst working across Europe, the Middle East and Central Asia. Scott has held operational and managerial roles in the defense industry and worked in corporate finance and investment funds in London, focusing primarily on capital raising efforts and debt and equity investments in small-cap companies. Scott is also a Non-Executive Director of Red Rock Resources Plc, listed on AIM, and an Executive Director of Curzon Energy Plc listed on the Standard List of the London Stock Exchange.

Nigel Burton

Senior Independent Non-Executive Director

Dr Nigel Burton has over 30 years' experience in operational and financial management, debt and equity financing, acquisition and integration of businesses, disposals, IPOs and trade sales. Following over 14 years as an investment banker at leading City institutions, including UBS Warburg and Deutsche Bank, Nigel spent 15 years as CFO or CEO of a number of private and public companies. Nigel is currently Non-Executive Chairman of Mobile Streams Plc and a Non-Executive Director of Digitalbox Plc and eEnergy Group Plc, all of which are listed on AIM. Nigel is a Chartered Electrical Engineer and a Past President of the IET. He has a B.Sc. (First Class Hons) in Electrical and Electronic Engineering and a PhD in Acoustic Imaging from University College London.

Ewen Ainsworth

Independent Non-Executive Director

Ewen Ainsworth is an experienced AIM company Director. In addition to his role with Corcel, he is currently Non-Executive Director at Ascent Resources Plc. He is currently CEO of Discovery Energy Limited, an advisory, consultancy and investment company and has worked in a variety of senior and board-level roles in the natural resource sector for over 30 years, most recently as Finance Director for San Leon Energy Plc and previously Gulf Keystone Petroleum Limited. He qualified as a chartered management accountant, before moving into leading commercial roles. He holds a degree in Economics and Geography from Middlesex University, and is a member of the Energy Institute.

Corporate Governance Framework

Role of the Board

The Board has a responsibility to govern the Company rather than to manage it and in doing so act in the best interests of the Company as a whole. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director. Non-Executive Directors receive formal letters of appointment setting out the key terms, conditions and expectations of their appointment.

Responsibilities of the Board

The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day to day management is devolved to the Chief Executive Officer, who is charged with consulting the Board on all significant financial and operational matters.

Board of Directors

The Board of Directors currently comprises four Directors, James Parsons, Executive Chairman and Scott Kaintz, Chief Executive Officer, together with two Independent Non-Executive Directors, Nigel Burton, Senior Non-Executive Director and Ewen Ainsworth Non-Executive Director.

The Directors are of the opinion that the Board comprises a suitable balance and that the recommendations of the QCA Code have been implemented to an appropriate level. The Board maintains regular contact with its advisers and public relations consultants in order to ensure that the Board develops an understanding of the views of major shareholders about the Company.

The Executive Chairman is part time and devotes at least two days per week to the business of the Company. The Chief Executive Officer has two additional directorships, which are deemed not to conflict with the business of the Company, or his time commitment. The Non-Executives have a lesser time commitment and it is anticipated that each of the Non-Executive Directors will dedicate approximately 12 days a year to the Company.

All Directors have access to the advice of the Company's solicitors and the Company Secretary, necessary information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively and all Directors have access to independent professional advice, at the Company's expense as and when required.

Board Meetings

The Board meets regularly throughout the year. During the year ended 30 June 2020, the Board met 5 times in relation to normal operational matters.

Board Meeting Attendance

The Directors' attendance at scheduled and ad hoc Board meetings and Board Committees during the year ended 30 June 2020 is detailed in the table below:

Director	Board- Scheduled Meetings (5)	Board Ad Hoc Meeting (10)***	Audit Committee (2)	Remuneration Committee (2)
James Parsons (chairman)*	4	5	–	–
Scott Kaintz	5	10	–	–
Nigel Burton	5	10	2	2
Ewen Ainsworth	5	10	2	2
Andrew Bell**	1	1	–	–
Total meetings	**5**	**10**	**2**	**2**

* James Parsons was appointed to the Board on 23 December 2019.

** Andrew Bell resigned from the Board on 12 September 2019.

*** Ad hoc meetings: Additional meetings called for a specific matter generally of a more administrative nature not requiring full Board attendance

Matters Reserved for the Board

- **Strategy and Management** - responsibility for the overall leadership of the Company and setting the Company's values and standards, responsibility for the reputation of the Company, approval of the Company's strategic aims and objectives, approval of the Company's annual operating and capital expenditure budgets and any material changes to them, review of performance in the light of the Company's strategy, objectives, business plans and budgets and ensuring that any necessary corrective action is taken, extension on the Company's activities into new business or geographical areas, any decision to cease to operate all or any material part of the Company's business.
- **Structure and Capital** - major changes to the Company's corporate structure, changes to the Company's management and control structure, any changes to the Company's listing.
- **Financial Reporting and Controls** - approval of half yearly, interim management statements and any preliminary announcements of final year results, approval of the annual report and accounts, approval of any significant changes in accounting policies or practices, approval of treasury policies, including foreign currency exposure and the use of financial derivatives.
- **Internal Controls** - ensuring maintenance of a sound system of internal control and risk management, including a. reviewing the effectiveness of the Company's risk and control processes to support its strategy and objectives; b. reviewing the Company's risk register; and c. approving an appropriate statement for inclusion in the Annual Report.
- **Contracts** - major capital contracts, contracts, which are material, strategically or by reason of size, entered into by the Company or any subsidiary in the ordinary course of business.
- **Communication** - approval of resolutions and corresponding documentation to be put forward to shareholders at a General Meeting, approval of all circulars and prospectuses.
- **Board Membership and Other Appointments**
- **Remuneration** - determining the remuneration policy for the Directors and other senior Executives, determining the remuneration of the Non-Executive Directors, introduction of new share incentive plans or major changes to existing plans, for approval.
- **Delegation of Authority** - the division of responsibilities between the Chairman, the Chief Executive and other Executive Directors, approval of terms of reference of Board Committees, receiving reports from Board Committees on their activities.
- **Corporate Governance Matters** - review of the Group's overall corporate governance arrangements.
- **Policies** - approval of the Group policies.
- **Other** - approval of the appointment of the Company's principal professional advisers, prosecution, defence of settlement of litigation involving above £5m or being otherwise material to the interests of the Group, approval of the overall levels of insurance for the Company, including Director's and Officers' Liability Insurance.

Board Activities 2020

The Board is responsible for full and effective control over the Company. The Board holds regular meetings at which financial, operational and strategic goals are considered and decided upon.

2019-20 Board Activities:

- Oversaw Board reformation and strengthened Corporate Governance
- Strengthened Group Balance Sheet
- Refocused the Business on Battery Metal Exploration and Development
- Broadened Exposure to Flexible Energy Production and Storage
- First Exploration Results at Mambare nickel/cobalt project since 2012
- Investment in Weirs Drove Development – Broadening Flexible Grid Solutions portfolio
- Completed Corporate Rebranding

2020-21 Board Focus:

- Explore Creation of Substantial Regional Nickel/Cobalt Entity
- Advance Burwell Energy Storage and Solar Project to Financial Close
- Analyse and Consider additional Battery Metal projects
- Increase Market Understanding of Existing Value Proposition
- Continue Expansion and Development of Corcel Brand
- Leverage Investors to the Growth of Batteries and Global Decarbonization

Board Committees

The Board has established the following committees, each of which has its own terms of reference:

Audit Committee
The Audit Committee considers the Group's financial reporting, including accounting policies, and internal financial controls. It is responsible for ensuring that the financial performance of the Group is properly monitored and reported on. The Audit Committee meets at least twice a year, once with the auditors, and is comprised of Ewen Ainsworth, Independent Non-Executive Director, and Nigel Burton, Senior Independent Non-Executive Director, the Auditors and other personnel attend the Committee as requested by the Committee.

During the past year the Audit Committee has reviewed its terms of reference, which were approved by the Board and can be found on the Company's website. A review of the Companies policies is currently being undertaken. The Committee will continue to build upon the risk management framework as the business grows and develops.

It is the responsibility of the Committee to review the annual and half-yearly Financial Statements, to ensure that they adequately comply with appropriate accounting policies, practices and legal requirements, to recommend to the Board their adoption, and to consider the independence of and to oversee the management's appointment of the external auditors.

Remuneration Committee
The Remuneration Committee is responsible for making recommendations to the Board on Executive Directors' remuneration. It comprises the Senior Independent Non-Executive Director Nigel Burton as Chairman and Ewen Ainsworth, the Independent Non-Executive Director. The Executive Directors and other senior personnel attend meetings as requested by the Committee, which meets at least twice a year. The Remuneration Committee considers the performance of the Executive Directors in line with those targets set at the beginning of the year within the Company's scorecard.

During the past year the Remuneration Committee has reviewed its terms of reference, which were approved by the Board and can be found on the Company's website.

Directors' Report

The Directors present their Annual Report on the affairs of the Group and the Parent Company, together with the Group Financial Statements for the year ended 30 June 2020.

Principal Activities

The Company was incorporated for the purpose of pursuing development of and investment in mineral exploration projects with a particular focus on base-metals. Company's current portfolio includes exploration and development of natural resources and battery metals and energy storage and distribution of power.

Strategic Report

The Company is required by the Companies Act 2006 to include a Strategic Report in its Annual Report. The information that fulfils this requirement can be found in the Annual Report on pages 6 to 10.

Business Review and Future Developments

The business review and future developments are dealt with in the Chairman and CEO Statement and in the Strategic Review on pages 3 to 10.

Fundraising and Share Capital

During the year, 2,596,363,636 shares were issued in settlement of corporate debt, 1,022,229,140 were issued in settlement of convertible loan notes, and 564,058,369 shares were issued in settlement of outstanding liabilities. 56 shares were issued in order to adjust the total number of shares prior share consolidation. A 1 for 100 share consolidation was effected and post consolidation 86,873,352 shares traded as of 24 December 2019 in their new consolidated form. During the year, cash of £1.511 million gross, before deducting the associated transaction costs, (2019: £0.240 million), was raised by the issue of 109,968,183 (post consolidation) (2019: 399,999,998) new ordinary shares. Further details are given in note 17.

Results and Dividends

The Group's results are set out in the Group Income Statement on page 30. The audited Financial Statements for the year ended 30 June 2020 are set out on pages 29 to 78. The Group made a loss after taxation of £1.482 million (2019: loss of £2.608 million). The Directors do not recommend the payment of a dividend (2019: nil).

Directors

The Directors who served during the period and following the year end are as follows:

	Appointed	Resigned
James Parsons	23.12.2019	
Scott Kaintz	21.11.2011	
Nigel Burton	24.06.2019	
Ewen Ainsworth	24.06.2019	
Andrew R M Bell		12.09.2019

The interests of the Board in the shares of the Company as at 30 June 2020 were as follows:

	Ordinary shares	As percentage of issued share capital	Options	Warrants
James Parsons	2,289,773	1.21%	3,040,567	781,250
Scott Kaintz	2,013,791	1.06%	3,164,767	594,508
Ewen Ainsworth*	2,253,429	1.19%	–	1,281,250
Nigel Burton	122,312	0.06%	–	–

* Discovery Energy Limited, a company controlled by Ewen Ainsworth is the beneficial holder of 141,901 shares.

* Discovery Energy Pension Scheme of Discover Energy Limited is the beneficial holder of 1,562,500 shares and 781,250 warrants.

The interests of the Board in the shares of the Company as at 30 June 2019 were on a pre-consolidation basis as follows:

	Ordinary shares	As percentage of issued share capital	Options	Warrants
Andrew R M Bell	56,843,719	3.75%	13,360,000	24,949,949
Edmund Bugnosen	12,690,623	0.84%	560,000	–
Scott Kaintz	25,811,304	1.70%	12,420,000	12,575,757

Substantial Shareholdings

On 30 June 2020, the following were registered as being interested in 3% or more of the Company's Ordinary share capital:

	Ordinary shares of £0.0001 each	Percentage of issued share capital
JIM Nominees Ltd – Designation JARVIS*	51,718,029	28.03
Base Asia Pacific Ltd	13,288,982	6.70
Interactive Investor Services Nominees Ltd – Designation SMKTNOMS*	11,900,177	6.45
Normura Custody Nominees Ltd – Designation CUSTNOMS*	10,146,999	5.50
HSBC Global Custody Nominee (UK) Ltd – Designation 941346*	9,719,330	5.27
Winterflood Securities Ltd – Designation WINSCREP*	9,611,774	5.21

* client accounts

Management Incentives

In the year to 30 June 2020, the Company has granted 6,081,134 options over its ordinary shares (2019: nil). As at 30 June 2020, 6,212,534 options were outstanding (2019: 270,600).

In addition, the Company operates a tax efficient Share Incentive Plan, a government approved scheme, the terms of which provide for an equal reward to every employee, including Directors, who had served for three months or more at the time of issue. The terms of the plan provide for:

- each employee to be given the right to subscribe any amount up to £150 per month with Trustees, who invest the monies in the Company's shares;
- the Company to match the employee's investment by contributing an amount equal to double the employee's investment; and
- the Company to award free shares to a maximum of £3,600 per employee per annum.

The subscriptions remain free of taxation and national insurance if held for five years. Further details on share options and Share Incentive Plan are set out in note 18 to the Financial Statements.

Directors' Remuneration

The remuneration of the Executive Directors, paid during the year, was fixed on the recommendation of the Remuneration Committee. The remuneration of the Non-Executive Directors, paid during the year, was fixed on the recommendation of the Executive Directors. Remuneration levels reflected the need to maximise the effectiveness of the Company's limited resources during the year.

Fees paid to each Director, for the year ended 30 June 2020, are set out in note 8 to the Financial Statements.

Each Executive Director is entitled to participate in the Share Incentive Plan.

The Company also has a Group Personal Pension Scheme for all eligible employees, including the Executive Directors. The Scheme is an insured, defined contribution arrangement with all members entitled to an employer pension contribution equivalent to 8% of basic salary, subject to the individual agreeing to make a minimum contribution to the Scheme equivalent to 2.4% of basic salary (subject to statutory and regulatory conditions). The Scheme is available on a Salary Sacrifice basis, with 100% of the employer national insurance saving passed on to the member by way of an enhanced employer contribution to the Scheme, of an equivalent amount.

The Company was previously closely associated with Red Rock Resources Plc, in which the Company has no interest as at 30 June 2020 (2019: 0.67%). Red Rock Resources Plc had a 3.77% interest in the Company as at 30 June 2020 (2019: 2.31%). Two Directors, Andrew Bell and Scott Kaintz, are also Directors of, and received a salary from, Red Rock Resources Plc during the year. The amount of their remuneration for their role as Directors of Red Rock Resources Plc is not required to be disclosed in the Company Financial Statements but is fully disclosed in the Financial Statements of Red Rock Resources Plc.

Corporate Governance Statement and QCA Code

Corporate Governance Statement and QCA Corporate Governance principles are set out in the Annual Report on pages 11 and 15.

Control Procedures

The Board has approved financial budgets and cash forecasts. In addition, it has implemented procedures to ensure compliance with accounting standards and effective reporting.

Environmental Responsibility

The Company is aware of the potential impact that its subsidiary companies may have on the environment. The Company ensures that it and its subsidiaries, at a minimum, comply with the local regulatory requirements and the revised Equator Principles, the industry standard for environmental and social risk.

Employment Policies

The Group is committed to promoting policies, which ensure that high calibre employees are attracted, retained and motivated, to ensure the on-going success for the business. Employees, and those who seek to work within the Group, are treated equally, regardless of sex, marital status, creed, colour, race or ethnic origin.

Health and Safety

The Group's aim is to achieve and maintain a high standard of workplace safety. In order to achieve this objective, the Group provides training and support to employees and sets demanding standards for workplace safety. Being an exploration company with very mobile staff personnel, the Company maintains and follows Emergency Response and Evacuation Plans ("EREP") in all its projects.

