EMMERSON PLC

ANNUAL REPORT 2020

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EMMERSON PLC

A MOROCCAN POTASH COMPANY FOCUSED ON THE DEVELOPMENT OF A LOW CAPITAL COST, HIGH MARGIN POTASH MINE.

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Statement from Mark Connelly (Chairman July 2018 – April 2021)

The work conducted during 2020 has ensured that Khemisset, our low capex, high margin potash mine in Morocco, is still on course to become Africa's first large, commercial potash mine. This is an incredible achievement and testament to both the quality of our asset, and the also the dedication and skill of our team at Emmerson.

2020 began with the selection of the preferred project site following a comprehensive Options Study. As part of this, we completed road connection design and costing, which included c.3.2km of paved roads to be constructed to connect the Project to the existing highway, with an additional c.9.6km of gravel internal roads; the total budgeted cost for the construction of these is c.US$2.0 million including a 15% contingency. Following confirmation of zero capital cost required at Casablanca Port, the road connection will be the only pre-production capex required for the entire logistics solution for Khemisset.

Perhaps the standout news event of the year was the delivery of our FS in June, which demonstrated that Khemisset can become a world class, low capital cost, high margin potash mine; this is a very rare asset in the global fertiliser industry. The economics of the project are highly compelling; with an IRR of nearly 39% and a post-tax NPV8 of US$1.4 billion, it is clearly extremely robust in normal potash market conditions, generating average revenue of over US$480 million and EBITDA of over US$300 million for the life of the mine.

The results of the FS provided the catalyst for engagement with various potential financing groups, across debt, equity, and non-traditional financing products. Over the last couple of years, we have engaged with numerous potential funding partners and have identified several which we believe would make excellent partners for the Company in the development of Khemisset.

Other advances made during the year included the completion of the socio-economic study that provided measurable and verifiable confirmation of the significant benefits that the project will deliver at a local, regional, and national level. This includes the creation of 2,385 jobs, tapering into 1,500 permanent positions when production is underway. With an initial mine life of nearly 20 years, which we expect to extend once in production, these will be jobs for life. Further outputs from the study highlighted the total investment over the life of the Project estimated to be US$2.5bn with the economic impact of the Project increasing the local GDP per capita by 40%.

We also completed the baseline and all the workstreams required for Environmental and Social Impact Assessment ('ESIA') for the Project, which was then submitted to the relevant governmental bodies for approval. The environmental and social impact of a new major project is of real importance to any company that concerns itself with maintaining a record of sustainability, so this was done to the highest standard recommended by the World Bank. The ESIA package comes as a capstone to two concurrent phases: an extensive baseline programme, which commenced in the early stages of the project development; and the ESIA study, which commenced earlier in the year under review. We look forward to updating shareholders on the outcome during the course of 2021.

Looking now to corporate developments, we were well supported by the markets in a £1.72 million fundraising during the period, and again post period end with a £5.5 million raising in March 2021. This has put us in a very strong position as we look to finalise the detailed design and engineering work and, ultimately, move towards construction.

In terms of human capital, a key highlight during the year was the appointment of Graham Clarke as CEO in July 2020. Graham is a highly experienced fertiliser industry executive with over 25 years of experience in underground potash mining and a proven ability to attract talent and build operating teams with the capability to deliver large, complex projects in the fertiliser space. Graham's most recent experience of taking a large, highly complex, underground mine all the way from a concept through to construction is truly unique and incredibly important for Emmerson as we transition from junior explorer into a mine developer.

With Graham's appointment, our previous CEO Hayden Locke moved into a new role which focusses primarily on the financing negotiations and commercial aspects of moving Khemisset into production. This is an area which Hayden is exceptionally well-versed in and he remains a core member of the Emmerson team, with Graham responsible for steering the operational and corporate development of the Company.

Post period end, we appointed James Kelly to the board as non-executive director, and later as the new Chairman upon my retirement. In James, Emmerson will have a highly experienced Chairman who is well qualified to lead the board in this exciting period as we prepare the project financing. I feel truly honoured to have served as the Company's Chairman over the past three years, a period during which Emmerson has emerged as one of the most exciting pre-production companies listed in London, with a truly exceptional asset in Khemisset.

In my parting statement as Chairman, I would like to thank the exceptionally motivated and dedicated management team and Board of Emmerson for all their hard work and skill during the year and most importantly, to our shareholders for their continued support during what was a challenging year for many. I will remain a fervent supporter of Emmerson and I look forward to celebrating the milestones the Company reaches over the coming weeks and months in the lead up to construction.

Statement from James Kelly (Chairman from April 2021)

It gives me great pleasure to provide my inaugural statement as the new Chairman of Emmerson. Although newly appointed, I have watched the Emmerson story unfold with great interest over the past three years. From the acquisition of Khemisset in 2018, a compelling asset with a JORC compliant resource, to the asset we have today, a pre-production asset with robust fundamentals proven in the FS, a Mining Licence secured and ESIA completed; it is clear that the Emmerson team has delivered an exceptional project to the market. Now, with anticipated construction in the near future, I am extremely excited to be part of the Emmerson team as we move into this, our most defining stage of development.

The first few months of 2021 have set the pace for news flow for the remainder of the year, with multiple high impact developments, both operational and corporate, demonstrating how Emmerson is moving through the gears towards financing, construction and ultimately production.

In February 2021, the Company was delighted to receive the Mining Licence for the project from the Moroccan Ministry of Energy, Mines and the Environment. Importantly, this encompasses the full resource base allowing simple expansion of the operations in the future without the requirement to re-permit. This was a highly significant development for the Company, which followed months of close collaboration with the Government of Morocco to ensure that we deliver the optimum mining operation to benefit all stakeholders.

With this in mind, the recent months have seen the team focus on multiple additional workstreams aimed at further de-risking the project and preparing for funding due diligence. These included an assessment to confirm the opportunities for phased development of the project aimed at materially reducing the upfront capital cost with the flexibility around potentially phased development. Post period end, in April 2021 we announced the completion of a conceptual phased development plan; results demonstrated major value enhancing opportunities, including significantly reduced up-front capex of US$254.6 million (pre-contingency). This phased development plan shows the inherent optionality in the Khemisset project providing us with significant flexibility in both the initial production rate as well as how the operation evolves once in production. This optionality could prove instrumental in ensuring Khemisset reaches full production potential whilst minimising dilution to our existing shareholders by reducing the upfront capex.

Emmerson's commitment to the project and Morocco is in line the Government of Morocco's initiatives to invigorate the economy. Specifically, the development of Khemisset aligns well with the strategic plan of making Morocco a hub for fertiliser industry, primarily in the context of Africa. Morocco is already a major fruit and vegetable supplier, growing produce for many of the Northern African markets and agriculture now contributes 14.8% to Morocco's total GDP. This is an area of significant growth, with vegetable exports increasing by 26% and fruit exports by +54% in the five years to 2019. Bringing Khemisset into production will establish Morocco as Africa's largest vertically integrated fertiliser producer and is clearly of significant strategic as well as economic importance to the country.

The support that we have received from the Government of Morocco, from regional regulatory bodies and from local communities has been of vital importance and really feeds in to the Company's vision of “doing the right things in the right way”. I believe that the work that the Emmerson team has achieved over the past three years has established our business as a very solid and conscientious corporate citizen and I look forward to continuing this close cooperation with the people and Government of Morocco as we move forwards into our construction and production phases, becoming a major regional employer offering long-term stable employment.