Going Concern

It is the prime responsibility of the Board to ensure the Company and the Group remains a going concern. At 30 June 2020, the Group had cash and cash equivalents of £0.415 million and £0.790 million of borrowings and, as at the date of signing these Financial Statements the, cash balance was £0.369 million. The Directors anticipate having to raise additional funding over the course of the financial year.

Having considered the prepared cashflow forecasts and the Group budgets, which includes the possibility of Directors reducing or foregoing their salaries if required, the progress in activities post year-end and successful fund raise of £0.750 million, the Directors consider that they will have access to adequate resources in the 12 months from the date of the signing of these Financial Statements. As a result, they consider it appropriate to continue to adopt the going concern basis in the preparation of the Financial Statements.

Should the Group be unable to continue trading as a going concern, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for further liabilities, which might arise, and to classify non-current assets as current. The Financial Statements have been prepared on the going concern basis and do not include the adjustments that would result if the Group was unable to continue as a going concern. Due to the factors described above, a material uncertainty exits, which may cast significant doubt on the Group and the Company's ability to act as a going concern. The auditors have made reference to this within their Audit Report. More details surrounding this may be found in the Audit Report on page 25.

Events After the Reporting Period

Events after the reporting period are set out in note 25 to the Financial Statements.

Independent Auditors

At the AGM of the Company held in January 2020, Chapman Davis LLP were re-appointed as the auditors of the Company to hold the office until the conclusion of the Annual General Meeting of 2020. In September 2020, Chapman Davis resigned and were replaced by PKF Littlejohn LLP. The Directors will place a resolution before the forthcoming Annual General Meeting to reappoint PKF Littlejohn LLP as auditors for the coming year.

Disclosure of Information to Auditors

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

By order of the Board

James Parsons
Executive Chairman

30 November 2020

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare Group and Company Financial Statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare Group Financial Statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and have elected under company law to prepare the Company Financial Statements in accordance with IFRS as adopted by the EU.

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 the Company and of the profit or loss of the Group and Company for that period.

In preparing the Group and Company Financial Statements, the Directors are required to:

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information, included on the Corcel Plc website.

Legislation in the United Kingdom, governing the preparation and dissemination of Financial Statements, may differ from legislation in other jurisdictions.

Independent Auditor's Report to the members of Corcel Plc (former Regency Mines Plc)

Opinion

We have audited the Financial Statements of Corcel Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2020, which comprise the Consolidated and Parent Company Statements of Financial Position, the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows and Notes to the Financial Statements, including 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 30 June 2020 and of the Group's and Parent Company's loss for the year then ended;
- the Group Financial Statements have been properly prepared in accordance with 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.

Material Uncertainty Relating to Going Concern

We draw attention to Note 1.2 in the Financial Statements, which indicates that the Group is reliant on securing further financing to meet committed expenditure requirements and working capital needs. As stated in Note 1.2, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 14, which discloses the debt instrument in Resource Mining Corporation Limited, purchased by the Company during the year and valued at £367,000 within the Financial Statements. The license relating to the WoWo Gap project, Resource Mining Corporation Limited's key project, is currently under renewal. The good standing of this licence is critical for project development and subsequent value extraction, which is key to the recoverability of the debt. Should the license not be renewed, an impairment may be required to the value of the debt.

Our Application of Materiality

The materiality applied to the Group Financial Statements was £98,000, based on a percentage of net assets, as it is from these net assets that the Group seeks to deliver returns for shareholders, in particular the value of exploration and development projects the Group is interested in through its associates and joint ventures. Performance materiality has been set at 70% of headline materiality, and the threshold for which we communicate errors to management has been set at 5%. Materiality for the Company Financial Statements was set at £97,500, based on a percentage of net assets.

We apply the concept of materiality in both planning and performing the audit, and in evaluating the effect of misstatements. At the planning stage, materiality is used to determine the Financial Statements areas that are included within the scope of the audit and the extent of the sample sizes during the audit. Materiality has been reassessed during the fieldwork and closing stages of the audit, taking into consideration new information, which arose. No alterations were made to materiality either during or at the conclusion of the audit.

An Overview of the Scope of Our Audit

In designing our audit, we looked at areas, which deemed to involve significant judgement and estimation by the Directors, such as the key audit matter surrounding the carrying value of investments in joint ventures and associates, and receivables from other Group Companies. Other judgemental areas are the accounting treatment and valuation of financial assets, including the debt instrument purchased during the year, as well as the valuation of share-based payment transactions. We also addressed the risk of management override of controls, including consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Work on all significant components of the Group has been performed by us as group auditor.

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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How the Scope of our Audit Responded to the Key Audit Matter
Carrying value of Investments, Joint Ventures and Associates and Intragroup Balances (Notes 10 & 11) **Investments in subsidiaries and intra-group loans (Company only), as well as joint ventures and associates (Group & Company), are the most significant balances in the Financial Statements.** **The Group & Company own a 50% interest in DVY196 Holdings Corp, and a 41% interest in Oro Nickel JV entity as at 30 June 2020, both of which have material value in the Financial Statements.**	Our work in this area included: • Review of management's assessment of recoverability of intragroup receivables in accordance with IFRS 9 criteria; • Considerations of recoverability of investments and intercompany loans by reference to underlying net asset values, including the recoverability potential of the underlying exploration projects (Mambare Nickel-Cobalt Project; Dempster Vanadium Project); • Review of Board impairment papers in respect of investments, including challenge and obtaining corroboration for key assumptions used;

Key Audit Matter	How the Scope of our Audit Responded to the Key Audit Matter
Given the continuing losses in these entities, and delays in advancing developments at the underlying projects, there is a risk that the investment and any associated receivable balances cannot be recovered and that the balances should be impaired.	• Obtaining and reviewing any relevant agreements relating to investments (shareholder agreements; JV agreements; license agreements etc) to ensure all terms are complied with; and • Review of disclosures made in respect of these balances in accordance with IFRS. We draw attention to the fact that the exploration license held by Oro Nickel JV in respect of the Mambare project is currently under renewal. If the license were not to be renewed, this may result in an impairment to the carrying value of the investment in JV.

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:

- the information given in the Strategic Report and the Directors' report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on Which We are Required to Report by Exception

In the light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' report.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company Financial Statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the Group and Parent Company Financial Statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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.

Joseph Archer

Joseph Archer (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

30 November 2020

Financial Statements
Consolidated Statement of Financial Position

as at 30 June 2020

	Notes	30 June 2020 £'000	30 June 2019 £'000
ASSETS			
Non-current assets			
Investments in associates and joint ventures	11	**1,947**	1,950
Goodwill	10	**25**	42
Financial instruments - fair value through other comprehensive income (FVTOCI)	12	**4**	178
Other receivables	14	**1,690**	1,318
Total non-current assets		**3,666**	3,488
Current assets			
Cash and cash equivalents	19	**415**	64
Financial instruments with fair value through profit and loss (FVTPL)	13	**5**	5
Trade and other receivables	14	**175**	115
Total current assets		**595**	184
Total assets		**4,261**	3,672
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent			
Called up share capital	17	**2,726**	1,999
Share premium account		**23,032**	21,113
Other reserves		**908**	(329)
Retained earnings		**(23,403)**	(20,960)
Total equity attributable to owners of the Parent		**3,263**	1,823
Non-Controlling interests		**13**	18
Total equity		**3,276**	1,841
LIABILITIES			
Non-current liabilities			
Lease liability		**30**	–
Long-term borrowings	15	**760**	–
Total non-current liabilities		**790**	–
Current liabilities			
Trade and other payables	15	**183**	309
Lease liability		**12**	–
Short-term borrowings	15	**–**	1,522
Total current liabilities		**195**	1,831
Total equity and liabilities		**4,261**	3,672

These Financial Statements, on pages 29 to 78, were approved by the Board of Directors and authorised for issue on 30 November 2020 and are signed on its behalf by:

James Parsons
Executive Chairman

The accompanying notes form an integral part of these Financial Statements.

Consolidated Income Statement

for the year ended 30 June 2020

	Notes	Year to 30 June 2020 £'000	Year to 30 June 2019 £'000
Gain on sale of financial instruments designated as FVTPL		**–**	38
Exploration expenses		**(205)**	(69)
Impairment of investments in joint ventures	11	**–**	(1,503)
Impairment of goodwill		**(106)**	–
Impairment of right-of-use asset		**(41)**	–
Impairment of loans and receivables		**(37)**	(26)
Administrative expenses	4	**(838)**	(653)
Foreign currency loss		**(26)**	(43)
Other income		**21**	26
Finance costs, net	5	**(247)**	(377)
Share of loss of associates and joint ventures	11	**(3)**	(1)
Loss for the year before taxation	3	**(1,482)**	(2,608)
Taxation		**–**	–
Loss for the year		**(1,482)**	(2,608)
Loss per share attributable to:			
Equity holders of the Parent		**(1,477)**	(2,587)
Non-controlling interest		**(5)**	(21)
		(1,482)	(2,608)
Earnings per share attributable to owners of the Parent*:			
Basic	9	(**2) pence**	(26) pence
Diluted	9	**(2) pence**	(26) pence

*Adjusted for 100:1 share consolidation. More details in Note 9.

Consolidated Statement of Comprehensive Income

for the year ended 30 June 2020

	30 June 2020 £'000	30 June 2019 £'000
Loss for the year	**(1,482)**	(2,608)
Other comprehensive income		
Items that will be not be reclassified subsequently to profit or loss		
Decrease in revaluation reserves due to IFRS 9 adoption	**–**	(38)
Revaluation of FVTOCI investments	**(42)**	(800)
Unrealised foreign currency gain/(loss) on translation of foreign operations	**16**	(5)
Total other comprehensive income for the year	**(26)**	(843)
Total comprehensive loss for the year	**(1,508)**	(3,451)
Total comprehensive loss attributable to:		
Equity holders of the Parent	**(1,503)**	(3,430)
Non-controlling interest	**(5)**	(21)
	(1,508)	(3,451)

All of the Group's operations are considered to be continuing.

The accompanying notes form an integral part of these Financial Statements.

Consolidated Statement of Changes in Equity

for the year ended 30 June 2020

The movements in equity during the year were as follows:

	Share capital £'000	Share premium account £'000	Retained earnings £'000	Other reserves £'000	Total Equity attributable to owners of the Parent £'000	Non-controlling interests £'000	Total Equity £'000
As at 1 July 2018	**1,926**	**20,380**	**(18,378)**	**479**	**4,407**	**39**	**4,446**
Changes in equity for 2019						**–**	
Loss for the year	–	–	(2,587)	–	(2,587)	(21)	(2,608)
Other comprehensive income for the year							
Transfer of FVTOCI reserve in relation to impaired assets (note 12)	–	–	–	(804)	(804)	–	(804)
Gain on sale of FVTOCI investments	–	–	5	–	5	–	5
Unrealised foreign currency loss arising on re-translation of foreign operations	–	–	–	(5)	(5)	–	(5)
Total Other comprehensive income for the year	**–**	**–**	**5**	**(809)**	**(804)**	**–**	**(804)**
Transactions with owners							
Issue of shares	73	745	–	–	818	–	818
Share issue costs	–	(12)	–	–	(12)	–	(12)
Total transactions with owners	**73**	**733**	**–**	**–**	**806**	**–**	**806**
As at 1 July 2019	**1,999**	**21,113**	**(20,960)**	**(329)**	**1,823**	**18**	**1,841**
Changes in equity for 2020							
Loss for the year	**–**	**–**	**(1,477)**	**–**	**(1,477)**	**(5)**	**(1,482)**
Acquisition of new subsidiary (note 11)	–	–	–	–	–	12	12
Partner buy-out on a subsidiary (note 11)	–	–	–	–	–	(12)	(12)
Transfer of FVTOCI reserve in relation to impaired assets (note 12)	–	–	(400)	400	–	–	–
Other comprehensive income for the year							
Revaluation of FVTOCI investments	–	–	–	(42)	(42)	–	(42)
Transfer of FVTOCI revaluation reserve in relation to disposals	–	–	(567)	567	–	–	–
Unrealised foreign currency gain arising on re-translation of foreign operations	–	–	–	16	16	–	16
Total Other comprehensive income for the year	**–**	**–**	**(567)**	**541**	**(26)**	**–**	**(26)**
Transactions with owners							
Issue of shares	727	2,228	–	–	2,955	–	2,955
Share issue costs	–	(309)	–	273	(36)	–	(36)
Share options granted during the year	–	–	–	23	23	–	23
Total transactions with owners	**727**	**1,919**	**–**	**296**	**2,942**	**–**	**2,942**
As at 30 June 2020	**2,726**	**23,032**	**(23,403)**	**908**	**3,263**	**13**	**3,276**

See note 16 for a description of each reserve included above.

Consolidated Statement of Changes in Equity

continued

Other reserves	FVTOCI financial asset reserve £'000	Share-based payment reserve £'000	Warrant reserve £'000	Foreign currency translation reserve £	Total other reserves £
As at 1 July 2018	**(121)**	**76**	**–**	**524**	**479**
Revaluation of FVTOCI investments	(800)	–	–	–	(800)
Transfer of FVTOCI reserve relating to impaired assets and disposals	(3)	–	–	–	(3)
Unrealised foreign currency gain on translation of foreign operations	–	–	–	(5)	(5)
As at 1 July 2019	**(924)**	**76**	**–**	**519**	**(329)**
Revaluation of FVTOCI investments	(42)	–	–	–	(42)
Transfer of FVTOCI reserve relating to impaired assets and disposals	967	–	–	–	967
Share options granted during the year	–	23	–	–	23
Warrants granted during the year	–	–	273	–	273
Unrealised foreign currency gain on translation of foreign operations	–	–	–	16	16
As at 30 June 2020	**1**	**99**	**273**	**535**	**908**

See note 16 for a description of each reserve included above.

Consolidated Statement of Cash Flows

for the year ended 30 June 2020

	Year to 30 June 2020 £	Year to 30 June 2019 £
Cash flows from operating activities		
Loss before taxation	**(1,482)**	(2,608)
Increase in receivables	**(28)**	(50)
Increase in payables	**78**	28
Share-based payments	**63**	11
Currency adjustments	**26**	42
Finance cost, net (note 5)	**247**	377
Gain on sale of FVTPL investments	**–**	(38)
Share of loss in associates and joint ventures, net of tax (note 11)	**3**	1
Impairment of goodwill related to FGO (note 10)	**106**	–
Impairment of right-of-use asses	**41**	–
Impairment of investments in joint ventures	**–**	1,503
Impairment of loans and receivables	**37**	26
Net cash outflow from operations	**(909)**	(708)
Cash flows from investing activities		
Proceeds from sale of FVTOCI and FVTPL investments (note 12 and 13)	**109**	165
Purchase of financial assets carried at amortised cost (note 14)	**(220)**	–
Acquisition of a new subsidiary (note 10)	**(34)**	–
Payments for investments in associates and joint ventures (note 11)	**(5)**	–
Net cash (outflow)/inflow from investing activities	**(150)**	165
Cash inflows from financing activities		
Proceeds from issue of shares	**1,439**	229
Interest paid (note 21)	**(5)**	–
Proceeds of new borrowings, as received net of associated fees (note 21)	**7**	252
Repayment of borrowings (note 21)	**(30)**	–
Net cash inflow from financing activities	**1,410**	481
Net increase/(decrease) in cash and cash equivalents	**351**	(62)
Cash and cash equivalents at the beginning of period	**64**	126
Cash and cash equivalents at end of period	**415**	64

Major non-cash transactions are disclosed in note 21.

The accompanying notes and accounting policies form an integral part of these Financial Statements.

Company Statement of Financial Position

Corcel Plc (Registration Number: 05227458)
as at 30 June 2020

	Notes	30 June 2020 £	30 June 2019 £
ASSETS			
Non-current assets			
Investments in subsidiaries	10	**–**	–
Investments in associates and joint ventures	11	**2,067**	2,067
Financial assets with fair value through other comprehensive income (FVTOCI)	12	**4**	178
Other receivables	14	**1,740**	1,892
Total non-current assets		**3,811**	4,137
Current assets			
Cash and cash equivalents	19	**389**	34
Trade and other receivables	14	**175**	94
Total current assets		**564**	128
Total assets		**4,375**	4,265
EQUITY AND LIABILITIES			
Called up share capital	17	**2,726**	1,999
Share premium account		**23,032**	21,113
Other reserves		**373**	(448)
Retained earnings		**(22,698)**	(20,181)
Total equity		**3,433**	2,483
LIABILITIES			
Non-current liabilities			
Long-term borrowings	15	**760**	–
Total non-current liabilities		**760**	–
Current liabilities			
Trade and other payables	15	**182**	260
Short-term borrowings	15	**–**	1,522
Total current liabilities		**182**	1,782
Total equity and liabilities		**4,375**	4,265

Company Statement of Comprehensive Income
As permitted by Section 408 Companies Act 2006, the Company has not presented its own Statement of Comprehensive Income. The Company's loss for the financial year was £1,949,687 (2019: loss of £3,395,962). The Company's Total comprehensive loss for the financial year was £1,991,647 (2019: loss £3,828,511).

These Financial Statements, on pages 29 to 78, were approved by the Board of Directors and authorised for issue on 30 November 2020 and are signed on its behalf by:

James Parsons
Executive Chairman

The accompanying notes form an integral part of these Financial Statements.

Company Statement of Changes in Equity

for the year ended 30 June 2020

The movements in reserves during the year were as follows:

	Share capital £'000	Share premium account £'000	Retained earnings £'000	Other reserves £'000	Total equity £'000
As at 30 June 2018	**1,926**	**20,380**	**(16,790)**	**(45)**	**5,471**
Changes in equity for 2019					
Loss for the year	–	–	(3,396)	–	(3,396)
Other comprehensive income for the year					
Revaluation of FVTOCI investments	–	–	–	(3)	(3)
Transfer of FVTOCI reserve relating to impaired assets and disposals	–	–	–	(400)	(400)
Gain on sale of FVTOCI investments	–	–	5	–	5
Total other comprehensive income for the year	**–**	**–**	**5**	**(403)**	**(398)**
Transactions with owners					
Issue of shares	73	745	–	–	818
Share issue and fundraising costs	–	(12)	–	–	(12)
Total transactions with owners	**73**	**733**	**–**	**–**	**806**
As at 1 July 2019	**1,999**	**21,113**	**(20,181)**	**(448)**	**2,483**
Changes in equity for 2020					
Loss for the year	**–**	**–**	**(1,950)**	**–**	**(1,950)**
Other comprehensive income for the year					
Revaluation of FVTOCI investments	–	–	–	(42)	(42)
Transfer of FVTOCI reserve relating to impaired assets and disposals	–	–	(567)	567	–
Total other comprehensive income for the year	**–**	**–**	**(567)**	**525**	**(42)**
Transactions with owners					
Issue of shares	727	2,228	–	–	2,955
Share issue and fundraising costs	–	(309)	–	273	(36)
Share options granted during the year	–	–	–	23	23
Total transactions with owners	**727**	**1,919**	**–**	**296**	**2,942**
As at 30 June 2020	**2,726**	**23,032**	**(22,968)**	**373**	**3,433**

Company Statement of Changes in Equity

continued

Other reserves	FVTOCI financial asset reserve £'000	Share-based payment reserve £'000	Warrants reserve £'000	Total other reserves £'000
As at 30 June 2018	**(121)**	**76**	**–**	**(45)**
Changes in equity for 2019			–	
Other comprehensive income for the year			–	
Transfer of FVTOCI reserve relating to impaired assets and disposals	(400)	–	–	(400)
Revaluation of FVTOCI investments	(3)	–	–	(3)
Total Other comprehensive (expenses) / income	**(403)**	**–**	**–**	**(403)**
As at 1 July 2019	**(524)**	**76**	**–**	**(448)**
Changes in equity for 2020				
Other comprehensive income for the year				
Revaluation of FVTOCI investments	(42)	–	–	(42)
Transfer of FVTOCI reserve relating to impaired assets and disposals	567	–	–	567
Share options granted during the year	–	23	–	23
Warrants issued during the year	–	–	273	273
Total Other comprehensive expenses	**525**	**23**	**273**	**821**
As at 30 June 2020	**1**	**99**	**273**	**373**

See note 16 for a description of each reserve included above.

Company Statement of Cash Flows

for the year ended 30 June 2020

	Year to 30 June 2020 £'000	Year to 30 June 2019 £'000
Cash flows from operating activities		
Loss before taxation	**(1,950)**	(3,396)
Increase in receivables	**(30)**	(53)
Increase/(decrease) in payables	**92**	(1)
Share-based payments	**63**	11
Finance income	**247**	377
Currency gains / (losses)	**26**	42
Gain on sale of FVTPL investments	**–**	(38)
Impairment of loans and receivables	**678**	2,439
Net cash outflow from operations	**(874)**	(619)
Cash flows from investing activities		
Payments for investments in associates and joint ventures	**(5)**	–
Purchase of financial assets carried at amortised cost	**(220)**	–
Payments made on behalf of subsidiaries	**(66)**	–
Proceeds from sale of FVTOCI financial instruments	**109**	165
Net cash (outflow)/inflow from investing activities	**(182)**	165
Cash inflows from financing activities		
Proceeds from issue of shares, net of issue costs	**1,439**	229
Interest paid (note 21)	**(5)**	–
Proceeds of new borrowings (note 21)	**7**	252
Repayments of borrowings (note 21)	**(30)**	–
Net cash inflow from financing activities	**1,411**	481
Increase in cash and cash equivalents	**355**	27
Cash and cash equivalents at the beginning of period	**34**	7
Cash and cash equivalents at end of period	**389**	34

Major non-cash transactions are disclosed in note 21.

The accompanying notes and accounting policies form an integral part of these Financial Statements.

Notes to Financial Statements

1. Principal Accounting Policies

1.1 Authorisation of Financial Statements and Statement of Compliance with IFRS

The Group Financial Statements of Corcel Plc ("the Company", "Corcel" or "the Parent Company"), for the year ended 30 June 2020, were authorised for issue by the Board on 30 November 2020 and signed on the Board's behalf by James Parsons. Corcel Plc is a public limited company incorporated and domiciled in England and Wales. The Company's ordinary shares are traded on AIM.

1.2 Basis of Preparation

The Financial Statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as endorsed by the EU ("IFRS") and the requirements of the Companies Act applicable to companies reporting under IFRS and presented in thousand Pounds Sterling (£'000), unless stated otherwise.

The principal accounting policies adopted are set out below.

Going Concern

It is the prime responsibility of the Board to ensure the Company and the Group remains a going concern. At 30 June 2020 the Group had cash and cash equivalents of £0.415 million and £0.790 million of borrowings and as at the date of signing these Financial Statements the cash balance was £0.369 million. The Directors anticipate having to raise additional funding over the course of the financial year.

Having considered the prepared cashflow forecasts and Group budgets, which includes the possibility of Directors reducing or foregoing their salaries if required, the progress in activities post year-end, including the successful fund raise of £0.750 million and the Directors ability to secure funding from various sources, the Directors consider that they will have access to adequate resources in the 12 months from the date of the signing of these Financial Statements. As a result, they consider it appropriate to continue to adopt the going concern basis in the preparation of the Financial Statements.

Should the Group be unable to continue trading as a going concern, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for further liabilities, which might arise and to classify non-current assets as current. The Financial Statements have been prepared on the going concern basis and do not include the adjustments that would result if the Group was unable to continue as a going concern.

The auditors have made reference to going concern within their audit report by way of a material uncertainty.

Company Statement of Comprehensive Income

As permitted by Section 408 Companies Act 2006, the Company has not presented its own Statement of Comprehensive Income. The Company's loss for the financial year was £1.949 million (2019: loss of £3.395 million). The Company's other comprehensive loss for the financial year was £1.991million (2019: loss £3.828 million).

Amendments to Published Standards Effective for the Year Ended 30 June 2020

New Standards, Amendments and Interpretations Effective for the Periods from 1 July 2019

The following new standards, amendments and interpretations are effective for the first time in these Financial Statements. However, none have a material effect on the Group and the Company:

IFRS 16 Leases - Adoption of IFRS 16 resulted in the Group recognising right of use of assets and lease liabilities for all contracts that are, or contain, a lease. For leases currently classified as operating leases, under previous accounting requirements the Group did not recognise related assets or liabilities, and instead was expensing the lease payments to profit or loss on a straight-line basis over the lease term, disclosing in its annual Financial Statements the total commitments under the lease term.

1. Principal Accounting Policies continued

1.2 Basis of Preparation (continued)

IFRIC 23 is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12. This interpretation did not have a material effect of the reported results.

There were no new standards, amendments or interpretations effective for the first time for periods beginning on or after 1 July 2019 that had a material effect on the Group's Financial Statements.

New Standards, Amendments and Interpretations Not Yet Adopted

At the date of approval of these Financial Statements, the following standards and interpretations, which have not been applied in these Financial Statements were in issue but not yet effective (and in some cases had not been adopted by the EU):

- Amendments to References to Conceptual Framework in IFRS Standards – effective from 1 January 2020;
- Definition of Material (Amendments to IAS 1 and IAS 8) – effective from 1 January 2020;
- Amendment to IFRS 3 Business Combinations – effective 1 January 2020*;
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current – effective 1 January 2022*.

* subject to EU endorsement

The Directors do not expect that the adoption of these standards will have a material impact on the financial information of the Group in future periods.

Standards Adopted Early by the Group

The Group has not adopted any standards or interpretations early in either the current or the preceding financial year.

1.3 Basis of Consolidation

The consolidated Financial Statements of the Group incorporate the Financial Statements of the Company and entities controlled by the Company, its subsidiaries, made up to 30 June each year.

Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies so as to obtain economic benefits from their activities. Subsidiaries are consolidated from the date on which control is obtained, the acquisition date, until the date that control ceases. They are deconsolidated from the date on which control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, contingent consideration and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date.

Provisional fair values are adjusted against goodwill if additional information is obtained within one year of the acquisition date about facts or circumstances existing at the acquisition date. Other changes in provisional fair values are recognised through profit or loss.

Intra-group transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated on consolidation, except to the extent that intra-group losses indicate an impairment.

Goodwill is capitalised as an intangible asset with any impairment in carrying value being charged to the consolidated statement of comprehensive income. Any impairment recognised for goodwill is not reversed.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- derecognises the assets (including goodwill) and liabilities of the subsidiary;
- derecognises the carrying amount of any non-controlling interest;
- derecognises the cumulative translation differences recorded in equity;
- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss; and
- reclassifies the Parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

Non-Controlling Interests
Profit or loss and each component of other comprehensive income are allocated between the Parent and non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. Any differences between the adjustment for the non-controlling interest and the fair value of consideration paid or received are recognised in equity.

1.4 Summary of Significant Accounting Policies

1.4.1 Investment in Associates

An associate is an entity over which the Company is in a position to exercise significant influence, but not control or jointly control, through participation in the financial and operating policy decisions of the investee.

Investments in associates are recognised in the consolidated Financial Statements, using the equity method of accounting. The Group's share of post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition movements in other comprehensive income are recognised directly in other comprehensive income. The carrying value of the investment, including goodwill, is tested for impairment when there is objective evidence of impairment. Losses in excess of the Group's interest in those associates are not recognised unless the Group has incurred obligations or made payments on behalf of the associate.

Where a Group company transacts with an associate of the Group, unrealised gains are eliminated to the extent of the Group's interest in the relevant associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred in which case appropriate provision is made for impairment.

Where the Company's holding in an associate is diluted, the Company recognises a gain or loss on dilution in profit and loss. This is calculated as the difference between the Company's share of proceeds received for the dilutive share issue and the value of the Company's effective disposal.

In the Company accounts investments in associates are recognised and held at cost. The carrying value of the investment is tested for impairment when there is objective evidence of impairment. Impairment charges are included in the Company Statement of Comprehensive Income.

1. Principal Accounting Policies continued

1.4 Summary of Significant Accounting Policies (continued)

1.4.2 Interests in Joint Ventures

A joint venture is a joint arrangement whereby the partners who have joint control of the arrangement, have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of the joint arrangement, which exists only when decisions on relevant activities require the unanimous consent of the parties sharing control. The Group recognises its interest in the entity's assets and liabilities, using the equity method of accounting. Under the equity method, the interest in the joint venture is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of its net assets, less distributions received and less any impairment in value of individual investments. The Group Income Statement reflects the share of the jointly controlled entity's results after tax.

Any goodwill arising on the acquisition of a jointly controlled entity is included in the carrying amount of the jointly controlled entity and is not amortised. To the extent that the net fair value of the entity's identifiable assets, liabilities and contingent liabilities is greater than the cost of the investment, a gain is recognised and added to the Group's share of the entity's profit or loss in the period in which the investment is acquired.

Financial Statements of the jointly controlled entity will be prepared for the same reporting period as the Group. Where necessary, adjustments are made to bring the accounting policies used into line with those of the Group and to reflect impairment losses where appropriate. Adjustments are also made in the Group's Financial Statements to eliminate the Group's share of unrealised gains and losses on transactions between the Group and its jointly controlled entity. The Group ceases to use the equity method on the date from which it no longer has joint control over, or significant influence in, the joint venture.

At 30 June 2020, the Group had following contractual arrangements, which were classified as investments in associates and joint ventures:

- Oro Nickel Ltd, a contractual arrangement with Battery Metals Pty Ltd, which represents a joint venture established through an interest in a jointly controlled entity, in order to develop and exploit the Mambare nickel project;
- DVY196 Holdings Corp ("DVY"), 50% interest in a North American vanadium project.

1.4.3 Taxation

Corporation tax payable is provided on taxable profits at the prevailing UK tax rate. The tax expense represents the sum of the current tax expense and deferred tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from accounting profit as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition, other than in a business combination, of other assets and liabilities in a transaction, which affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates and interests in joint ventures, 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 is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is charged or credited in profit or loss, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity, or items charged or credited directly to other comprehensive income, in which case the deferred tax is also recognised in other comprehensive income.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax relates to income tax levied by the same tax authorities on either:

- the same taxable entity; or
- different taxable entities, which intend to settle current tax assets and liabilities on a net basis or to realise and settle them simultaneously in each future period when the significant deferred tax assets and liabilities are expected to be realised or settled.

1.4.4 Property, Plant and Equipment

Property, plant and equipment acquired and identified as having a useful life that exceeds one year is capitalised at cost and is depreciated on a straight-line basis at annual rates that will reduce book values to estimated residual values over their anticipated useful lives as follows:

Office furniture, fixtures and fittings	– 33% per annum
Leasehold improvements	– 5% per annum

1.4.5 Foreign Currencies

Both the functional and presentational currency of Corcel Plc is Sterling (£). Each Group entity determines its own functional currency and items included in the Financial Statements of each entity are measured using that functional currency.

The functional currencies of the foreign subsidiaries and joint ventures are the Australian Dollar ("AUD"), the Papua New Guinea Kina ("PNG") and the US Dollar ("USD").

Transactions in currencies other than the functional currency of the relevant entity are initially recorded at the exchange rate prevailing on the dates of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date, when the fair value was determined. Gains and losses arising on retranslation are included in profit or loss for the period, except for exchange differences on non-monetary assets and liabilities, which are recognised directly in other comprehensive income, when the changes in fair value are recognised directly in other comprehensive income.

On consolidation, the assets and liabilities of the Group's overseas operations are translated into the Group's presentational currency at exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period unless exchange rates have fluctuated significantly during the year, in which case the exchange rate at the date of the transaction is used. All exchange differences arising, if any, are recognised as other comprehensive income and are transferred to the Group's foreign currency translation reserve.