Our development proposition for Khemisset has also resonated with those outside of Morocco, and we have enjoyed strong support from the market over the past 18 months. The Company has conducted two placings since the beginning of 2020, which has brought over £7.2 million to the business and we have welcomed several new institutional shareholders to the register. Our second placing, conducted after the period end in March 2021, was announced in conjunction with our intention to list on AIM. This move to AIM, which took effect on 27 April, provides Emmerson with access to a market and environment which is more suited to the Group’s current size and strategy. Indeed, AIM is cited as the world’s most successful growth market and I believe that it is the right exchange for us to achieve our objectives with Khemisset over the coming months.

And it is with this time horizon in mind, that I look forward with such enthusiasm. We are truly on the cusp of delivering a world-class low capex, high margin potash mine at a time when the market dynamics are particularly powerful. The combination of a rapidly increasing world population together with shrinking available arable land has established that the use of potash in fertiliser production is vitally important to ensure global food security. Many market participants expect potash prices to follow agricultural commodities and continue to rise throughout 2021 and beyond and Emmerson is ideally placed to benefit from the opportunities this presents.

I would like to take this opportunity to firstly thank Mark Connelly, my predecessor for his guidance and counsel thus far, and to the entire Emmerson team and our partners and advisers for their determination and resolve to establish Africa’s first commercial potash mine. Finally, my thanks to our new and long-standing shareholders for their support and vision as we strive to unlock the full economic and strategic potential of Khemisset for all stakeholders.

The Directors present their report and the audited financial statements for the year ended 31 December 2020.

General information

Emmerson PLC ("the Company"), was incorporated in the Isle of Man under the Laws with registered number 013301V on 1 March 2016. All of the Company's Ordinary Shares were admitted to the London Stock Exchange's Main Market and commenced trading on 15 February 2017.

Emmerson PLC's primary focus is on developing the Khemisset Potash Project located in Northern Morocco.

Results for the year and dividends

The total comprehensive income attributable to the equity holders of the Group for the year was a loss of £1,424,000 (2019: loss of £1,164,000).

The Company paid no dividend during the year (2019: £nil).

Business performance for the year

As detailed in the Chairman's Statement, development of the Khemisset Potash Project continued during the period, with several significant milestones achieved.

During the financial year, the Group made a loss per share of 0.22 pence (2019: a loss per share of 0.17 pence per share). Given the current stage of the Group's exploration project, the Directors do not consider there to be any other financial key performance indicators. The Group is well funded; as at 31 December 2020, it had a £1,143,000 cash position. On 26 February 2021, the Company issued 95,652,174 new ordinary shares at an issue price of 5.75 pence per share raising gross proceeds of £5.5 million (note 16).

Principal risks and uncertainties

The Group operates in an uncertain environment and is subject to a number of risk factors. The Directors have carried out a robust assessment of the principal risks facing the Group, including those that threaten its business model, future performance, solvency or liquidity. They consider that the following are the principal risk factors that could materially and adversely affect the Group's future operating results or financial position:

Deterioration in Global economic conditions or in the potash market in particular

There is a risk that changes in the relevant law and legislation could have an adverse effect on the Group's future performance, expected return and or feasibility of the project.

The Group is also exposed to general economic risk, including changes in the economic outlook in its principal markets and government changes in industrial, fiscal, monetary or regulatory policies.

The Board continues monitoring developments in the market in order to adapt. The management team has wide-ranging expertise in mineral exploration which, together with a flexible cost structure, enable the Group to adapt its organisation to changes in circumstances.

Funding risk

Although the Group has sufficient working capital for at least 12 months from the date of this report, the Group may not be able to obtain additional financing as and when needed which could result in a delay or indefinite postponement of exploration and development activities.

In common with many exploration entities, the Group will need to raise further funds in order to progress the Group from pre-construction phase of its business and eventually into production of revenues.

Dependence on key personnel

The Company has a small management team and the loss of a key individual could have an adverse effect on the future of the Group's business. The Group's future success will also depend in large part upon its ability to attract and retain highly skilled personnel. There can be no assurance that the Group will be successful in attracting and retaining such personnel.

The Group seek to create a workplace that attracts, retains and engages its workforce. Efforts are also made to attract new talent and skilled people.

Environmental risk

There may also be unforeseen environmental liabilities resulting from both future or historic exploration or mining activities, which may be costly to remedy. In addition, potential environmental liabilities as a result of unfulfilled environmental obligations by the previous owners may impact the Group. If the Group is unable to fully remedy an environmental problem, it may be required to stop or suspend operations or enter into interim compliance measures pending completion of the required remedy.

Environmental management systems are in place to mitigate environmental hazard risks. The Group uses advisors with specialist knowledge in mining and related environmental management for reducing the impacts of environmental risk.

Estimates of mineral reserves and resources

Mineral resources are estimates and no assurance can be given that any particular grade or tonnage will be realised or that they will be converted into ore reserves or will ever qualify as a commercially mineable (or viable) deposit which can be legally and economically exploited. As a result of these uncertainties, there can be no assurance that any potential mineral resources defined by the Group's exploration programmes will result in profitable commercial mining operations.

The Directors are confident that they have put in place a strong management team capable of dealing with the above issues as they arise.

Corporate Responsibility

We have defined the scope of our Group's responsible business practices as falling within the following key focus areas:

- Health and Safety – ensuring the safety and well-being of our staff
- Environment – managing our environmental impact areas of waste, energy and water
- Employees – supporting our people to develop and flourish within the business
- Community – positive interaction with the communities in which we operate
- Ethical Standards – operating to the highest ethical standards

We remain committed to ensuring these activities become embedded in how we operate and contribute towards the success of our business. This includes not only identifying and managing business risk but exploring opportunities to add value to the business.

Corporate Governance

The statement on corporate governance can be found in the corporate governance report below. The corporate governance report forms part of this Directors report and is incorporated into it by cross reference.

Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Liquidity risk
- Market price risk
- Interest rate risk: cash flow interest rate risk
- Foreign exchange risk
- Credit risk

Further details on the financial risks and suitable risk management system put in place by the management are in note 10.

Events after the reporting period

Details of significant events that have occurred since 31 December 2020 are provided in note 16 to these financial statements.

Going concern

The financial statements have been prepared on a going concern basis. The Group has not yet earned revenues and is in the pre-construction phase of its business. The operations of the Group are currently financed from funds raised from shareholders. In common with many pre-production entities, the Group will need to raise further funds in order to progress the Group from the feasibility phase into construction and eventually into production of revenues.

The Group has cash and cash equivalents of £1,143,000 at 31 December 2020 and the Directors are of the view this is sufficient to fund the Group's committed expenditure and maintain good title to the exploration licences over the next 12 months from the date of approval of these financial statements, without raising funds in this period. On 26 February 2021, the Company issued 95,652,174 new ordinary shares at an issue price of 5.75 pence per share raising gross proceeds of £5.5 million (note 16).

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

Director appointments and resignations during the year

The Directors who held office during the year and to the date of this report were:

Ed McDermott		
Hayden Locke		
Robert Wrixon		
Graham Clarke	Appointed	22/12/20
James Kelly	Appointed	22/03/21
Mark Connelly	Resigned	27/04/21

Directors interests

The Directors' interest in the shares of the Company at the date of this report were:

	Number of Ordinary Share	% of Issued Ordinary Shares
James Kelly (Non-executive Chairman)	600,000	0.07%
Graham Clarke	500,000	0.06%
Hayden Locke	1,726,644	0.21%
Robert Wrixon*	44,233,411	5.36%
Edward McDermott	475,000	0.06%

*Robert Wrixon's interest is held through Good Spirit International Limited.

Details of the Directors' fees are given in note 4 to the financial statements. In addition, the Directors were issued with share options. Share options disclosures are in note 12.

Disclosure of Information to Auditors

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each 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.

Reappointment of auditor

The auditors, PKF Littlejohn LLP, have indicated their willingness to continue in office and a resolution seeking to reappoint them will be proposed at the Annual General Meeting.

This report was approved by the Board on 14 May 2021 and signed on its behalf.

James Kelly
Chairman

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

The financial statements are required to give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year.

In preparing these 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 accounting standards 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 will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website; the work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website. Legislation governing the preparation and dissemination of financial statements may differ from one jurisdiction to another.

Each of the Directors, whose names and functions are listed below, confirm that, to the best of their knowledge:

- the financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group;
- the director's report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that they face.

By Order of the Board

James Kelly
Chairman
14 May 2021

Introduction from the Chairman

The Board is committed to good corporate governance and, so far as appropriate, given the Group's size and the constitution of the Board, intends to comply with the QCA Guidelines on Corporate Governance ("**QCA Guidelines**"). The Board believes this to be the most appropriate recognised governance code for the Group.

This is a practical, outcome-oriented approach to corporate governance that is tailored for small and mid-size quoted companies in the UK and which provides the Group with the framework to help ensure that a strong level of governance is maintained.

As Chairman, I am responsible for leading an effective board, fostering a good corporate governance culture, maintaining open communications with the shareholders and ensuring appropriate strategic focus and direction for the Group. Notwithstanding the Board's commitment to applying the QCA Code, we will not seek to comply with the QCA Code where strict compliance in the future would be contrary to the primary objective of delivering long-term value for the Company's shareholders and stakeholders.

However, we do consider that following the QCA Code, and a framework of sound corporate governance and an ethical culture, is conducive to long-term value creation for shareholders. All members of the Board believe strongly in the importance of good corporate governance to assist in achieving objectives and in accountability to stakeholders. In the statements that follow, the Board explains its approach to governance in more detail.

Establish a strategy and business model which promote long-term value for shareholders

Emmerson's sole current activity is development of the Khemisset Potash Project located in Northern Morocco. The project has a large JORC Resource Estimate (2012) of 537Mt @ 9.24% K20 and significant exploration potential with an accelerated development pathway targeting a low capex, high margin mine. Khemisset is perfectly located to capitalise on the expected growth of African fertiliser consumption whilst also being located on the doorstep of European markets. This unique positioning means the project will receive a premium netback price compared to existing potash producers. The need to feed the world's rapidly increasing population is driving demand for potash and Emmerson is well placed to benefit from the opportunities this presents.

Seek to understand and meet shareholder needs and expectations

The Company is committed to engaging and communicating openly with its shareholders to ensure that its strategy, business model and performance are clearly understood. All Board members have responsibility for shareholder liaison but queries are primarily delegated to the Company's Advisors in the first instance or the Company's CEO. Contact details for the Company's advisors are available on the Company's website.

Copies of the annual and interim reports are sent to all shareholders and copies can be downloaded from the Company website https://www.emmersonplc.com; alternatively, they are available on request by writing to the Company Secretary at 55 Athol St, Douglas, Isle of Man, IM1. Other Company information for shareholders is also available on the website.

The Company also engages with shareholders at its AGM in each year, which gives investors the opportunity to enter into dialogue with the Board and for the Board to receive feedback and take action if and when necessary. The results of the AGM are subsequently announced via RNS and published on the Company's website.

Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board is aware that engaging with its stakeholders is key and ultimately promotes the long -term success of Emmerson Plc. The Group's stakeholders include shareholders, members of staff of investee companies and of Advisors and other service providers, suppliers, auditors, lenders, regulators, industry bodies, and the surrounding communities of where its investments are located.

The Board as a whole are responsible for reviewing and monitoring the parties contracted to the Company, including their service terms and conditions. The audit committee supports Board decisions by considering and monitoring the risks to the Company.

The Board is regularly updated on wider stakeholder views and issues concerning the existing projects both formally at Board meetings and informally through ad hoc updates. The Board recognises the importance of its social responsibilities concerning its investment decisions. The Company is committed to continuing engagement with all stakeholders.

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

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

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

The senior management team ("Executive Committee") meet on a regular basis to consider new risks and opportunities presented to the Group, making recommendations to the Board as appropriate.

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

Maintain the board as a well- functioning, balanced team led by the Chair

The Board consists of three executive directors and two non-executive directors. Details of each Director are given in a later section of this report.

The Chairman is responsible for leading the Board, ensuring its effectiveness in all aspects of its role, promoting a culture of openness of debate and communicating with the Group's members on behalf of the Board by facilitating the effective contribution of Non-Executive Directors and ensuring constructive relations between Executive and Non-Executive Directors. The Chairman also ensures that Directors receive accurate, timely and clear information. In doing so, this fosters a positive corporate governance culture throughout the Group.

The Chief Executive Officer is responsible for managing the Group's business and operations within the parameters set by the Board.

The Non-Executive Directors are responsible for bringing independent judgement to the discussions held by the Board, using their breadth of experience and understanding of the business. Their key responsibilities are to constructively challenge and contribute to strategic proposals, and to monitor performance, resources, and standards of conduct, compliance and control, whilst providing support to executive management in developing the Group.

The Board is satisfied that it has a suitable balance between independence and knowledge of the business to allow it to discharge its duties and responsibilities effectively.

The Board will hold at least 4 meetings each year with further ad hoc meetings held as required. The Directors devote sufficient time to ensure the Group's affairs are managed as efficiently as possible.

Board Attendance During the Year

The number of formal scheduled Board meetings held and attended by Directors during the year were as follows: -

Mark Connelly*	9/11	
Hayden Locke	10/11	
Ed McDermott	11/11	
Rob Wrixon	8/11	
Graham Clarke	nil	(appointed 24 December 2020)

**Mark Connelly resigned from the board on 27 April 2021. James Kelly was appointed to the board on 22 March 2021 and was appointed as Chairman of the Board on 27 April 2021.*

Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

The Directors have extensive experience in the mining industry and a strong track record of value creation. It is a proven Board and Management Team and it believes it has the correct balance of skills, reflecting a broad range of commercial and professional skills across geographies and industries that is necessary to ensure the Group is equipped to deliver its investment objective. Additionally, each Director has experience in public markets. Information about each Director's experience is given below.

James Kelly (Non-executive Chairman)
James Kelly has over 20 years' experience in the mining and natural resource industry, with extensive experience in corporate finance, strategy and capital allocation. James is non-executive chairman and founder of Trident Royalties plc, a growth focused, diversified mining royalty and streaming company. Prior to founding Trident, James was a senior member of the Xstrata Plc group business development team and following the merger with Glencore Plc, was part of the team which founded Greenstone Resources LP, a mining private equity fund focused on post-exploration development assets. James served as an Executive Director of ASX listed Cradle Resources Limited from May 2016 to July 2017 having been appointed a Non-Executive Director in February 2016. James is a Fellow of the Institute of Chartered Accountants of England and Wales and holds a BA (Hons) from University College London.