1. Principal Accounting Policies continued

1.4 Summary of Significant Accounting Policies (continued)

1.4.6 Exploration Assets

Exploration assets comprise exploration and development costs incurred on prospects at an exploratory stage. These costs include the cost of acquisition, exploration, determination of recoverable reserves, economic feasibility studies and all technical and administrative overheads directly associated with those projects. These costs are carried forward in the Statement of Financial Position as non-current intangible assets less provision for identified impairments. Costs associated with an exploration activity will only be capitalised if, in management's opinion, the results from that activity led to a material increase in the market value of the exploration asset, which is determined by management to be following the economic feasibility stage. Generally, costs associated with non-drilling activities, such as geophysical and geochemical surveys, are not capitalised.

Recoupment of exploration and development costs is dependent upon successful development and commercial exploitation of each area of interest and will be amortised over the expected commercial life of each area once production commences. The Group and the Company currently have no exploration assets where production has commenced.

The Group adopts the "area of interest" method of accounting whereby all exploration and development costs, relating to an area of interest, are capitalised and carried forward until abandoned. In the event that an area of interest is abandoned, or if the Directors consider the expenditure to be of no value, accumulated exploration costs are written off in the financial year in which the decision is made. All expenditure incurred prior to approval of an application is expensed, with the exception of refundable rent, which is raised as a receivable.

Upon disposal, the difference between the fair value of consideration receivable for exploration assets and the relevant cost within non-current assets is recognised in the Income Statement.

1.4.7 Impairment of Non-Financial Assets

The carrying values of assets, other than those to which IAS 36 "Impairment of Assets" does not apply, are reviewed at the end of each reporting period for impairment, when there is an indication that the assets might be impaired. Impairment is measured by comparing the carrying values of the assets with their recoverable amounts. The recoverable amount of the assets is the higher of the assets' fair value less costs to sell and their value-in-use, which is measured by reference to discounted future cash flow.

An impairment loss is recognised immediately in the consolidated statement of comprehensive income.

When there is a change in the estimates used to determine the recoverable amount, a subsequent increase in the recoverable amount of an asset is treated as a reversal of the previous impairment loss and is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in profit or loss immediately, unless the asset is carried at its revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.4.8 Share-Based Payments

Share Options

The Group operates equity-settled share-based payment arrangements whereby the fair value of services provided is determined indirectly by reference to the fair value of the instrument granted.

The fair value of options granted to Directors and others in respect of services provided is recognised as an expense in the income statement with a corresponding increase in equity reserves – the share-based payment reserve until the award has been settled and then make a transfer to share capital. On exercise or lapse of share options, the proportion of the share-based payment reserve relevant to those options is transferred to retained earnings. On exercise, equity is also increased by the amount of the proceeds received.

The fair value is measured at grant date and charged over the vesting period during which the option becomes unconditional.

The fair value of options is calculated using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The exercise price is fixed at the date of grant.

Non-market conditions are performance conditions that are not related to the market price of the entity's equity instruments. They are not considered when estimating the fair value of a share-based payment. Where the vesting period is linked to a non-market performance condition, the Group recognises the goods and services it has acquired during the vesting period based on the best available estimate of the number of equity instruments expected to vest. The estimate is reconsidered at each reporting date, based on factors such as a shortened vesting period, and the cumulative expense is 'trued up' for both the change in the number expected to vest and any change in the expected vesting period.

Market conditions are performance conditions that relate to the market price of the entity's equity instruments. These conditions are included in the estimate of the fair value of a share-based payment. They are not taken into account for the purpose of estimating the number of equity instruments that will vest. Where the vesting period is linked to a market performance condition, the Group estimates the expected vesting period. If the actual vesting period is shorter than estimated, the charge is be accelerated in the period that the entity delivers the cash or equity instruments to the counterparty. When the vesting period is longer, the expense is recognised over the originally estimated vesting period.

For other equity instruments, granted during the year (i.e. other than share options), fair value is measured on the basis of an observable market price.

Share Incentive Plan
Where the shares are granted to the employees under Share Incentive Plan, the fair value of services provided is determined indirectly by reference to the fair value of the free, partnership and matching shares granted on the grant date. Fair value of shares is measured on the basis of an observable market price, i.e. share price as at grant date and is recognised as an expense in the Income Statement on the date of the grant. For the partnership shares the charge is calculated as the excess of the mid-market price on the date of grant over the employee's contribution.

1.4.9 Pension
The Group operates a defined contribution pension plan, which requires contributions to be made to a separately administered fund. Contributions to the defined contribution scheme are charged to the profit and loss account as they become payable.

1.4.10 Finance Income/Expense
Finance income and expense is recognised as interest accrues, using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period, using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts/re-payments through the expected life of the financial asset or liability to the net carrying amount of the financial asset or liability.

1.4.11 Financial Instruments
The Group classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial assets in a qualifying hedging relationship, the Group's accounting policy for each category is as follows:

Fair Value through Profit or Loss (FVTPL)
This category comprises in-the-money derivatives and out-of-money derivatives, where the time value offsets the negative intrinsic value. They are carried in the statement of financial position at fair value with changes in fair value recognised in the Consolidated Statement of Comprehensive Income in the finance income or expense line. Other than derivative financial instruments, which are not designated as hedging instruments, the Group does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

1. Principal Accounting Policies continued

1.4 Summary of Significant Accounting Policies (continued)

Amortised Cost

These assets comprise the types of financial assets, where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment. Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9, using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For the receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised in the consolidated statement of comprehensive income. On confirmation that the receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position. Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and – for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

Fair Value through Other Comprehensive Income (FVTOCI)

The Group held a number of strategic investments in listed and unlisted entities, which are not accounted for as subsidiaries, associates or jointly controlled entities. For those investments, the Group has made an irrevocable election to classify the investments at fair value through other comprehensive income rather than through profit or loss as the Group considers this measurement to be the most representative of the business model for these assets. They are carried at fair value with changes in fair value recognised in other comprehensive income and accumulated in the fair value through other comprehensive income reserve. Upon disposal any balance within fair value through other comprehensive income reserve is reclassified directly to retained earnings and is not reclassified to profit or loss.

Dividends are recognised in profit or loss, unless the dividend clearly represents a recovery of part of the cost of the investment, in which case the full or partial amount of the dividend is recorded against the associated investments carrying amount.

Purchases and sales of financial assets, measured at fair value through other comprehensive income, are recognised on settlement date with any change in fair value between trade date and settlement date being recognised in the fair value through other comprehensive income reserve.

Financial Liabilities
The Group classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired:

Other Financial Liabilities
Other financial liabilities include

- Borrowings, which are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried in the Consolidated Statement of financial position. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.
- Liability components of convertible loan notes are measured as described further below.
- Trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

Fair Value Measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured, using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and, for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities, for which fair value is measured or disclosed in the Financial Statements, are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

1. Principal Accounting Policies continued

1.4 Summary of Significant Accounting Policies (continued)

For assets and liabilities that are recognised in the Financial Statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

More information is disclosed in note 20.

1.4.12 Investments in the Company Accounts

Investments in subsidiary companies are classified as non-current assets and included in the Statement of Financial Position of the Company at cost at the date of acquisition less any identified impairments.

For acquisitions of subsidiaries or associates achieved in stages, the Company re-measures its previously held equity interests in the acquiree at its acquisition-date fair value and recognises the resulting gain or loss, if any, in profit or loss. Any gains or losses, previously recognised in other comprehensive income, are transferred to profit and loss.

Investments in associates and joint ventures are classified as non-current assets and included in the statement of financial position of the Company at cost at the date of acquisition less any identified impairment.

1.4.13 Share Capital

Financial instruments issued by the Group are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Group's ordinary shares are classified as equity instruments.

1.4.14 Convertible Debt

The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components. The amount initially attributed to the debt component equals the discounted cash flows using a market rate of interest that would be payable on a similar debt instrument that does not include an option to convert. Subsequently, the debt component is accounted for as a financial liability measured at amortised cost until extinguished on conversion or maturity of the bond. The remainder of the proceeds is allocated to the conversion option and is recognised in the "Convertible debt option reserve" within shareholders' equity, net of income tax effects.

1.4.15 Warrants

Derivative contracts that only result in the delivery of a fixed amount of cash or other financial assets for a fixed number of an entity's own equity instruments are classified as equity instruments. Warrants relating to equity finance and issued together with ordinary shares placement are valued by residual method and treated as directly attributable transaction costs and recorded as a reduction of share premium account based on the fair value of the warrants. Warrants classified as equity instruments are not subsequently re-measured (i.e., subsequent changes in fair value are not recognised).

1.4.16 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker as required by IFRS 8 "Operating Segments". The chief operating decision-maker responsible for allocating resources and assessing performance of the operating segments has been identified as the Board of Directors. The accounting policies of the reportable segments are consistent with the accounting policies of the group as a whole. Segment profit/(loss) represents the profit/(loss) earned by each segment without allocation of foreign exchange gains or losses, investment income, interest payable and tax. This is the measure of profit that is reported to the Board of Directors for the purpose of resource allocation and the assessment of segment performance. When assessing segment performance and considering the allocation of resources, the Board of Directors review information about segment non-current assets. For this purpose, all non-current assets are allocated to reportable segments.

1.4.17 Leases

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less.

IFRS 16 was adopted 1 June 2019 without restatement of comparative figures.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the Group if it is reasonably certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Lease liabilities are subsequently measured at the present value of the contractual payments due to the lessor over the lease term.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised, where the group is contractually required to dismantle, remove or restore the leased asset.

1.5 Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's consolidated Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Significant Judgements and Accounting Estimates

In the process of applying the Group's accounting policies, management has made the following judgements and estimates, which have the most significant effect on the amounts recognised in the consolidated Financial Statements:

Impairment of Investments in Associates and Joint Ventures

The carrying amount of investments in joint ventures is tested for impairment annually and this process is considered to be key judgement along with determining whenever events or changes in circumstances indicate that the carrying amounts for those assets may not be recoverable.

The resumption of activities in 2019/2020 on the ground in PNG amidst a significant strengthening of the underlying fundamentals of nickel, have encouraged the Board to continue to hold the value of its stake in the Mambare joint venture at the previous valuation of £1.77 million alongside the £1.3 million receivable. The Company believes that the carrying values reflect the sizeable JORC resource and work done to date, as well as the potential to progress the project to a mining license and Direct Shipping Ore “DSO” production in 2021 and beyond. The Company has assessed the viability of the project given current and expected nickel prices and the anticipated cost of a DSO operation, and believes the project can be successfully taken into production in the mid-term. The Board further believes that the likelihood of recovery of the receivable has also increased over the past 12-24 months due to the progress made on the JV, and that full repayment of this figure is more likely through either a disposal and trade sale prior to production, or through dividends once the project begins shipping ore. More information is disclosed in note 11.

1. Principal Accounting Policies continued

1.5 Significant Accounting Judgements, Estimates and Assumptions (continued)

The Company has also made judgements in respect of the success of licence renewals on the core projects.

During the year, the investment in Flexible Grid One (Ex Allied Energy) and loan receivable from Flexible Grid One was fully impaired as the Company decided to no longer pursue development of the project. The loans to Flexible Grid Solution (Ex EsTEQ) in relation to Flexible Grid One were written off based on judgements made by management in respect of their repayment.

Share-Based Payment Transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined using the Black-Scholes model and the estimates used within this model are disclosed in note 18.

Valuation of a Receivable from Oro Nickel JV

The Directors believe that the receivable from the Oro Nickel Joint Venture will be fully recoverable in light of the project's ongoing progress towards a mining lease supporting a shipping ore operation at the site. Substantial progress has been made on the mining lease application during the course of the year end, including the ground penetrating radar survey conducted during the end of 2019 and early 2020. While the existing exploration licenses remain under renewal at the year-end, the Company and the joint venture partners believe there remains a high likelihood of renewal, given ongoing dialogue with the PNG authorities, and would expect to have these renewed independently of any outcome of the mining lease application.

2. Segmental Analysis

Once the Group's main focus of operations becomes production of battery metal mineral resources or flexible production and storage of energy, the nature of management information, examined by the Board, will alter to reflect the need to monitor revenues, margins, overheads and trade balances, as well as cash.

IFRS 8 requires the reporting of information about the revenues derived from the various areas of activity, the countries in which revenue is earned regardless of whether this information is used in by management in making operating decisions.

Year to 30 June 2020	Battery Metals £'000	Flexible Grid Solutions (UK) £'000	Corporate and unallocated £'000	Total £'000
Revenue	–	–	–	**–**
Management services	–	–	–	**–**
Exploration expenses	(178)	–	(27)	**(205)**
Administrative expenses	–	(21)	(817)	**(838)**
Impairment of right of use asset	–	(41)	–	**(41)**
Impairment of goodwill	–	(106)	–	**(106)**
Currency (loss)/gain	–	–	(26)	**(26)**
Share of profits in joint ventures	(3)	–	–	**(3)**
Impairment of financial assets carried at amortised cost	–	–	(37)	**(37)**
Other income	–	–	21	**21**
Finance cost – net	–	–	(247)	**(247)**
Net (loss) before tax from continuing operations	**(181)**	**(168)**	**(1,133)**	**(1,482)**

Year to 30 June 2019	Battery Metals £'000	Flexible Grid Solutions (UK) £'000	Corporate and unallocated £'000	Total £'000
Revenue	–	–	–	**–**
Management services	–	–	–	**–**
Impairment of investment in joint ventures	–	–	(1,503)	**(1,503)**
Gain on sale of FVTPL financial instruments	–	–	38	**38**
Exploration expenses	–	–	(70)	**(70)**
Administrative expenses	–	(134)	(519)	**(653)**
Currency (loss)/gain	–	–	(43)	**(43)**
Share of profits in joint ventures	(1)	–	–	**(1)**
Impairment of financial assets carried at amortised cost	–	–	(26)	**(26)**
Other income	–	16	10	**26**
Finance cost – net	–	–	(377)	**(377)**
Net (loss) before tax from continuing operations	**(1)**	**(118)**	**(2,490)**	**(2,609)**

Information by Geographical Area

Presented below is certain information by the geographical area of the Group's activities. Investment sales revenue and exploration property sales revenue are allocated to the location of the asset sold.

Year to 30 June 2020	UK £'000	Australia £'000	Papua New Guinea £'000	USA £'000	Canada £'000	Total £'000
Revenue	–	–	–	–	–	–
Total segment revenue and other gains	**–**	**–**	**–**	**–**	**–**	**–**
Non-current assets						
Investments in associates and joint ventures	–	–	1,654	–	293	1,947
Goodwill	25	–	–	–	–	25
Receivable from a joint venture	–	–	1,323	–	–	1,323
Purchased debt	–	–	367	–	–	367
FVTOCI financial instruments	–	–	–	–	4	4
Total segment non-current assets	**25**	**–**	**3,344**	**–**	**297**	**3,666**

Year to 30 June 2019	UK £'000	Australia £'000	Papua New Guinea £'000	USA £'000	Canada £'000	Total £'000
Revenue	**–**	**–**	**–**	**–**	**–**	**–**
Gain on sale of investments	38	–	–	–	–	38
Total segment revenue and other gains	**38**	**–**	**–**	**–**	**–**	**38**
Non-current assets						
Investments in associates and joint ventures	–	–	1,657	–	293	1,950
Goodwill	42	–	–	–	–	42
Receivable from a joint venture	–	–	1,318	–	–	1,318
FVTOCI financial instruments	31	49	–	96	2	178
Total segment non-current assets	**73**	**49**	**2,975**	**96**	**295**	**3,488**

3. Loss on Ordinary Activities Before Taxation

Group	2020 £'000	2019 £'000
Loss on ordinary activities before taxation is stated after charging:		
Auditor's remuneration:		
– fees payable to the Company's auditor for the audit of consolidated and Company Financial Statements	**25**	16
Directors' emoluments (note 8)	**437**	184

As declared in note 8, Directors are remunerated in part by third parties with whom the Company and Group have contractual arrangements.