James Kelly was appointed to the board on 22 March 2021 and was appointed as Chairman of the Board on 27 April 2021, replacing Mark Connelly.

Robert Wrixon (Executive Director)
Led Moroccan Salts Limited since its inception in 2013. Rob has over 20 years' commercial experience, primarily in the mining sector, including five years with Xstrata in various strategy roles, and as MD and CEO of ASX listed Manhattan Corporation Limited and Haranga Resources Limited. He is a Director and founding partner of Starboard Global Limited, a natural resource PE group and holds a PhD in mineral engineering from the University of California, Berkeley.

Hayden Locke (Executive Director)
An experienced mining executive with 15 years' experience in mining, private equity and investment banking. Most recently he was Head of Corporate and Technical Services (Geology, Mining and Processing) at ASX listed potash developer Highfield Resources. Prior to this, Hayden was Head of Corporate for ASX listed Papillon Resources which was sold to B2Gold in 2014 for approximately US$600 million. Hayden studied engineering, commerce and geology.

Edward McDermott (Non-executive Director)
A former investment banker with 15 years' experience in the management and financing of small companies. Currently a Non-Executive Director of AIM listed companies Fishing Republic Plc and FastForward Innovations Ltd. He has previously served as a Director of AIM listed Stellar Resources Plc and Noricum Gold Ltd. He is part of the corporate finance team at Optiva Securities Limited, the Company's joint corporate Broker.

Graham Clarke (CEO and Director)
Graham is a highly experienced potash mining executive with extensive experience managing large multi-disciplinary teams for underground fertiliser mines. During his 26 years at Cleveland Potash, which owned the Boulby Potash Mine in Yorkshire, Graham held multiple positions from Graduate Trainee through to Director of Mining and, finally, as Managing Director of ICL UK (the owner of Cleveland Potash) with full operational responsibility. From 2011 until early 2020, Graham was a key member of the senior executive team at Sirius Minerals, overseeing all technical aspects of the development of the Woodsmith Mine, moving it successfully from concept, through various phases of study and design, into construction.

Graham Clarke was appointed CEO of the Company in July 2020 and an executive Director from 24 December 2020.

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

All Board appointments have been made after consultation and detailed due diligence is carried out on all new potential board candidates. The Board will consider using external advisers to review and evaluate the effectiveness of the Board and Directors in future to supplement its own internal evaluation processes.

The Group's Rules require that all Directors are submitted for election at the AGM following their first appointment to the Board and at least one third of the Directors are subject to retirement by rotation on an annual basis to refresh the Board, irrespective of performance.

Promote a corporate culture that is based on ethical values and behaviours

The Board is mindful that the tone and culture set by the Board will impact many aspects of the Group and the way that stakeholders behave and form views.

The Board has adopted a Bribery and Corruption Policy consistent with the requirements of the UK Bribery Act 2010 and the Isle of Man Bribery Act 2013. Compliance with the policy will be regularly reviewed at Board meetings.

Maintain governance structures and processes that are fit for purpose and support good decision-making by the board.

A description of each Board member and their experience are displayed on the website at https://www.emmersonplc.com.

The Board of Directors is responsible for the determination of the investment decisions of the Company and for its overall supervision via the investment policy and objectives that it has set out. The Board is also responsible for the Company's day-to-day operations, in order to fulfil all their obligations, the Board has delegated some responsibilities through arrangements with the Investment Adviser and Administrator.

There is no nomination committee separate to the full Board. The role of the nomination committee is undertaken by the full Board.

The Board intends to meet formally at least four times each year. At each Board meeting the financial performance of the Company and all other significant matters are reviewed so as to ensure the Directors maintain overall control and supervision of the Company's affairs. The Board receives investment reports from the Asset Manager and Valuation and Portfolio Services Adviser and Committees.

The Board maintains regular contact with all its service providers and are kept fully informed of investment and financial controls and any other matters that should be brought to the attention of the directors. The Directors also have access where necessary to independent professional advice at the expense of the Company.

The Chairman is responsible for leading an effective board, fostering a good corporate governance culture, maintaining open communications with the major shareholders and ensuring appropriate strategic focus and direction.

The Chief Executive Officer has overall responsibility for managing the day to day operations of the Company and the Board as a whole is responsible for implementing the Company's strategy.

Committees

Audit Committee

The Audit Committee is a sub-committee of the Board, currently consisting of James Kelly, Robert Wrixon and Ed McDermott. The Audit Committee has met at least once since the last Annual General Meeting ("AGM") and has reviewed the following, where relevant, with the executive directors and external auditors of the Group:

- The audit plans and results of the external auditors' examination and evaluation of the Group's systems of internal accounting controls;
- The Group's financial and operating results and accounting policies;

- The financial statements of the Group before their submission to the Directors and external auditors' report on those financial statements;
- The quarterly, half-yearly and annual announcements as well as the related press releases on the results and financial position of the Group;
- The co-operation and assistance given by the management to the Group's external auditors; and
- The re-appointment of the external auditors of the Group.

The Audit Committee following a review of the qualification, expertise and resources, effectiveness and independence of the external auditors recommended to the Board that they be reappointed.

Remuneration Committee

The Remuneration Committee, consisting of the non-executive directors, is a sub-committee of the Board and meet at least twice each year. The salaries, remuneration and other financial benefits of the key management and the members of the Board of Directors is determined by the Remuneration Committee having regard to the performance of individuals and market trends.

Nomination Committee

The Company has not established a nomination committee as it is satisfied nominations can be considered by the Board.

Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board welcomes the views of all stakeholders who can contact the Directors or Company Secretary with any queries they may have. The Executive Directors and advisers regularly engage with shareholders.

The Board recognises the importance of maintaining strong relationships with shareholders, so we understand their views and are aware of their issues and concerns.

The management team continues to have close dialogue with local landowners and ensure any concerns are addressed. The management team has met with the Minister of Mines in Morocco and maintains a strong working relationship with its office.

The Company communicates with shareholders and other stakeholders through the Annual Report and Accounts, full-year and half-year announcements, news announcements, the Annual General Meeting, and website.

Historical information is available on the website. The Group's financial reports and Notices of General Meetings can also be found here https://www.emmersonplc.com/investors/corporate-documents/.

On behalf of the Board

James Kelly
Chairman
14 May 2021

Opinion

We have audited the group financial statements of Emmerson Plc (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including 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.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's affairs as at 31 December 2020 and of the group's loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Isle of Man 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 in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- Confirming the group's cash position including verifying receipt of funds associated with the post year end fund raise;
- Checking the mathematical accuracy of the spreadsheet used to model future financial performance;
- Evaluating the assumptions regarding the use of funds to develop the Khemisset project and the ability to restrict capital expenditure, postponement of directors' fees and other means in order to protect the cash position of the group where necessary; and
- Assessing whether management has adequately disclosed the conditions on the ability of the group to continue as a going concern in the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. The materiality applied to the group financial statements was £182,000 (2019: £150,000), based on 2% of gross assets, as we believe assets to be the main driver of the business whilst the group is in the exploration stage and no revenues are currently being generated. The performance materiality was £109,200 (£90,000). For each component in the scope of our group audit, we allocated a materiality that was less than our overall group materiality.