4. Administrative Expenses

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Staff costs				
Payroll	**369**	174	369	170
Pension	**15**	12	15	12
Share-based payments	**33**	11	33	11
Consultants	**32**	22	32	15
Insurance	**1**	2	1	2
Employers NI	**36**	6	36	6
Professional services				
Accounting	**72**	63	69	59
Legal	**15**	36	15	13
Business development	**1**	–	1	–
Marketing	**14**	2	12	2
Funding costs	**42**	21	42	21
Other	**26**	26	25	26
Regulatory compliance	**101**	83	101	83
Travel	**8**	11	8	10
Office and Admin				
General	**(2)**	74	(5)	8
IT costs	**8**	9	8	9
Rent	**58**	96	44	64
Insurance	**9**	5	9	5
Total administrative expenses	**838**	653	**815**	516

5. Finance Costs, Net

Group	2020 £'000	2019 £'000
Interest expense	**(247)**	(377)
	(247)	(377)

6. Taxation

	2020 £'000	2019 £'000
Current period transaction of the Group		
UK corporation tax at 19.00% (2018: 19.00%) on profits for the period	**–**	–
Deferred tax		
Origination and reversal of temporary differences	**–**	–
Deferred tax assets derecognised	**–**	–
Tax (credit)	**–**	–
Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	**(1,482)**	(2,608)
Loss on ordinary activities at the average UK standard rate of 19% (2019: 19.00%)	**(282)**	(496)
Effect of non-deductible expense	**136**	460
Effect of tax benefit of losses carried forward	**267**	35
Tax losses brought forward	**(121)**	–
Current tax (credit)	**–**	–

Deferred tax amounting to £nil (2019: £nil), relating to the Group's investments was recognised in the Statement of Comprehensive Income. No deferred tax charge has been recognised due to uncertainty as to the timing of future profitability of the Group. Unutilised trading losses are estimated at circa £3,085 thousand (2019: £3,389) and capital losses estimated circa £nil (2019: £nil).

7. Staff Costs

The aggregate employment costs of staff for the Group (including Directors) for the year was:

	2020 £'000	2019 £'000
Wages and salaries	**369**	174
Pension	**15**	12
Social security costs, net of allowances	**36**	6
Medical costs	**1**	2
Employee share-based payment charge	**34**	11
Total staff costs	**455**	205

The average number of Group employees (including Directors) during the year was:

	2020 Number	2019 Number
Executives	**4**	3
Administration	**1**	1
	5	4

During the year, for all Directors and employees, who have been employed for more than three months, the Company contributed to a defined contributions pension scheme as described under Directors' remuneration in the Directors' Report and a Share Incentive Plan ("SIP") as described under Management incentives in the Directors' Report.

All emoluments presented for current and comparative years, except for pension, are short-term in nature.

8. Directors' Emoluments

2020	Directors' fees £'000	Consultancy fees £'000	Share Incentive Plan £'000	Share-based Payments (options) £'000	Pension contributions £'000	Social security costs £'000	Total £'000
Executive Directors							
A R M Bell*	**43**	**–**	**–**	**–**	**1**	**2**	**46**
J Parsons**	**85**	**–**	**–**	**16**	**–**	**12**	**113**
S Kaintz	**145**	**–**	**7**	**7**	**11**	**17**	**187**
Non-executive Directors							
N Burton	**45**	**–**	**–**	**–**	**–**	**5**	**50**
E Ainsworth	**17**	**23**	**–**	**–**	**–**	**1**	**41**
	335	**23**	**7**	**23**	**12**	**37**	**437**

2019	Directors' fees £'000	Consultancy fees £'000	Share Incentive Plan £'000	Share-based Payments (options) £'000	Pension contributions £'000	Social security costs £'000	Total £'000
Executive Directors							
A R M Bell	50	15	4	–	4	5	78
S Kaintz	67	–	4	–	5	7	83
Non-executive Directors							
E Bugnosen	18	–	3	–	1	1	23
	135	15	11	–	10	13	184

* Includes £30,000 ex-gratia termination payment to A R M Bell, who resigned as a company Director during the year.

** Includes 8% pension contribution paid in cash as a part of gross salary.

The number of Directors, who exercised share options in year, was nil (2019: nil).

During the year, the Company contributed to a Share Incentive Plan, more fully described in the Directors' Report on pages 20 to 23, where shares were issued to each employee, including Directors, making a total of 14,717,790 (2019: 14,160,000) partnership and matching shares. Those shares were issued in relation to services provided by those employees during the reporting year.

The Company also operates a contributory pension scheme, more fully described in the Directors' Report in the section Directors' Remuneration on page 22.

9. Earnings per Share

The basic earnings/(loss) per share is derived by dividing the loss for the year attributable to ordinary shareholders of the Parent by the weighted average number of shares in issue. Diluted earnings/(loss) per share is derived by dividing the loss for the year attributable to ordinary shareholders of the Parent by the weighted average number of shares in issue plus the weighted average number of ordinary shares that would be issued on conversion of all dilutive potential ordinary shares into ordinary shares.

	2020	2019
Loss attributable to equity holders of the Parent Company, £'000	**(1,482)**	(2,587)
Weighted average number of ordinary shares of £0.0001 in issue, used for basic EPS, adjusted for 100:1 share consolidation	**75,338,810**	9,767,280
Earnings per share – basic, £	**(0.02)**	(0.26)
Earnings per share – fully diluted, £	**(0.02)**	(0.26)

At 30 June 2020 and at 30 June 2019, the effect of all the instruments in issue is anti-dilutive as it would lead to a further reduction of loss per share, therefore they were not included into the diluted loss per share calculation.

Options and warrants with conditions not met at the end of the period, that could potentially dilute basic EPS in the future, but were not included in the calculation of diluted EPS for the periods presented:

	2020	2019*
(a) Share options granted to employees - total, of them	**6,212,534**	270,600
- Vested at the end of reporting period	122,900	253,300
- Not vested at the end of the reporting period	6,089,634	17,300
(b) Number of warrants in issue	**60,839,078**	6,895,671
Total number of contingently issuable shares that could potentially dilute basic earnings per share in future and anti-dilutive potential ordinary shares that were not included into the fully diluted EPS calculation	**67,051,612**	7,166,271

* 30 June 2019 numbers were retrospectively adjusted for 100:1 share consolidation.

There were no ordinary share transactions after 30 June 2020, that could have changed the EPS calculations significantly if those transactions had occurred before the end of the reporting period.

10. Investments in Subsidiaries and Goodwill

Company	Investments in subsidiaries 2020 £	Investments in subsidiaries 2019 £	Goodwill 2020 £'000	Goodwill 2019 £'000
Cost				
At 1 July 2018 and 1 July 2019	483	483	42	42
Additions	–	–	89	–
At 30 June 2020 and 30 June 2019	483	483	131	42
Impairment				
At 1 30 June 2020 and 30 June 2019	–	–	(106)	–
Net book amount at 30 June 2020 and at 30 June 2019	483	483	25	42

The Parent Company of the Group holds more than 50% of the share capital of the following companies, the results of which are consolidated:

Company Name	Country of registration	Class	Proportion held by Group	Nature of business
Regency Mines Australasia Pty Limited	Australia	Ordinary	100%	Mineral exploration
Regency Resources Inc*	USA	Ordinary	100%	Natural resources
Flexible Grid Solutions Limited (former ESTEQ Limited)	UK	Ordinary	100%	Holding company
Flexible Grid One Limited (former Allied Energy Services Ltd (indirectly owned through ESTEQ Limited))	UK	Ordinary	100%	Energy storage and trading and grid backup
Weirs Drove Development Limited	UK	Ordinary	50%	Energy storage

* Incorporated on 21 August 2014 and dissolved on 4 March 2020.

Regency Mines Australasia Pty Limited registered office is c/o Paragon Consultants PTY Ltd, PO Box 903, Claremont WA, 6910, Australia.

Regency Resources Inc registered office is Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle County, Delaware 19801, United States of America.

Flexible Grid Solutions Limited registered office is Salisbury House, London Wall, London EC2M 5PS, United Kingdom.

Flexible Grid One Limited registered office is Salisbury House, London Wall, London EC2M 5PS, United Kingdom.

Weirs Drove Development Limited registered office is 20-22 Wenlock Road, London N1 7GU, United Kingdom.

Flexible Grid One Limited (FGO) (former Allied Energy Services Ltd (indirectly owned through Flexible Grid Solutions Limited))
On 10 November 2017, Corcel formed a 100% owned subsidiary, Flexible Grid Solutions Limited, to act as the vehicle for development of opportunities in the battery and energy storage technology sector across the UK. On 15 March 2018, Flexible Grid Solutions Limited committed to investing up to £250,000 into Flexible Grid One Limited, representing an 80% interest in that entity. Non-controlling shareholders brought with them a development pipeline, including land rights and connections for combined battery and gas and anaerobic digestion generation plants to be constructed and operated across the UK. On 3 January 2020, the Company announced the completion of a buy-out of the 20% minority shareholders in Flexible Grid One Limited through the issuance of 2,461,538 new ordinary shares in the Company. The investment in Flexible Grid One Limited was subsequently written off at year-end. Total value of goodwill, arising on all stages of the FGO acquisition, amounted to £106,000 and was impaired during the reporting year.

Weirs Drove Development Limited (indirectly owned through Flexible Grid Solutions Limited)
On 19 June 2020, the Company announced an investment acquiring a 50% stake in Weirs Drove Development Limited, a developer of UK based energy storage and flexible production projects. The cost of the transaction was an initial investment and directly attributable acquisitions costs, totalling £37,750, with the agreement to extend a further £100,000, following the project meeting all shovel ready criteria. At year end, these conditions had not been met and so the Company will hold the project at the cost of the initial investment, pending further developments. Goodwill in the amount of £25,250 was recognised in relation to this acquisition.

11. Investments in Associates and Joint Ventures

Carrying balance	Group £'000	Company £'000
At 1 July 2018	3,161	1,774
Additions	293	293
Share of loss in joint venture	(1)	–
Impairment of investment in associate	(1,503)	–
At 30 June 2019	1,950	2,067
Share of loss in joint venture	(3)	–
Impairment of investment in associate	–	–
Net book amount at 30 June 2020	**1,947**	**2,067**

At 30 June 2020, the Parent Company of the Group had a significant influence by virtue other than a shareholding of over 20% or had joint control through a joint venture contractual arrangement in the following companies:

Company Name	Country of registration	Class	Proportion held by Group at 30 June 2020	Proportion held by Group at 30 June 2019	Status at 30 June 2020	Accounting year end
Direct						
Mining Equity Trust (MET), LLC (Held indirectly through Regency Resources Corp.)	USA	Ordinary	25.84%	25.84%	Inactive	31 December 2019
Oro Nickel Ltd (Held indirectly through Oro Nickel Vanuatu)	Papua New Guinea	Ordinary	41%	50%	Active	30 June 2020
DVY196 Holdings Corp	UK	Ordinary	50%	50%	Active	30 Sept 2020

Mining Equity Trust (MET) LLC registered office is Trolley Square, Suite 20 C, Wilmington, New Castle, Delaware 19806, United States of America.

Oro Nickel Ltd registered office is c/o Sinton Spence Chartered Accountants, 2nd Floor, Brian Bell Plaza, Turumu Street, Boroko, National Capital District, Papua New Guinea.

11. Investments in Associates and Joint Ventures continued

DVY196 Holdings Corp registered office is 3081 3rd Avenue, Whitehorse, Yukon, Canada Y1A 4Z7.

Summarised financial information for the Company's associates and joint ventures, where available, is given below:

For the year as at 30 June 2020:

Company	Revenue £'000	Loss £'000	Assets £'000	Liabilities £'000	Net Assets £'000
Oro Nickel Ltd	–	(7)	3,667	(3,034)	633
DVY196 Holdings Corp	–	–	293	–	293

Carrying balance	Oro Nickel £'000	DVY196 £'000	Total Group £'000
At 1 July 2019	1,657	293	1,950
Share of loss in joint venture	(3)	–	(3)
Net book amount at 30 June 2020	**1,654**	**293**	**1,947**

12. Financial Instruments with Fair Value through Other Comprehensive Income (FVTOCI)

	30 June 2020 Group £'000	30 June 2019 Group £'000	30 June 2020 Company £'000	30 June 2019 Company £'000
FVTOCI financial instruments at the beginning of the period	**178**	**–**	**178**	**–**
Transferred from Available-for-sale category	–	986	–	586
Additions	–	10	–	10
Disposals	(42)	(18)	(42)	(18)
Revaluations and impairment	(132)	(800)	(132	(400)
FVTOCI financial assets at the end of the period	**4**	**178**	**4**	**178**

Market Value of Investments
The market value as at 30 June 2020 of the investments' available for sale listed and unlisted investments was as follows:

	30 June 2020 Group £'000	30 June 2019 Group £'000	30 June 2020 Company £'000	30 June 2019 Company £'000
Quoted on London AIM	**–**	31	**–**	31
Quoted on Standard List of LSE	**–**	96	**–**	96
Quoted on other foreign stock exchanges	**4**	51	**4**	51
At 30 June	**4**	178	**4**	178

13. Financial Instruments with Fair Value through Profit and Loss (FVTPL)

	30 June 2020 Group £	30 June 2019 Group £	30 June 2020 Company £	30 June 2019 Company £
FVTPL financial instruments at the beginning of the period	**5**	–	**–**	–
Transferred from Available-for-sale category	**–**	113	**–**	108
Disposals	**–**	(108)	**–**	(108)
Revaluations	**–**	–	**–**	–
FVTPL financial assets at the end of the period (audited)	**5**	5	**–**	–

14. Trade and Other Receivables

	Group		Company	
	2020 £	2019 £	2020 £	2019 £
Non-current				
Amounts owed by Group undertakings	**–**	–	**51**	574
Purchased debt	**367**	–	**367**	–
Amounts owed by related parties – due from associates and joint ventures	**1,323**	1,318	**1,322**	1,318
Total non-current	**1,690**	1,318	**1,740**	1,892
Current				
Sundry debtors	**150**	91	**150**	67
Prepayments	**25**	18	**25**	18
Amounts owed by related parties – due from key management	**–**	6	**–**	9
Total current	**175**	115	**175**	94

Trade and other receivables include a balance of:

- £16,549 (2019: £18,948) owing to Red Rock Resources Plc, a related party entity as a result of having common Directors.
- £20,619 (2019: £5,503) owing to Curzon Energy Plc, a related party entity as a result of having a common Director.

Debt Purchased from Resource Mining Corporation Limited
On 7 April 2020, the Company completed the acquisition of a AUD$1.7m (£907,000) debt position in ASX listed Resource Mining Corporation Limited for consideration of £178,096 and 13,288,982 new ordinary shares of Corcel. The Company's share price on the date of transaction was £0.011. For this consideration the Company also acquired a six-month option to buy the balance of Resource Mining Corporation Limited debt for the same proportional term, AUD 640,000 in cash and 23,711,018 new ordinary shares in Corcel. The option was exercised, for more details please see note 25. Resource Mining Corporation Limited's exploration licenses in Papua New Guinea remain under renewal at the time of this report.

15. Trade and Other Payables

	Group		Company	
	2020	**2019**	**2020**	**2019**
	£	**£**	**£**	**£**
Trade and other payables	**140**	159	**139**	110
Amounts due to related parties:				
– due to Red Rock Resources plc	**8**	122	**8**	122
Accruals	**35**	28	**35**	28
Trade and other payables	**183**	309	**182**	260
Borrowings (note 21)	**760**	1,522	**760**	1,522
Total	**943**	1,831	**942**	1,782

Trade and other payables include a balance of £7,962 (2019: £122,109) owing to Red Rock Resources Plc, a related party entity as a result of having common Directors.

Long-term borrowings maturity

	2020	**2019**
	£'000	**£'000**
Due within 1-2 years (December 2021)	**760**	–
Total long-term borrowings	**760**	–

C4 Energy Notes – YA PN II – Riverfort

On 5 December 2019, the Company announced that YA PN II and Riverfort Global Opportunities Limited, holders of Promissory Notes and Convertible Loan Notes, first announced on 6 June 2018, and updated on 22 July 2019, agreed to extinguish the entire remaining balance, through a subscription for New Loan Notes and a share conversion. The partial conversion of the Promissory Notes resulted in the issuance of 25,963,636 new ordinary shares of the Company, and the investors have agreed to lock up the resulting promissory conversion shares, 100% of the total for three months, 70% of the total shares for a subsequent six months, and 40% of the total shares of the promissory conversion shares for a further six-month period. The approximate residual balance of £286,756 of the promissory notes will be retired, and YA PN II Ltd and Riverfort Global Capital Ltd have subscribed for new two-year loan notes payable on 23 December 2021, bearing 8% interest per annum with no conversion rights.