We agreed with the audit committee that we would report to the committee all differences identified during the course of our audit in excess of £9,100 (£7,500). We also agreed to report any other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our approach to the audit

In designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates such as the carrying value of intangible assets and judgement by the directors and considered future events that are inherently uncertain. We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

There were two significant components identified; the parent company and the MSL group which holds the Khemisset project. The parent company was subject to a full scope audit conducted directly by the group audit team. The MSL sub-group is located in Morocco and was audited by a component auditor within the PKF network under our instruction. The Engagement Partner and group audit team interacted regularly with the component audit team during all stages of the audit and was responsible for the scope and direction of the audit process. In addition, a material but not significant component was identified and subject to an audit of specified audit procedures by the group audit team.

This, in conjunction with additional procedures performed, gave us appropriate evidence for our opinion on the financial statements.

Key audit matters

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

Key Audit Matter	How the scope of our audit responded to the key audit matter
Carrying value and recoverability of intangible assets (refer to note 7)	
The group has reported intangible assets of £8,142,000 in its Statement of Financial Position as at 31 December 2020 which comprise exploration and evaluation assets. The carrying value and recoverability of these intangible assets are tested annually for impairment. The estimated recoverable amount of this balance is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows, taking into consideration the stage of the project as it progresses towards commencement of construction.	We tested the group's exploration and the mining licence issued post year end to confirm good title and standing. We reviewed and evaluated the impairment assessment prepared by management in relation to the Khemisset project. Our procedures included an assessment of the exploration and evaluation project with reference to the criteria listed within IFRS 6, to include whether: • exploration and evaluation work to date indicates that the carrying amount is unlikely to be recovered from further development or sale; and • substantive expenditure on further exploration and evaluation is not budgeted or planned. We obtained and reviewed the independently prepared reports commissioned in connection with the progression of the project including but not limited to the feasibility study and competent persons report included in the schedule one announcement which was issued in connection with the AIM listing. We also assessed the qualifications and independence of the firms and individuals who prepared those reports. We evaluated whether the model used to calculate value in use complies with the requirements of IAS 36 'Impairment of Assets', including validating the key assumptions and

	inputs applied and, where applicable, subjecting the key assumptions to sensitivity analysis. We tested directly, and reviewed the working papers prepared by the component auditor, in respect of the capitalised additions in the year for eligibility in accordance with IFRS 6. We also reviewed the work performed by the component auditor in respect of assessing compliance with the terms and conditions contained in the exploration licenses. The Directors' judgements in their assessment of recoverability are reasonable and our work did not identify an impairment to the year-end carrying value.

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 contained within the annual report. Our opinion on the group financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Matters on which we are required to report by exception

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

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group'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 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the group and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through industry research, application of cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the group in this regard to be those arising from the IFRS accounting standards, AIM Rules for Companies and the operating and environmental terms governing exploration and evaluation activities.
- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group with those laws and regulations. These procedures included, but were not limited to specific enquiries of management, reviewing board minutes and any legal or regulatory compliance correspondence.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, whether key accounting estimates and judgements made by management when auditing significant accounting estimates. We address these risks by challenging the assumptions and judgements made by management when auditing significant accounting estimates.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business, as well as discussions with management where relevant.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 our engagement letter. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

15 Westferry Circus
Canary Wharf
London E14 4HD

14 May 2021

	Note	2020 £'000	2019 £'000
Continuing Operations			
Administrative expenses	3	(1,586)	(985)
Net foreign exchange gain/(loss)		61	(161)
Operating loss		**(1,525)**	**(1,146)**
Finance income		4	14
Loss before tax		**(1,521)**	**(1,132)**
Income tax	5	-	-
Loss for the year attributable to equity owners		**(1,521)**	**(1,132)**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Exchange gain/(loss) on translating foreign operations		97	(32)
Total comprehensive income attributable to equity owners		**(1,424)**	**(1,164)**
Earnings per share (pence) Basic and diluted	6	**(0.22)**	**(0.17)**

The notes on pages 23 to 34 are an integral part of these consolidated financial statements.

EMMERSON PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	2020 £'000	2019 £'000
Non-current assets			
Intangible assets	7	8,142	6,172
Property, plant and equipment		12	38
Total non-current assets		**8,154**	**6,210**
Current assets			
Trade and other receivables	8	314	271
Cash and cash equivalents		1,143	2,071
Total current assets		**1,457**	**2,342**
Total assets		**9,611**	**8,552**
Current liabilities			
Trade and other payables	9	498	414
Total current liabilities		**498**	**414**
Net assets		**9,113**	**8,138**
Shareholders equity attributable to equity owners			
Share capital	11	12,030	10,408
Share reserve	12	1,163	386
Reverse acquisition reserve		1,651	1,651
Retained earnings		(5,740)	(4,219)
Translation reserve		9	(88)
Total equity		**9,113**	**8,138**

These financial statements were approved by the Board on 14 May 2021 and signed on their behalf by

Robert Wrixon
Director

Graham Clarke
Director

The notes on pages 23 to 34 are an integral part of these consolidated financial statements.

	Share Capital £'000	Share reserve £'000	Reverse Acquisition reserve £'000	Retained earnings £'000	Translation reserve £'000	Total equity £'000
Balance as at 1 January 2019	**8,265**	**229**	**1,651**	**(3,087)**	**(56)**	**7,002**
Loss for the year	-	-	-	(1,132)	-	(1,132)
Other comprehensive loss: Exchange loss on translating foreign operations	-	-	-	-	(32)	(32)
Total comprehensive loss	-	-	-	(1,132)	(32)	(1,164)
Issue of share options and warrants	-	157	-	-	-	157
Issue of shares for cash	2,250	-	-	-	-	2,250
Share issue costs	(107)	-	-	-	-	(107)
Balance as at 31 December 2019	**10,408**	**386**	**1,651**	**(4,219)**	**(88)**	**8,138**
Balance as at 1 January 2020	**10,408**	**386**	**1,651**	**(4,219)**	**(88)**	**8,138**
Loss for the year	-	-	-	(1,521)	-	(1,521)
Other comprehensive income: Exchange loss on translating foreign operations					97	97
Total comprehensive income	**-**	**-**	**-**	**(1,521)**	**97**	**(1,424)**
Issue of share options and warrants	-	777	-	-	-	777
Issue of shares for cash	1,731	-	-	-	-	1,731
Share issue costs	(109)	-	-	-	-	(109)
Balance as at 31 December 2020	**12,030**	**1,163**	**1,651**	**(5,740)**	**9**	**9,113**

i. The Ordinary Shares issued by the Company have a no par value and all fully paid. Further information on share capital is in note 11 to the financial statements.

ii. The share reserve arises on the grant of share options and warrants to Directors and employees under the share option plan. Disclosures of share-based payments to Directors and employees is in note 12.

iii. The Reverse acquisition reserve arose from the reverse takeover.

iv. The Retained earnings are cumulative earnings since incorporation less any dividends declared.

v. The translation reserve comprises translation differences arising from the translation of financial statements of the Group's foreign entities into Sterling (£).

The notes on pages 23 to 34 are an integral part of these consolidated financial statements.

	Notes	2020 £'000	2019 £'000
Cash flows from operating activities			
Loss before tax		(1,521)	(1,132)
Share based payment	12	777	157
Changes in working capital			
(Increase)/decrease in trade and other receivables		(43)	81
Increase/(decrease) in trade and other payables		84	(26)
Net cash flows used in operating activities		**(703)**	**(920)**
Cash flows from investing activities			
Exploration expenditure	7	(1,970)	(2,473)
Property, plant and equipment purchase		-	2
Net cash flow used in investing activities		**(1,970)**	**(2,471)**
Cash flows from financing activities			
Shares issued (net of issue costs)	11	1,622	2,143
Net cash flow generated from financing activities		**1,622**	**2,143**
Increase in cash and cash equivalents		**(1,051)**	**(1,248)**
Cash and cash equivalents at beginning of year		2,071	3,351
Foreign exchange on cash and cash equivalents		123	(32)
Cash and cash equivalents at end of year		**1,143**	**2,071**

Major non-cash transactions
Significant non-cash transactions in respect of share issues are disclosed within note 11.