Also on 5 December 2019, the Company was informed by YA II PN Ltd and Riverfort Global Capital Limited that, following the subscription of New Loan Notes, both parties had granted an option over their interests in the New Loan Notes, totalling £729,272, to C4 Energy Ltd, a UK incorporated private entity. James Parsons, Chairman of Corcel Plc, is also a Director and shareholder of C4 Energy Ltd.

Convertible Loan Notes
On 5 December 2019, the Company announced that of the outstanding Convertible Loan Notes, first announced on 14 January 2019, holders of £281,113 of these notes have agreed to convert these obligations into 10,222,291 new ordinary shares of the Company at a price of £0.0275 per share. The terms of 915,873 warrants, originally issued to the Convertible Loan Note holders, were varied, and the new terms of these warrants allow exercise into new ordinary shares of the Company at a price of £0.60 for a period of 36 months.

More details on all the borrowing are given in the note 22.

Right of Use Liability
IFRS 16 application resulted in recognition of lease liabilities in the amount of £41,402. A corresponding right of use asset was recognised on the IFRS 16 adoption but during the reporting year was written off together with other assets of Flexible Grid One Limited.

16. Reserves

Share Premium
The share premium account represents the excess of consideration received for shares issued above their nominal value net of transaction costs.

Foreign Currency Translation Reserve
The translation reserve represents the exchange gains and losses that have arisen on the retranslation of overseas operations.

Retained Earnings
Retained earnings represent the cumulative profit and loss net of distributions to owners.

FVTOCI Revaluation Reserve
The fair value through other comprehensive income (FVTOCI) reserve represents the cumulative revaluation gains and losses in respect of FVTOCI investments.

Share-Based Payment Reserve
The share-based payment reserve represents the cumulative charge for options granted, still outstanding and not exercised.

Warrant Reserve
The warrant reserve represents the cumulative charge for warrants granted, still outstanding and not exercised.

17. Share Capital of the Company

The share capital of the Company is as follows:

Authorised, issued and fully paid	2020 £'000	2019 £'000
189,910,596 ordinary shares of £0.0001 each (2019: 1,516,894,159 ordinary shares of £0.0001 each)	19	152
1,788,918,926 deferred shares of £0.0009 each	1,610	1,610
2,497,434,980 A deferred shares of £0.000095 each	237	237
8,687,335,200 B Deferred shares of £0.000099 each	860	–
As at 30 June	**2,726**	**1,999**

Movement in ordinary shares	Number	Nominal, £
As at 1 July 2018 – ordinary shares of £0.0001 each	**791,239,654**	**79,124**
Issued on 6 Dec 2018 at £0.005 per share (non-cash, settlement for the option to acquire interest in North American Vanadium project)	5,000,000	500
Issued on 14 Jan 2019 at £0.0035 per share (non-cash, loan fees settlement)	22,571,428	2,258
Issued on 24 Jan 2019 at £0.005 per share (non-cash, settlement with vendor of Vanadium project)	53,109,600	5,311
Issued on 24 Jan 2019 at £0.045 per share (non-cash, settlement of investor relations communications expenses)	5,333,333	533
Issued on 15 Mar 2019 at £0.000823 per share (non-cash, loan conversion)	97,292,904	9,729
Issued on 25 Mar 2019 at £0.000729 per share (non-cash, loan conversion)	121,107,242	12,111
Issued on 15 Apr 2019 at £0.0006 per share (cash)	399,999,998	40,000
Issued on 18 Apr 2019 at £0.00075 per share (non-cash, SIP shares)	21,240,000	2,123
As at 30 June 2019 – ordinary shares of £0.0001 each	**1,516,894,159**	**151,689**
Issued on 18 Dec 2019 at £0.0001 per share (cash)	56	0.01
Issued on 23 Dec 2019 at £0.000275 per share (cash)	3,021,818,173	302,182
Issued on 23 Dec 2019 at £0.000275 per share (non-cash, debt extinguished)	530,030,036	53,003
Issued on 23 Dec 2019 at £0.000275 per share (non-cash, promissory notes conversion)	2,596,363,636	259,636
Issued on 23 Dec 2019 at £0.000275 per share (non-cash, CLN conversion)	1,022,229,140	102,223
23 December 2019 share subdivision into	**(8,687,335,200)**	**(868,734)**
– 8,687,335,200 ordinary shares of £0.000001 each		
– 8,687,335,200 B deferred shares of £0.000099 each		
Total ordinary shares of £0.000001 each at 23 Dec 2019 prior to share 100:1 consolidation	**8,687,335,200**	**8,687**
Share consolidation 100:1new ordinary shares of £0.0001 each	**86,873,352**	**8,687**
Issued on 3 Jan 2020 at £0.0305 per share (non-cash, partner buy out)	2,461,538	246
Issued on 31 Jan 2020 at £0.0443 per share (non-cash, director's salary)	122,312	12
Issued on 31 Jan 2020 at £0.0458 per share (non-cash, director's salary)	49,028	5
Issued on 31 Jan 2020 at £0.0467 per share (non-cash, director's fees)	141,901	14
Issued on 31 Jan 2020 at £0.0278 per share (non-cash, settled creditor)	168,421	17
Issued on 7 Apr 2020 at £0.0083 per share (non-cash, settled creditor)	4,909,610	491
Issued on 7 Apr 2020 at £0.0110 per share (non-cash, debt purchase)	13,288,982	1,329
Issued on 7 Apr 2020 at £0.008 per share (cash)	58,750,000	5,875
Issued on 21 Apr 2020 at £0.0110 per share (non-cash, SIP shares)	1,145,452	115
Issued on 19 Jun 2020 at £0.0100 per share (cash)	21,000,000	2,100
Issued on 19 Jun 2020 at £0.0100 per share (non-cash, settled creditor)	1,000,000	100
As at 30 June 2020 – ordinary shares of £0.0001 each	**189,910,596**	**18,991**

The Company's share capital consists of three classes of shares, being:

- Ordinary shares with a nominal value of £0.0001, which are the company's listed securities;
- Deferred shares with a nominal value of £0.0009;
- A Deferred shares with a nominal value of £0.000095;
- B Deferred share with a nominal value of £0.000099

Subject to the provisions of the Companies Act 2006, the deferred shares may be cancelled by the Company, or bought back for £1 and then cancelled. These deferred shares are not quoted and carry no rights whatsoever.

Warrants
At 30 June 2020, the Company had 60,839,078 warrants in issue (2019: 689,567,098) with exercise price ranging £0.01245-£0.60 (2019: £0.0010-£0.01). Out of those, 3,999,999 (2019: 609,090,906) have market performance conditions that accelerate the expiry date. Weighted average remaining life of the warrants at 30 June 2020 was 979 days (2019: 524 days).

50,575,000 (post-consolidation) warrants were issued in the reporting year by the Group to its shareholders in the capacity of shareholders and therefore are outside of IFRS 2 scope.

5,348,206 (post-consolidation) warrants were issued during the reporting period to counterparties as payment for their services and fall within the scope of IFRS 2. The charges related to the warrants granted as a payment for services are included within Administrative expenses lines of the Consolidated Income Statement in the amount of £7,491 (2019: £nil) and Exploration expenses line of the Consolidated Income Statement in the amount of £21,710 (2019: £nil). Details related to valuation of all warrants are disclosed below.

Group and Company

	2020 number of warrants	**2019 number of warrants**
Outstanding at the beginning of the period	**689,567,098**	434,665,467
Granted during the period	86,834,317	480,476,190
Exercised during the period	–	–
Adjusted number of warrants in issue in line with 100:1 share consolidation	(506,471,429)	–
Lapsed during the period	(209,090,908)	(225,574,559)
Outstanding at the end of the period	**60,839,078**	689,567,098

Grant date	**Expiry date**	**Warrant exercise price, adjusted post consolidation**	**Number of warrants before share consolidation**	**Number of post consolidation warrants**
14 Jan 2019	12 Dec 2022	£0.60	91,587,303	915,873
15 Apr 2019	14 Apr 2021	£0.10	399,999,998	3,999,999
17 July 2019	1 July 2024	£0.25	20,000,000	200,000
31 Jan 2020	30 Jan 2023	£0.0285	–	438,596
7 Apr 2020	6 Apr 2023	£0.01245	–	4,909,610
7 Apr 2020	6 Apr 2023	£0.016	–	29,375,000
19 Jun 2020	18 Jun 2023	£0.016	–	21,000,000
Total warrants in issue at 30 June 2020			**511,587,301**	**60,839,078**

17. Share Capital of the Company continued

At 30 June 2020 the Company had the following warrants to subscribe for shares in issue:

The aggregate fair value recognised in warrants reserve in relation to the share warrants granted during the reporting period was £272,785 (2019: £nil).

The following information is relevant in the determination of the fair value of warrants granted during the reporting period. Black-Scholes valuation model was applied for all the warrants below:

Grant date	Expiry date	Number of post consolidation warrants	Warrant life, years	Warrant exercise price, adjusted post consolidation, £	Share price at the grant date, £	UK risk-free rate at the date of grant, %	Volatility, %	FV of 1 warrant, £	FV of all warrants, £
17 July 2019	1 Jul 2024	200,000	5	0.25	0.065	0.5	127.79	0.047	9,400
31 Jan 2020	30 Jan 2023	438,596	3	0.0285	0.0278	0.425	100.97	0.01708	7,491
7 Apr 2020	6 Apr 2023	4,909,610	3	0.01245	0.00825	0.192	100.58	0.004422	21,710
7 Apr 2020	6 Apr 2023	29,375,000	3	0.016	0.0083	0.192	100.58	0.004001	117,529
19 Jun 2020	18 Jun 2023	21,000,000	3	0.016	0.0103	0.0001	102.40	0.005555	116,655
Total at 30 June 2020		**60,839,078**							**272,785**

Capital Management
Management controls the capital of the Group in order to control risks, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. The Group's debt and capital, includes ordinary share capital and financial liabilities, supported by financial assets. There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues. There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

18. Share-Based Payments

Employee Share Options
In prior years, the Company established an employee share option plan to enable the issue of options as part of the remuneration of key management personnel and Directors to enable them to purchase ordinary shares in the Company. Under IFRS 2 "Share-based Payments", the Company determines the fair value of the options issued to Directors and employees as remuneration and recognises the amount as an expense in the Income Statement with a corresponding increase in equity.

At 30 June 2020, the Company had outstanding options to subscribe for post-consolidation Ordinary shares as follows:

	Options issued 14 June 2016 exercisable at £0.45 per share expiring 29 January 2022 Number	Options issued 9 September 2016 exercisable at £0.8 per share, expiring on 9 September 2022, Number	Options issued 5 December 2019, exercisable at £0.0275 per share, expiring on 5 December 2024	Options issued 31 January 2020 exercisable at £0.0285 per share, expiring on 31 January 2025	Total Number
S Kaintz	28,200	96,000	–	3,040,567	3,164,767
J Parsons	–	–	3,040,567	–	3,040,567
Employees	7,200	–	–	–	7,200
Total	**35,400**	**96,000**	**3,040,567**	**3,040,567**	**6,212,534**

At 30 June 2019, the Company had outstanding options to subscribe for pre-consolidation Ordinary shares as follows:

	Options issued 14 June 2016 exercisable at 0.45 pence per share expiring 29 January 2022 Number	Options issued 9 September 2016 exercisable at 0.8p per share, expiring on 9 September 2022, Number	Total Number
A R M Bell	2,960,000	10,400,000	13,360,000
S Kaintz	2,820,000	9,600,000	12,420,000
E Bugnosen	560,000	–	560,000
Employees	720,000	–	720,000
Total	**7,060,000**	**20,000,000**	**27,060,000**

	2020		2019	
Company and Group	**Number of options Number**	**Weighted average exercise price £**	**Number of options Number**	**Weighted average exercise price Pence**
Outstanding at the beginning of the period	**27,060,000**	**0.71**	27,060,000	0.71
Granted during the year	6,081,134	0.28	–	–
Adjusted in line with 100:1 share consolidation	(26,928,600)	0.71	–	–
Outstanding at the end of the period	**6,212,534**	**0.42**	**27,060,000**	**0.71**

The exercise price of options outstanding at 30 June 2020 and 30 June 2019, ranged between £0.0275 and £0.80. Their weighted average contractual life was 4.462 years (2019: 3.014 years).

Of the total number of options outstanding at 30 June 2020, 122,900 (2019: 25,330,000) had vested and were exercisable. The weighted average share price (at the date of exercise) of options, exercised during the year, was nil (2019: nil) as no options were exercised during the reporting year (2019: nil).

The following information is relevant in the determination of the fair value of share options granted during the reporting period to the Company Directors. Black-Scholes valuation model was applied to value the options with the inputs detailed in the table below:

Grant date	Number of post consolidation options	Vesting period, years	Life of the option, years	Option exercise price, adjusted post consolidation, £	Share price at the grant date, £	UK risk-free rate at the date of grant, %	Volatility, %	FV of 1 option, £	FV of all options, £
5 Dec 2019	3,040,567	3	5	0.0275	0.0400	0.00557	100.3	0.027	82,095
31 Jan 2020	3,040,567	3	5	0.0285	0.0278	0.425	101.0	0.01712	52,055
Total at 30 June 2020	**6,081,134**								

Share-based remuneration expense, related to the share options granted during the reporting period, is included in the Administrative expenses line in the Consolidated Income Statement in the amount of £23,193 (2019: £nil).

Share Incentive Plan

In January 2012, the Company implemented a tax efficient Share Incentive Plan (SIP), a government approved scheme, the terms of which provide for an equal reward to every employee, including Directors, who have served for three months or more at the time of issue. The terms of the plan provide for:

- each employee to be given the right to subscribe any amount up to £150 per month with Trustees, who invest the monies in the Company's shares;

18. Share-Based Payments continued

- the Company to match the employee's investment by contributing an amount equal to double the employee's investment ("matching shares"); and
- the Company to award free shares to a maximum of £3,600 per employee per annum.

The subscriptions remain free of taxation and national insurance if held for five years.

All such shares are held by SIP Trustees and the shares cannot be released to participants until five years after the date of the award.

During the financial year, a total of 1,145,452 free, matching and partnership shares were awarded (2019: 21,240,000), resulting in a share-based payment charge of £9,772 (2019: £10,620), included into administrative expenses line in the Consolidated Income Statement.

19. Cash and Cash Equivalents

Group

	30 June 2020 £'000	30 June 2019 £'000
Cash in hand and at bank	415	64

Company

	30 June 2020 £'000	30 June 2019 £'000
Cash in hand and at bank	389	34

Credit Risk
The Group's exposure to credit risk, or the risk of counterparties defaulting, arises mainly from notes and other receivables. The Directors manage the Group's exposure to credit risk by the application of monitoring procedures on an ongoing basis. For other financial assets (including cash and bank balances), the Directors minimise credit risk by dealing exclusively with high credit rating counterparties.

Credit Risk Concentration Profile
The Group's receivables do not have significant credit risk exposure to any single counterparty or any group of counterparties, having similar characteristics. The Directors define major credit risk as exposure to a concentration exceeding 10% of a total class of such asset.

The Company maintains its cash reserves in Coutts & Co, which maintains the following credit ratings:

Credit Agency	Standard and Poor's	Moody's	Fitch	JRC	30 June 2020 Cash Held, £'000
Long Term	BBB	Baa2	A	A	–
Short Term	A-2	P-2	F1	–	389

The Company maintains its cash reserves in Westpac Business One, which maintains the following credit ratings:

Credit Agency	Standard and Poor's	Moody's	Fitch	30 June 2020 Cash Held, £'000
Long Term	AA-	Aa2	A+-	–
Short Term	A-1+	P-1	F1	1

20. Financial Instruments

20.1 Categories of Financial Instruments

The Group and the Company holds a number of financial instruments, including bank deposits, short-term investments, loans and receivables and trade payables. The carrying amounts for each category of financial instrument are as follows:

Group

30 June	2020 £'000	2019 £'000
Financial assets		
Fair value through other comprehensive income financial assets		
Quoted equity shares (note 12)	**4**	178
Total financial assets carried at fair value, valued at observable market price	**4**	178
Fair value through profit and loss financial assets		
Investments in warrant of a listed entity (note 13)	**5**	5
Total financial assets carried at fair value, valued using valuation techniques	**5**	5
Cash and cash equivalents	**415**	64
Loans and receivables		
Receivable from JVs	**1,322**	1,317
Purchased debt (note 14)	**367**	–
Other receivables	**174**	115
Total financial assets held at amortised cost	**1,863**	1,432
Total financial assets	**2,287**	1,679
Total current	**594**	184
Total non-current	**1,693**	1,495

Company

30 June	2020 £'000	2019 £'000
Financial assets		
Fair value through other comprehensive income financial assets		
Quoted equity shares	**4**	178
Total FVTOCI financial assets	**4**	178
Cash and cash equivalents	**389**	34
Loans and receivables		
Receivable from JVs	**1,322**	1,317
Purchased debt (note 14)	**367**	–
Receivable from subsidiaries	**51**	574
Other receivables	**174**	94
Total financial assets held at amortised cost	**1,914**	1,985
Total financial assets	**2,308**	2,197
Total current	**564**	128
Total non-current	**1,744**	2,069

20. Financial Instruments continued

20.1 Categories of Financial Instruments (continued)

Financial Instruments Carried at Fair Value Using Valuation Techniques Other than Observable Market Value

Financial instruments valued using other valuation techniques can be reconciled from beginning to ending balances as follows:

Group

30 June	2020 £'000	2019 £'000
Financial assets		
Purchased debt	367	–
FVTPL	5	5
Total financial assets valued using valuation techniques	**372**	5
Financial liabilities		
Loans and borrowings		
Trade and other payables	**183**	308
Borrowings	**760**	1,522
Total financial liabilities	**943**	1,830

Trade Receivables and Trade Payables

Management assessed that other receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Borrowings

The carrying value of interest-bearing loans and borrowings is determined by calculating present values at the reporting date, using the issuer's borrowing rate. The loan is due in December 2021 and impact of the discounting is immaterial and therefore not included into the valuation.

20.2 Fair Values

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined, based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The carrying amount of the Group and the Company's financial assets and liabilities is not materially different to their fair value. The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Where a quoted price in an active market is available, the fair value is based on the quoted price at the end of the reporting period. In the absence of a quoted price in an active market, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities:

Group and Company

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
30 June 2020				
Financial assets at fair value through other comprehensive income – Quoted equity shares	4	–	–	4
Financial assets at fair value through profit and loss	–	–	5	5

Group and Company

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
30 June 2019				
Financial assets at fair value through other comprehensive income – Quoted equity shares	178	–	–	178
Financial assets at fair value through profit and loss	–	–	5	5

20.3 Financial Risk Management Policies

The Directors monitor the Group's financial risk management policies and exposures and approve financial transactions.

The Directors' overall risk management strategy seeks to assist the consolidated Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of credit risk policies and future cash flow requirements.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk and market risk, consisting of interest rate risk, liquidity risk, equity price risk and foreign exchange risk.

Credit Risk

Exposure to credit risk, relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial liability of significant customers and counterparties), ensuring, to the extent possible, that customers and counterparties to transactions are of sound creditworthiness. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating or in entities that the Directors have otherwise cleared as being financially sound.

Trade and other receivables that are neither past due nor impaired are considered to be of high credit quality. Aggregates of such amounts are as detailed in note 14.

There are no amounts of collateral held as security in respect of trade and other receivables.

The consolidated Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the consolidated Group.

20. Financial Instruments continued

20.3 Financial Risk Management Policies (continued)

Liquidity Risk
Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources; and
- maintaining a reputable credit profile.

The Directors are confident that adequate resources exist to finance operations and that controls over expenditures are carefully managed. All financial liabilities are due to be settled within the next twelve months.

Market Risk

Interest Rate Risk
The Company is not exposed to any material interest rate risk because interest rates on loans are fixed in advance.

Equity Price Risk
Price risk relates to the risk that the fair value, or future cash flows of a financial instrument, will fluctuate because of changes in market prices largely due to demand and supply factors for commodities, but also include political, economic, social, technical, environmental and regulatory factors.

Foreign Exchange Risk
The Group's transactions are carried out in a variety of currencies, including Australian Dollars, Canadian Dollars, United Stated Dollars, Papua New Guinea Kina and UK Sterling. To mitigate the Group's exposure to foreign currency risk, non-Sterling cash flows are monitored. Fluctuation of +/- 10% in currencies, other than UK Sterling, would not have a significant impact on the Group's net assets or annual results.

The Group does not enter forward exchange contracts to mitigate the exposure to foreign currency risk as amounts paid and received in specific currencies are expected to largely offset one another.

These assets and liabilities are denominated in the following currencies as shown in the table below:

Group

	GBP £'000	AUD £'000	USD £'000	CAD £'000	Total £'000
30 June 2020					
Cash and cash equivalents	414	1	–	–	415
Amortised cost financial assets - Other receivables	175	–	–	–	175
FVTOCI financial assets	4	–	–	–	4
FVTPL financial assets - warrants	–	5	–	–	5
Amortised costs financial assets - Non-current receivables	1,322	368	–	–	1,690
Trade and other payables, excluding accruals	148	–	–	–	148
Short-term borrowings	–	–	–	–	–
Long-term borrowings	760	–	–	–	760

Group

	GBP £'000	AUD £'000	USD £'000	CAD £'000	Total £'000
30 June 2019					
Cash and cash equivalents	63	1	–	–	64
Amortised cost financial assets - Other receivables	115	–	–	–	115
FVTOCI financial assets	127	49	–	2	178
FVTPL financial assets - warrants	–	5	–	–	5
Amortised costs financial assets - Non-current receivables	1,318	–	–	–	1,318
Trade and other payables, excluding accruals	280	–	–	–	280
Short-term borrowings	708	–	814	–	1,522
Long-term borrowings	–	–	–	–	–

Company

	GBP £'000	AUD £'000	USD £'000	CAD £'000	Total £'000
30 June 2020					
Cash and cash equivalents	389	–	–	–	389
Amortised cost financial assets - Other receivables	175	–	–	–	175
FVTOCI financial assets	4	–	–	–	4
Amortised costs financial assets - Non-current receivables	1,372	368	–	–	1,740
Trade and other payables, excluding accruals	148	–	–	–	148
Short-term borrowings	–	–	–	–	–
Long-term borrowings	760	–	–	–	760

Company

	GBP £'000	AUD £'000	USD £'000	CAD £'000	Total £'000
30 June 2019					
Cash and cash equivalents	34	–	–	–	34
Amortised cost financial assets - Other receivables	94	–	–	–	94
FVTOCI financial assets	4	–	–	–	4
Amortised costs financial assets - Non-current receivables	1,892	–	–	–	1,892
Trade and other payables, excluding accruals	233	–	–	–	233
Short-term borrowings	708	–	814	–	1,522
Long-term borrowings	–	–	–	–	–

Exposures to foreign exchange rates vary during the year, depending on the volume and nature of overseas transactions.

21. Reconciliation of Liabilities Arising from Financing Activities and Major Non-Cash Transactions

Significant non-cash transactions from financing activities in relation to loans and borrowings are as follows:

	30 June 2019 £'000	Cash flows Loans received £'000	Non-cash flow Restructured £'000	Non-cash flow Conversion £'000	Non-cash flow Forex movement £'000	Non-cash flow Interest and arrangement fees accreted £'000	Cash flows Principal repaid £'000	Cash flows Interest repaid £'000	30 June 2020 £'000
Riverfort Capital Ltd and YA II PN Ltd loan	814	–	(287)	(714)	15	172	–	–	–
Riverfort Capital and YA II PN Lts loan - new	–	–	729	–	–	31	–	–	760
Convertible loan notes	708	7	(442)	(281)	–	44	(30)	(6)	–
Total	**1,522**	**7**	**–**	**(995)**	**15**	**247**	**(30)**	**(6)**	**760**

Significant non-cash transactions from financing activities in relation to raising new capital are disclosed in note 17.

Significant non-cash transactions from investing activities were:

- 13,288,982 shares issued at £0.011 per share by the Company for the total of £146,178 to acquire discounted debt. More details are disclosed in note 13.

Significant non-cash transactions from operating activities were as follows:

- Payment for services and Director remuneration (share-based payments in the form of options and warrants), in the amount of £63,194 (2019: 10,62), disclosed in notes 17 and 18;
- Impairment of other receivables in the amount of £36,599 (2019: £25,749);
- Goodwill write off in the amount of £105,815 (2019: nil).

22. Significant Agreements and Transactions

Financing

- On 22 July 2019, the Company announced that its outstanding Loan Notes totalling USD 1.254 million, including a 4.5% implementation fee, which had been added to the outstanding principal, would be repaid over a period of five years, will carry interest of 10% per annum and will incur a 2% fee upon redemption. The Company has agreed to make an initial minimum payment of the lower of 10% or USD 65,000 by way of a fundraising or issuance of securities when next undertaken. The Company has also agreed to pay the noteholders at least 10% of any fundraising thereafter. Regular repayments of the outstanding Loan Notes will commence in 2020 and are to be paid quarterly until 2024. In addition, warrants to subscribe for 20,000,000 shares at a subscription price of £0.0025 per share and valid until July 2024 were to be issued to the lenders.
- On 5 December 2019, the Company announced a corporate restructuring including Board changes, a proposed placing, a proposed share consolidation and debt reduction and restructuring.
  - James Parsons proposed to join the Board of Regency Mines Plc as Executive Chairman following completion of regulatory due diligence.
  - Regency Mines Plc proposed to raise £831,000 by way of a placing of 3,021,818,173 new ordinary shares of £0.0001 at a price of £0.000275 per share. Alongside the placing an additional 530,030,036 shares representing obligations of £145,758.30 have been issued to Red Rock Resources Plc in full extinguishment of outstanding obligations.

- The holders of the Promissory Notes, first announced on 6 June 2018, and updated on 22 July 2019, have agreed to extinguish the entire remaining balance, owed under the Promissory Notes, through a subscription for new Loan Notes and a share conversion. The partial conversion of the Promissory Notes will result in the issuance of 2,596,363,636 new ordinary shares of the Company, and the investors have agreed to lock up the Promissory Conversion Shares, 100% of the total for three months, 70% of the total shares for a subsequent six months, and 40% of the total shares of the Promissory Conversion Shares for a further six-month period.
- The approximate residual balance of £286,756 of the Promissory Notes will be retired, and YA PN II Ltd and Riverfort Global Capital Ltd will subscribe for new two-year Loan Notes payable on 23 December 2021, bearing 8% interest per annum with no conversion rights.
- Of the outstanding Convertible Loan Notes, first announced on 14 January 2019, holders of £281,113 of these notes have agreed to convert these obligations into 1,022,229,140 new ordinary shares of the Company at a price of £0.000275 per share. The terms of 88,015,874 warrants, originally issued to the Convertible Loan Note holders, will be varied, and the new terms of these warrants allow exercise into new ordinary shares of the Company at a price of £0.00055 for a period of 36 months.
- YA PN II Ltd and Riverfort Global Capital Ltd, existing holders of £442,516 of Convertible Loan Notes, have agreed to extinguish the balance of these notes and to subscribe for an equivalent amount of new Loan Notes, as more fully described above.
- A small residual balance of Convertible Loan Notes, representing £30,000 of principal, will remain payable by the Company in May 2020 on the existing Convertible Loan Note terms, and the warrants associated with this note will remain in place under the existing terms as announced on 14 January 2019.
- The Company has further been informed by YA II PN Ltd and Riverfort Global Capital Ltd that, following the subscription for the new Loan Notes, both parties have granted an option over their interests in the new Loan Notes, totalling £729,272, to C4 Energy Ltd ("C4"), a UK incorporated private company.
- The issuance of the transaction shares consisting of 3,021,818,173 placing shares, 530,030,036 subscription shares, 2,596,363,636 promissory conversion shares and 1,022,229,140 convertible conversion shares, is conditional upon, inter alia, the passing of resolutions to be put to shareholders of the Company at a General Meeting of the Company, to be held on 23 December 2019, to provide authority to the Directors to issue and allot the required shares on a non-pre-emptive basis. A circular, containing a notice of the General Meeting, will be posted to shareholders.
- Conditional on the passing of the resolutions at the General Meeting, application will be made for the transaction shares to be admitted to trading on AIM and it is expected that their admission to AIM will take place on or around 24 December 2019.
- The Transaction Shares as a whole would, if the required resolutions are approved at the General Meeting, result in the issuance of 7,170,440,985 Ordinary Shares, representing, in aggregate, 82.54% of the newly enlarged share capital of the Company. The Transaction Shares will, when issued, be credited as fully paid and will rank pari passu in all respects with the existing ordinary shares of the Company.
- James Parsons has been awarded 304,056,730 three-year vest, five-year expiry options with an exercise price of £0.000275 per share.
- Red Rock Resources Plc, subscriber of the Subscription Shares, has in common with Regency Mines Plc an Executive Director, Scott Kaintz, and a previous Director within the last twelve months, Andrew Bell.
- Riverfort Global Capital Ltd and YA II PN Ltd, the participants in the Promissory Conversion, jointly held 19.93% in the past twelve months, and as such are deemed substantial shareholders during the last twelve months.

22. Significant Agreements and Transactions continued

- For the purposes of the Transaction, the Subscription by Red Rock Resources Plc and the Promissory Conversion by Riverfort Global Capital Ltd and YA II PN Ltd, constitute related party transactions as defined in Rule 13 of the AIM Rules for Companies.
- Nigel Burton and Ewen Ainsworth, being the Directors of the Company who are independent of the Transaction, having consulted with the Company's nominated advisor, Beaumont Cornish Ltd, consider the terms of the Subscription Shares and the Promissory Conversion to be fair and reasonable insofar as the Company's shareholders are concerned.
- Following the Transaction, the Company will have 8,687,335,144 Ordinary Shares in issue, each with a nominal value of £0.0001. The Directors consider that it is in the best interests of the Company's long-term development as a publicly quoted company to have a smaller number of shares in issue and a higher share price.
- As set out in the Notice of General Meeting Circular, shareholders will be asked to consider, and if thought fit, pass resolutions, which will have the following effect: that every 100 ordinary shares of £0.0001 on the Record Date are consolidated into one new ordinary share of £0.0001 each.
- As the expected issued share capital of the Company is not divisible by 100 without leaving a fraction of a share following the Reorganisation, it is intended to conditionally issue and allot, subject to approval of the Reorganisation by shareholders at the General Meeting, 56 new Ordinary Shares on the Record Date. The issued share capital of the Company as at the Record Date will therefore be 8,687,335,200 Ordinary Shares.
- Assuming completion of the Transaction and the Consolidation following the General Meeting, the Company will have a total of 86,873,352 ordinary shares of £0.0001 in issue.