The notes on pages 23 to 34 are an integral part of these consolidated financial statements.

1. General information

Emmerson Plc (the "Company") is a company incorporated and domiciled in the Isle of Man, whose shares were admitted to the Standard Listing segment of the Main market of the London Stock Exchange on 15 February 2017. On 27 April 2021, the Ordinary Shares of the Company were admitted to trading on AIM and the listing of the Company's ordinary shares on the Official List and their trading on the Main Market were cancelled.

The principal activity of the Group is the exploration, development and exploitation of a potash development project in Morocco.

2. Basis of preparation

2.1 General

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS and IFRIC interpretations) ("IFRS") in force at the reporting date, and their interpretations issued by the International Accounting Standards Board ("IASB") as adopted for use within the European Union. The financial statements have been prepared under the historical cost convention except for the revaluation of certain financial instruments that are measured at fair value.

The financial statements have been rounded to the £'000.

2.2 Functional and presentational currency

The financial information of the Group is presented in UK Sterling, which is also the functional currency of the Company. The individual financial statements of each of the Company's wholly owned subsidiaries are prepared in the currency of the primary economic environment in which it operates (its functional currency).

2.3 Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of the Company, Moroccan Salts Limited and Moroccan Salts Limited's subsidiaries (the "MSL Group") following the business combination which took place on 4 June 2018.

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

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

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

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

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

All the Group's companies have 31 December as their year-end. Consolidated financial statements are prepared using uniform accounting policies for like transactions.

2.4 Going concern

The financial statements have been prepared on a going concern basis. The Group has not yet earned revenues and is in the pre-construction phase of its business. The operations of the Group are currently financed from funds raised from shareholders. In common with many pre-production entities, the Group will need to raise further funds in order to progress the Group from the feasibility phase into construction and eventually into production of revenues.

The Group has cash and cash equivalents of £1,143,000 at 31 December 2020 and the Directors are of the view this is sufficient to fund the Group's committed expenditure and maintain good title to the exploration licences over the next 12 months from the date of approval of these financial statements, without raising funds in this period. On 26 February 2021, the Company issued 95,652,174 new ordinary shares at an issue price of 5.75 pence per share raising gross proceeds of £5.5 million (note 17).

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

2.5 Changes in accounting policies

Standards, interpretations and amendments to published standards effective from 1 January 2020

There were no new standards or interpretations effective and adopted for the first time for the year beginning on or after 1 January 2020 that had a significant effect on the Group's or Company's financial statements. These include:

IFRS 3 - (Amendments) Business combinations - definition of a business
IAS 1 and IAS 8 (Amendments) 'Presentation of financial statements' and 'Accounting policies, changes in accounting estimates and errors' - definition of material
Conceptual Framework - Amendments to references to the conceptual framework in IFRS Standards
IAS 12 - Income taxes - clarification of treatment of deferred tax liabilities acquired through business combinations

Standards, interpretations and amendments to published standards not yet effective

The Group has not early applied the following new and amendments to IFRSs that have been issued but are not yet effective:

IFRS 17	*Insurance Contracts and the related Amendments*[1]
Amendments to IFRS 3	*Reference to the Conceptual Framework*[2]
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	*Interest Rate Benchmark Reform-Phase 2*[4]
Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[3]
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current*[1]
Amendments to IAS 1 and IFRS Practice Statement 2	*Disclosure of Accounting Policies*[1]
Amendments to IAS 8	*Definition of Accounting Estimates*[1]
Amendments to IAS 16	*Property, Plant and Equipment: Proceeds before Intended Use*[2]
Amendments to IAS 37	*Onerous Contracts-Cost of Fulfilling a Contract*[2]
Amendments to IFRS Standards	*Annual Improvements to IFRS Standards 2018-2020*[2]

1 *Effective for annual periods beginning on or after 1 January 2023.*
2 *Effective for annual periods beginning on or after 1 January 2022.*
3 *Effective for annual periods beginning on or after a date to be determined.*
4 *Effective for annual periods beginning on or after 1 January 2021.*

The Directors anticipate that the application of all new and amendments to IFRSs will have no material impact on the future results of the Group or Company in the foreseeable future.

2.6 Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

The Directors are of the opinion that the Group is engaged in a single segment of business being the exploration activity of potash in one geographical area, being Morocco.

2.7 Financial instruments

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

(a) Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through OCI, or fair value through profit and loss.

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

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

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

Subsequent measurement

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

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

Financial assets at amortised cost (debt instruments)

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

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Derecognition

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

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

Impairment of financial assets

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

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows and usually occurs when past due for more than one year and not subject to enforcement activity. At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

(b) Financial liabilities

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Loans and borrowings and trade and other payables

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

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

This category generally applies to trade and other payables.

Derecognition

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

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

(c) Financial liabilities

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

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

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

2.8 Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, determined using tax rates that are expected to apply when the related deferred tax asset or liability is realised or settled. Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.9 Intangible assets – exploration and evaluation expenditure

Exploration expenditure comprises all costs which are directly attributable to the exploration of a project area.

When it has been established that a mineral deposit has development potential, all costs (direct and applicable overheads) incurred in connection with the exploration and development of the mineral deposits are capitalised until either production commences or the project is not considered economically viable.

In the event of production commencing, exploration costs are amortised through administrative expenses, over the expected life of the mineral reserves on a unit production basis. Other pre-trading expenses are written off as incurred. For the purposes of impairment testing, intangible assets are allocated to specific projects with each licence reviewed annually. Where a project is abandoned or is considered to be of no further interest, the related costs are written off.

Intangible assets are not subject to amortisation and are tested annually for impairment. The recoverability of all exploration costs, licenses and mineral resources is dependent on the ability of the Group to obtain necessary financing to complete the development of reserves and future profitable production, or proceeds from the disposition thereof.

2.10 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand and deposits held at call with financial institutions.

2.11 Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the Statement of Financial Position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

On consolidation of a foreign operation, assets and liabilities are translated at the closing rate at the date of the Statement of Financial Position, income and expenses for each Statement of Comprehensive Income presented are translated at average exchange rates. All resulting exchange differences shall be recognised in other comprehensive income and accumulated in equity.

2.12 Share-based payment arrangements

The Group operates equity-settled, share-based compensation plans, under which the entity receives services from employees as consideration for equity instruments (options) of the Group. The fair value of employee services received in exchange for the grant of share options are recognised as an expense. The total expense to be apportioned over the vesting period is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions; and
- including the impact of any non-vesting conditions.

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period the Group revises its estimate of the number of options that are expected to vest.

The Group recognises the impact of the revision of original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

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

The fair value of goods or services received in exchange for shares is recognised as an expense and included within administrative expenses.

2.13 Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed below:

a) Recoverability of intangible assets

The Group tests annually for impairment or more frequently if there are indications that the intangible assets might be impaired.

Determining whether the intangible assets are impaired requires an estimation of the value in use of the cash generating units to which the intangible assets belong. Where impairment indicators are present, the Group is required to evaluate the future cash flows expected to arise from the cash-generating unit and the suitable discount rate in order to calculate the present value.

The carrying value of Group's exploration and evaluation intangible assets at 31 December 2020 is £8,142,000 (2019: £6,172,000).

b) Share based payments

The Group has made awards of options on its unissued share capital to certain directors and employees as part of their remuneration package.

The valuation of these options involved making a number of critical estimates relating to price volatility, future dividend yields, expected life of the options and interest rates. These assumptions are described in more detail in note 12.

The expense charged to the Statement of Comprehensive Income during the year in relation to share based payments was £777,000 (2019: £157,000).

c) Going concern

In their assessment of going concern, the Directors have prepared cash flow forecasts which require a number of judgments to be made including the Directors ability to access further financing and to implement cost saving and deferral measures, where necessary.

The Directors have prepared a cash flow forecast which assumes that the Group is not able to raise additional funds within the going concern period and if that was the case, the forecasts demonstrate that austerity measures can be implemented or significant project expenditure delayed to reduce the cash outflows to the minimal contracted and committed expenditure while also maintaining the Group's licences and permits. Based on their assessment of the financial position, the Directors have a reasonable expectation that the Group will be able to continue in operational existence for the next twelve months and continue to adopt the going concern basis of accounting in preparing these financial statements.

3. Expenses by nature

	2020 £'000	2019 £'000
Project costs	16	43
Directors' fees (note 4)	150	162
Share based payments (note 12)	777	157
Travel and accommodation	33	128
Auditors remuneration including associates	33	41
Professional and consultancy fees	577	454
Total	**1,586**	**985**

4. Directors' remuneration

Details of Directors' remuneration during the year are as follows:

	2020 £'000	2019 £'000
Edward McDermott	36	36
Hayden Locke	24	24
Mark Connelly	36	36
Robert Wrixon	54	66
	150	**162**

Graham Clarke (appointed on 24 December 2020), Hayden Locke and Robert Wrixon also received fees for consultancy services which are disclosed within note 14.

In addition, the Directors received share options. Further details on share options are in note 14.

Directors' fees which are directly attributable to the exploration of a project area have been capitalised as intangible assets.

5. Income tax

	2020 £'000	2019 £'000
Current tax:		
Tax	-	-
Total tax	-	-
Reconciliation of income tax		
Loss before tax	(1,521)	(1,132)
Loss before tax multiplied by domestic tax rates applicable to losses in the respective countries	(11)	(11)
Effects of:		
Non-taxation income/(non-deductible expenses)	-	-
Losses on which no deferred tax is recognised	11	11
Total tax	-	-

The weighted average applicable tax rate was 1% (2019: 1%). The Isle of Man has a 0% tax rate and Morocco has a 23% tax rate.

A deferred tax asset has not been recognised in respect of deductible temporary differences relating to certain losses carried forward at the year end, as there is insufficient evidence that taxable profits will be available in the foreseeable future against which the deductible temporary difference can be utilised.

The unrecognised deferred tax asset for the Group was approximately £36,000 (2019: £25,000). The unrecognised deferred tax asset relating to Moroccan tax losses amounted to approximately £36,000 (2019: £25,000).

6. Earnings per share

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

	2020	2019
Earnings		
Loss from continuing operations for the year attributable to the equity holders of the Company	£1,521,000	£1,132,000
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	704,759,944	654,484,033
Basic and diluted loss per share	**0.22 pence**	**0.17 pence**

The potential number of shares which could be issued following the exercise of options and warrants currently outstanding amounts to 53,888,332 (see note 12). Dilutive earnings per share equals basic earnings per share as, due to the losses incurred, there is no dilutive effect from the existing share options and warrants.

7. Intangible assets

The intangible assets consist of capitalised exploration and evaluation expenditure, including the cost of acquiring the one mining licence and research permits held by the Company's subsidiaries. The potash properties are currently unproved reserves. Once properties are classified as proved reserves, they will be transferred from intangible assets to tangible assets, and amortised over the life of the area according to the rate of depletion of the economically recoverable costs.

	2020 £'000	2019 £'000
Cost:		
At the beginning of the year	6,172	3,699
Additions	1,970	2,473
Total	**8,142**	**6,172**

Intangible assets are reviewed at each reporting date to determine whether there is objective evidence of impairment. If any such indication exists, an impairment loss is recognised in profit or loss as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate.

The Directors therefore undertook an assessment of the following areas and circumstances that could indicate the existence of impairment:

- The Group's right to explore in an area has expired, or will expire in the near future without renewal;
- No further exploration or evaluation is planned or budgeted for;
- A decision has been taken by the Board to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves; or
- Sufficient data exists to indicate that the book value will not be fully recovered from future development and production.

Following their assessment, the Directors concluded that no impairment charge was necessary for the period ended 31 December 2020.

8. Trade and other receivables

	2020 £'000	2019 £'000
Other receivables	291	236
Prepayments	23	35
Total	**314**	**271**

9. Trade and other payables

	2020 £'000	2019 £'000
Other payables	166	175
Accruals	332	239
Total	**498**	**414**

10. Financial instruments

Categories of financial instruments

Financial assets measured at amortised cost	**2020 £'000**	**2019 £'000**
Other receivables	291	236
Cash and cash equivalents	1,143	2,071
	1,434	**2,307**
Financial liabilities measured at amortised cost		
Other payables	**166**	**175**

Financial risk management objectives and policies

The Company is exposed through its operations to credit risk and liquidity risk. In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout this financial information.

General objectives, policies and processes
The Directors have overall responsibility for the determination of the Company's risk management objectives and policies. Further details regarding these policies are set out below:

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

The capital structure of the Group consists of issued capital, reserves and retained earnings. The Directors reviews the capital structure on a semi-annual basis. As a part of this review, the Directors consider the cost of capital, the risks associated with each class of capital and overall capital structure risk management through the new share issues and share buy-backs as well as the issue of new debt or the redemption of existing debt.

The management's strategy remained unchanged from 2019.

Market price risk
The development and success of any project of the Group will be primarily dependent on the future price of potash. Potash prices are subject to significant fluctuation and are affected by a number of factors which are beyond the control of the Company. Future production from the Khemisset Project is dependent on potash prices that are adequate to make the project economic.

Credit risk
The Company's credit risk arises from cash and cash equivalents with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are accepted.

Liquidity risk
Liquidity risk arises from the Directors' management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

The Directors' policy is to ensure that the Company will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, the Directors seek to maintain a cash balance sufficient to meet expected requirements.

The Directors have prepared cash flow projections on a monthly basis through to 30 September 2021. At the end of the period under review, these projections indicated that the Group is expected to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

Foreign exchange risk
The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the United States Dollar ("US$") and Morocco Dirham ("MAD"). Foreign exchange risk arises from future commercial transactions, recognised monetary assets and liabilities and net investments in foreign operations.

Net assets denominated in US$ and MAD at the year-end amounted to £0.82 million and net liability of £0.06 million respectively.

At 31 December 2020, had the exchange rate between the Sterling and US$ increased or decreased by 5% with all other variables held constant, the increase or decrease respectively in net assets would amount to approximately £308,000 (2019: £80,000).

At 31 December 2020, had the exchange rate between the Sterling and MAD increased or decreased by 5% with all other variables held constant, the increase or decrease respectively in net assets would amount to approximately £93,000 (2019: £6,000).

The Group does not hedge against foreign exchange movements.