- On 18 December 2019, the Company announced that it had issued 56 new ordinary shares of £0.0001 each for a nominal total consideration of £0.0056. The rounding shares have been issued to adjust the total number of shares in issue to be 1,516,894,215 ordinary shares of £0.0001 each with voting rights, at the time of the General Meeting held on 23 December 2019 at 12 noon, and accordingly be a suitable number to issue 7,170,440,985 new ordinary shares in a consolidated form of 71,704,410 ordinary shares of £0.0001 each on 24 December 2019.
- On 23 December 2019, the Company announced that at its General Meeting, held earlier that day, all resolutions were passed. As such James Parsons joined the Board as Executive Chairman, and outgoing Chairman Nigel Burton, moved to senior Independent Non-Executive Director. Accordingly, the 1 for 100 share consolidation was announced as being effected and 86,873,352 ordinary shares will trade in their new consolidated form with effect from 24 December 2019.
- On 31 January 2020, the Company announced the appointment of a new company secretary and the issue of 481,622 new ordinary shares, 3,040,567 options and 438,596 warrants further to commitments made prior to the recent restructuring as announced on 5 December 2019, but only now executed due to the Company being in a close period. Nigel Burton and Ewen Ainsworth joined the Company as a Director on 24 June 2019 under an arrangement, where 42.5% and 48.6% of their respective annual Directors' fee was to be paid in shares. Accordingly, to clear historic balances the Company has issued 122,312 new ordinary shares to Mr Burton and 190,929 new ordinary shares to Mr Ainsworth for the period from June 2019 to December 2019 (of the 190,929 shares awarded to Mr Ainsworth, 141,901 new ordinary shares have been issued to Discovery Energy Limited a company controlled by Mr Ainsworth). This deals with all outstanding legacy issues and the Non-Executive Directors of the Company are now being remunerated on normal market terms. Consistent with the Company's strategy of preserving its cash balances, a further 168,421 shares and 438,596 warrants (at yesterday's closing price of £0.0285 have been awarded to consultants and advisors for services to be provided during 2020. The Company has awarded Scott Kaintz, Chief Executive Officer, 3,040,567 three-year vest, five-year expiry options under the Company's Enterprise Management Scheme, to purchase new ordinary shares of the Company at yesterday's closing price of £0.0285. These options carry performance criteria under which vesting can be accelerated. These options were unable to be awarded as part of the recent restructuring due to the Company being in a close period.

- On 7 February 2020, the Company announced the partial waiver of an existing lock-in agreement over 7,789,091 shares to enable a block trade to new investors and a lock-in of all remaining shares currently held by Red Rock Resources Plc. The balance of the shares held by YA PN II Ltd and Riverfort Global Capital Ltd and for which the lock-in was not waived, 18,174,545 in total, will remain bound by the existing lock-in provisions. The entire position of 3,383,633 shares currently held by Red Rock Resources, will be locked-in until March 2020, at that point 70% will be locked-in to June 2020, and 40% until December 2020.
- On 7 April 2020, the Company announced that it had raised £470,000 by way of a placing of 58,750,000 new ordinary shares at a price of £0.008 per share. The Company also granted participating investors 29,375,000 3-year warrants with an exercise price of £0.016 per share. Company Directors also participated in the placing as follows, 1,562,500 new ordinary shares and 781,250 warrants have been issued to James Parsons and 937,500 new ordinary shares and 468,750 warrants have been issued to Scott Kaintz. 1,562,500 new ordinary shares and 781,250 warrants have been issued to Discovery Energy Pension Scheme of Discovery Energy Limited, a company controlled by Ewen Ainsworth, a Director of the Company.
- On 21 April 2020, the Company announced that the Board of Directors had approved the issuance of 1,145,452 ordinary shares in the Company under the Company's Share Incentive Plan for the 2019/20 tax year as agreed in a Trustees meeting held on 1 April 2020. In respect of the 2019/20 tax year Scott Kaintz purchased and was awarded a total of 818,180 new ordinary shares under the SIP.
- On 19 June 2020 the Company announced that it had raised £210,000 by way of a placing organised by the Company of 21,000,000 new ordinary shares at a price of £0.01 per share. A total of 21,000,000 three-year warrants have been issued to investors at an exercise price of £0.016 per share. The Company also issued 1,000,000 shares to a service provider in association with this transaction. A Company Director, Ewen Ainsworth also participated in the placing of 500,000 new ordinary shares and 500,000 warrants.

Mambare Nickel-Cobalt Project

- On 7 April 2020, the Company announced the resolution of the ongoing partner dispute and the execution of an amendment to its development agreement regarding the Company's Mambare nickel-cobalt project in Papua New Guinea. The JV partners agreed with immediate effect to increase Battery Metals Pty Ltd's stake in the joint venture to 59%, with a further 6% to be awarded if prior to November 2021, the Mambare JV receives a recommendation to award a mining lease from the Mineral Resource Authority in Papua New Guinea. The Company also agreed to pay Battery Metals Pty Ltd. USD 50,000 in cash and USD 50,000 in shares at a price of £0.0083, resulting in the issuance of 4,909,610 new ordinary shares. Battery Metals also received 4,909,610 three-year warrants price at £0.01245. Both parties further agreed that all litigation between them would cease immediately and a revised joint venture structure and development plan has been created with the centre of gravity in Australia, leveraging Battery Metal's logistical advantages and regional proximity.

Resource Mining Corporation Debt Purchase

- On 7 April 2020, the Company announced the partial purchase of the corporate debt of Resource Mining Corporation Pty Ltd, the 100% owner of the WoWo Gap nickel-cobalt project in Papua New Guinea. The Company agreed to purchase AUD 1.7 million of outstanding corporate debt in RMI from Sinom Hong Kong Limited. The consideration was £178,096 cash plus 13,288,982 new ordinary shares, representing aggregate consideration of £324,275, being a 62% discount to the face value of the debt. The new shares were subject to a lock-up of one year. The Company has also, after the accounting period, exercised the 6-month option to purchase the remaining RMI debt of AUD 3.05 million for consideration of 23,711,018 new ordinary shares and AUD 640,000 in cash, which represents a similar discount to the initial acquisition. All the loan notes are interest free and unsecured.

22. Significant Agreements and Transactions continued

Flexible Grid Solutions

- On 20 September 2019, the Company announced that Allied Energy Services Ltd, an investment held through the Company's EsTeq Ltd subsidiary had executed an exclusivity agreement with the leaseholder of the Southport Energy Centre, as previously announced on 24 July 2019. The agreement gave Allied Energy Services Ltd a period of exclusivity of three months over Phase 1 of the project, during which time the leaseholder will refrain from entering into any agreement that would prevent Allied Energy Services Ltd from executing a commercial lease as contemplated by the letter of intent signed by the parties in February 2019. The agreement further includes a right of first refusal from the date of this agreement for a period of six months over Phase 2 of the project, conditional on Allied Energy Services Ltd, making an investment in Phase 1 during the period. The leaseholder must offer Allied Energy Services Ltd the right to participate in Phase 2 of the project on the same terms as any third party, which Allied Energy Services Ltd may then consider at its own discretion.
- On 19 December 2019, the Company announced that it had agreed to purchase the 20% minority interest in Allied Energy Services Ltd that it did not currently own. The minority shareholders in Allied Energy Services would be paid 2,461,538 post consolidation new ordinary shares of Regency Mines Plc and would be locked in for six months following the date of the agreement. A second share issuance of up to £80,000 would be priced based on a trailing 10 day volume weighted average price calculation, and would come due on the combination of Regency Mines Plc trading at a market cap of over £10 million for consecutive days, and when Allied Energy Services had secured £30 million in funding for its first project, the Southport Energy Centre.
- On 23 December 2019, the Company announced the signing of an MOU with ion Ventures, an investor in and developer of energy storage and flexibility assets. Under the terms of the MOU the parties have agreed to partner on the Company's existing pipeline of projects with a view towards identifying and prioritising the most commercially attractive projects, securing funding and moving them quickly to first cash flow. ion Ventures will support the Company initially, on a consultancy basis, and will be issued shares in the Company as consideration.
- On 3 January 2020, the Company announced the completion of the buy-out of the 20% minority shareholders in Flexible Grid One Limited (ex-Allied Energy Services Ltd). As such, the Company issued 2,461,538 new ordinary shares to complete the transaction. These shares were to be locked-in for six months. The investment in Flexible Grid One Limited was subsequently written off at the year-end.
- On 19 June 2020, the Company announced the purchase of a 50% interest in Weirs Drove Development Limited ("WDD"), a developer of energy storage and solar projects in the United Kingdom, with an initial site in Burwell, outside of Cambridge. The Company acquire a 50% interest in Weirs Drove Development Limited, a debt free privately owned battery storage developer for £25,000 of cash injected into the WDD business. Flexible Grid Solutions Limited further agreed to extend a shareholder loan of £100,000 once the first site at Burwell has met all shovel ready criteria, which includes a grid connection offer, full planning permission and an executed site lease. The debt is repayable at financial close, expected later in 2020. It is expected that both the debt and equity injected by the Company would be utilised to finalise the development of the Burwell battery storage site and thereafter to advanced additional projects. In addition to agreeing an industry standard joint venture shareholder agreement, including Board participation and Company approval of key decisions, the Company has secured a further option to buy the remaining 50% of WDD at a price of £30,000 per fully operational megawatt of energy storage or production at the time of option exercise, to be paid 50% in cash and 50% in new ordinary shares of the Company. The option is exercisable at the sole election of the Company, and becomes exercisable following WDD commissioning of at least 40MW of installed energy storage or production capacity. A deferred option consideration of £5,000 per MW on the next 100MW of installed capacity would also become due after reaching that metric, also payable 50% in cash and 50% in shares if triggered. The entire equity component of the option and deferred consideration, should the option be exercised at the Company's discretion, would be priced at the 30-day VWAP prior to exercise. The Company has also agreed standard drag along and tag along rights for the Company.

US Metallurgical Coal Interests

- On 9 July 2019, the Company announced that Mining Equity Trust LLC had agreed to accept an investment of USD 750,000 by Carraigbarre Capital Ltd in exchange for a 45.02% stake in the business and a Board seat. Legacy Hill Resources Ltd has agreed to remain as operator of the Omega metallurgical coal assets, with the new funds deployed to partially recapitalise MET and its Omega coal operations. Previously a forbearance agreement was signed with the original sellers of the assets, by which obligations of USD 8.17 million were rescheduled over a period to October 2020, however, at the time of the announcement the forbearance agreement was in default. Following the investment by Carraigbarre Capital Ltd, Regency Mines Plc retained a 25.84% stake in the expanded share capital of MET. It was further noted that additional funding would be required to ensure the long-term stability of the business with plans in place to install a wash plant and upgrade the saleable metallurgical coal product subject to additional capital being made available.

23. Commitments

As at 30 June 2019, the Company had entered into the following commitments:

- Exploration commitments: On-going exploration expenditure is required to maintain title to the Group mineral exploration permits. No provision has been made in the Financial Statements for these amounts as the expenditure is expected to be fulfilled in the normal course of the operations of the Group.
- On 29 May 2020, the Company entered into a new lease agreement for office space with WeWork Aldwych House. The initial lease runs from 1 July 2020 through 31 January 2021 and is non-cancellable during this period. Thereafter, the lease can be terminated by giving one full calendar month notice.

24. Related Party Transactions

- The costs, incurred on behalf of the Company by Red Rock Resources Plc, are invoiced at each month end and settled on a quarterly basis. By agreement, the Company pays interest at the rate of 0.5% per month on all balances outstanding at each month end until they are settled. The total charged to Red Rock Resources Plc for the year was £25,563 (2019: £49,135). Of this, £7,962 was outstanding at 30 June 2020 (2019: £31,372). The Company is closely associated with Red Rock Resources Plc, in which the Company has no interest as at 30 June 2020 (2019: 0.67%). Red Rock Resources Plc had a 3.77% interest in the Company as at 30 June 2020 (2019: 2.34%). Two Directors, Andrew Bell and Scott Kaintz, are also Directors of, and received a salary from, Red Rock Resources Plc during the year.
- The costs incurred by the Company on behalf of Red Rock Resources Plc were £21,589 (2019: £58,329). Of this, £16,549 was outstanding at 30 June 2020 (2019: £18,948).
- Related party receivables and payables are disclosed in notes 14 and 15, respectively.
- The Company does not hold any shares in Red Rock Resources Plc as at 30 June 2020 (2019: 5,759,760 shares (0.85%)).
- The key management personnel are the Directors and their remuneration is disclosed within note 8.
- A related party transaction, involving the subscription for shares by Red Rock Resources Plc and the Promissory Note Conversion by YA PN II Ltd and Riverfort Global Capital Ltd, is fully outlined in Note 22.
- Ewen Ainsworth, a Director of the Company, is paid a portion of his Director's fee through Discovery Energy Ltd, a company controlled by Mr Ainsworth.

25. Events After the Reporting Period

- On 14 July 2020, the Company announced that it had been notified that Ewen Ainsworth, Non-Executive Director, sold and repurchased within an ISA an aggregate 549,028 Ordinary Shares of £0.0001 each in the Company. Specifically, on 14 July 2020, Ewen Ainsworth sold a total of 549,028 Ordinary Shares at a price of £0.0085 per Ordinary Share and on 14 July 2020 repurchased 549,028 Ordinary Shares at a price of £0.00857 per Ordinary Share. The shares are held in Rock (Nominees) Limited A/C ISA.
- On 5 August 2020, the Company announced that it was proposing to change its name to Corcel Plc. The purpose of the name change was to more closely reflect the Company's strategy to develop its businesses across the battery metals exploration and flexible grid solutions space. An application is being made to Companies House for the name change. A new website will also be launched simultaneous to the name change.
- On 7 August 2020, the Company announced that its name had now been changed by Companies House and accordingly the Company is now named Corcel Plc. With effect from 08:00 today, trading on AIM would commence under the Company's new name and the new TIDM will be CRCL.L. The Company's ISIN and SEDOL remain unchanged.
- On 10 August 2020, the Company announced the mobilisation of the geological team to deliver the field programme at the Dempster Vanadium project in the Yukon, Canada, a project where the Company has a 50% interest. The exploration team, provided by Corcel's local technical consultant Breakaway Exploration Management Inc, will spend up to ten days on-site to conduct a soil geochemical survey to define drill targets focused on a 3km segment, where no work had been done previously.
- On 25 August 2020, the Company announced the completion of the field programme at the Dempster Vanadium project in the Yukon, Canada, a project where the Company has a 50% interest. The geological team have now demobilised from site following completion of the field programme. Rock and soil samples collected during the programme have been submitted to the lab in Canada, and are now being analysed along with the core pulps, which have been delivered to McGill university for processing at their laboratories as part of the joint venture's collaboration with a McGill PhD candidate. The results of the programme and the lab analysis of the sampling will be announced in due course.
- On 22 September 2020, the Company announced the receipt of both planning permission and a grid connection offer for the Burwell energy project. The Company announces that the Weirs Drove Development Company ("WDDC"), where it owns 50%, has received a formal Grid Connection offer from UK Power Networks, which includes undertaking the "non-contestable" works necessary to connect the Burwell site to its UK energy network. This offer covers a site capacity of 100MW (split 49.9MW of energy storage and 49.9MW of photovoltaic solar energy production), a 132kV power input and an import / export capacity of 49.9MW and 99.8MW respectively. The offer is for substantially more power than originally planned, which enables a larger battery storage site alongside an adjacent solar power site. The Company also announces that the landlord of the Burwell site has received from the East Cambridgeshire District Council planning permission for a 50MW energy storage development. The permission covers the existing factory and the surrounding land at the Burwell site, and specifies the installation of the main battery and a 132kV transformer on an adjacent hard stand.
- On 26 October 2020, the Company announced that it had raised gross proceeds of £750,000 by way of a placing with private investors of 75,000,000 new ordinary shares at a price of £0.01 per share. A total of 37,500,000 three-year warrants have been issued to investors at an exercise price of £0.016. The Company also issued 3,000,000 shares to service providers associated with the recent rebranding.
- On 28 October 2020, the Company announced that it had exercised its option to buy AUD 3.05 million of debt in Resource Mining Corporation Limited, as first announced on 7 April 2020 and 26 October 2020. Execution of the option entails the payment of AUD 640,000 in cash and the issuance of 23,711,018 new ordinary shares in Corcel to Base Asia Pacific Ltd. On 17 November 2020, the Company announced completion of the exercise of the option.

26. Control

There is considered to be no controlling party.

Perivan 260124