11. Share capital

The Ordinary Shares issued by the Company have a no par value and all fully paid. Each Ordinary Share carries one vote on a poll vote. The Company does not have a limited amount of authorised capital.

	Number of shares	£'000
As at 31 December 2019	**686,132,385**	**10,408**
Shares issue for cash	40,470,589	1,720
Less share issue costs	-	(109)
Warrants exercised	-	11
As at 31 December 2020	**726,602,974**	**12,030**

12. Share based payments

The following is a summary of the share options and warrants outstanding as at 31 December 2020:

Date of grant	Expire date	Vesting date	Exercise Price	No of Options	Share price at grant date	Risk Free rate	Volatility	Option Value
08-May-18	07-May-23	08-May-18	£0.0300	7,250,000	£0.0225	1.30%	34%	£0.0098
08-May-18	07-May-23	08-Nov-18	£0.0300	7,250,000	£0.0225	1.30%	34%	£0.0098
08-May-18	07-May-23	08-May-19	£0.0300	10,750,000	£0.0225	1.30%	34%	£0.0098
08-May-18	07-May-23	08-Nov-19	£0.0300	13,250,000	£0.0225	1.30%	34%	£0.0098
26-Mar-19	24-Mar-24	26-Mar-20	£0.0350	6,900,000	£0.0400	2.10%	68%	£0.0242
07-Aug-19	05-Aug-24	07-Aug-19	£0.0500	1,500,000	£0.0375	2.10%	58%	£0.0192
01-Aug-20	31-Jul-25	01-Aug-21	£0.0010	25,333,333	£0.0435	1.10%	71%	£0.0219
01-Aug-20	31-Jul-25	01-Aug-22	£0.0010	7,333,333	£0.0435	1.10%	71%	£0.0219
01-Aug-20	31-Jul-25	01-Aug-23	£0.0010	3,333,334	£0.0435	1.10%	71%	£0.0219
01-Aug-20	31-Jul-25	01-Aug-20	£0.0010	19,000,000	£0.0435	1.10%	71%	£0.0219
				101,900,000				

Date of grant	Expire date	Vesting date	Exercise Price	No of Warrants	Share price at grant date	Risk Free rate	Volatility	Warrant Value
04-Jun-18	03-Jun-21	04-Jun-18	£0.0300	722,666	£0.0225	1%	34%	£0.0070
04-Jun-18	03-Jun-23	04-Jun-18	£0.0300	333,333	£0.0225	1%	34%	£0.0089
04-Jun-18	08-May-21	04-Jun-18	£0.0300	10,000,000	£0.0225	1%	34%	£0.0070
				11,055,999				
Total outstanding at 31 December 2020				112,955,999				

During the year nil share options expired (2019: nil) and nil were exercised (2019: nil).

During the year 333,333 warrants expired (2019: nil) and 389,333 warrants were exercised (2019: nil).

The weighted average remaining contractual life of the options and warrants at year-end is 3.3 years.

The options and warrants issued were valued using the Black-Scholes valuation method and the assumptions used are detailed above. The expected future volatility has been determined by reference to the historical volatility.

The total share based payment recognised in the Statement of Changes in Equity during the year was £777,000 (2019: £157,000).

The Group operates equity-settled, share-based compensation plans, under which the entity receives services from Directors and employees as consideration for equity instruments (options) of the Group.

There are 101,900,000 options (2019: 42,500,000 options) at the year-end that are held by the current Directors and consultants. Vesting of the options is subject to the option holder providing continuous service during the vesting period and there are no other performance conditions attached to the options.

	Number issued	Expiry of option year
Share options		
Edward McDermott (director)	11,000,000	5 years
Graham Clarke (director)	17,500,000	5 years
Hayden Locke (director)	22,000,000	5 years
Mark Connelly (director)	8,000,000	5 years
Robert Wrixon (director)	11,000,000	5 years
Consultants and other	32,400,000	5 years
Total	**101,900,000**	

13. Future rental payments

The commitments arising from operating leases are largely rental payments for buildings. The future minimum lease payments (payables) under non-cancellable operating leases are:

	2020 £'000	2019 £'000
Within one year	15	14
More than one year	-	-
As at end of year	**15**	**14**

14. Related party transactions

Directors consultancy fees

Hayden Locke is a Director of the Company and is a director of Benson Capital Limited, which provide consulting services to the Company. During the year, Benson Capital Limited received total fees of £ 246,000 (2019: £378,000). The amount outstanding as at year-end is £83,500 (2019: £ 103,416).

Robert Wrixon is a Director of the Company and also provides consulting services to the Company. During the year, Robert Wrixon received fees of £84,000 (2019: £84,000). The amount outstanding as at year-end is £nil (2019: £ nil).

Graham Clarke is a Director of the Company and is a director of GCUK Consulting Limited, which provide consulting services to the Company. During the year, GCUK Consulting Limited received total fees of £ 170,000 (2019: £ nil). The amount outstanding as at year-end is £70,000 (2019: £ nil).

Details of directors' remuneration during the year are given in note 4.

Other key management personnel

Phil Cleggett is the only key management personnel other than the Directors. Fees of £170,000 (2019: £190,000) were paid during the year to Bremer Consulting Pty Ltd, a company Phil Cleggett controls and the amount outstanding as at year-end is £60,000 (2019: £ 45,500).

There are no other related party transactions.

15. Ultimate controlling party

The Directors consider that there is no controlling or ultimate controlling party of the Company.

16. Events after the reporting date

On 19 January 2021, the Company received gross proceeds of £11,649.99 from the exercise of 389,333 ordinary shares of no par value at a price of 3 pence per share.

On 9 February 2021, the Company was granted the mining licence for its 100% owned Khemisset Potash Project from the Moroccan Ministry of Energy, Mines and the Environment.

On 26 February 2021, the Company issued 95,652,174 new ordinary shares of no par value each at an issue price of 5.75 pence per Placing Share. Total gross proceeds were £5.5 million.

On 22 March 2021, the Company appointed James Kelly to the board of directors.

On 24 March 2021, the Company issued 600,000 new Ordinary Shares to James Kelly at a price of 5.65p each.

On 27 April 2021, the Ordinary Shares of the Company were admitted to trading on AIM and the listing of the Company's ordinary shares on the Official List and their trading on the Main Market were cancelled.

Company Information

Directors
James Kelly (Non-executive Chairman)
Graham Clarke (Chief Executive Officer)
Hayden Locke (Executive Director)
Robert Wrixon (Executive Director)
Edward McDermott (Non-executive Director)

Registered Office

55 Athol St
Douglas
Isle of Man
IM1 1LA

Company No. 013301V

Administrator and Registered Agent
FIM Capital Limited
55 Athol St
Douglas
Isle of Man
IM1 1LA

Principal Place of Business
Level 3
52 Berkeley Square
London
W1J 5EL

Joint Broker
Shard Capital Partners
20 Fenchurch Street
London
EC3M 3BY

Registrars
Share Registrars Limited
The Courtyard
17 West Street
Farnham
Surrey
GU9 7DR

Joint Broker
Shore Capital Stockbrokers Limited
57 St James's St
London
SW1A 1LD

Auditor
PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
London
E14 4HD

Nominated Adviser
Shore Capital and Corporate Limited
57 St James's St
London
SW1A 1LD

EMMERSON PLC

WWW.EMMERSONPLC.COM

TEL: 0207 236 1177
@EMMERSON_PLC