

KERAS RESOURCES PLC

**CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 31 MARCH 2021**

KERAS RESOURCES PLC

CONTENTS

	Page
Company Information	1
Chairman's Review	2
Condensed Consolidated Statement of Comprehensive Income	5
Condensed Consolidated Statement of Financial Position	6
Condensed Consolidated Statement of Changes in Equity - 31 March 2020	7
Condensed Consolidated Statement of Changes in Equity - 30 September 2020	8
Condensed Consolidated Statement of Changes in Equity - 31 March 2021	9
Condensed Consolidated Statement of Cash Flows	10
Notes to the Condensed Consolidated Interim Financial Report	11

KERAS RESOURCES PLC

COMPANY INFORMATION

Directors:	B Moritz R Lamming D Reeves	Non-Executive Chairman Chief Executive Officer Non-Executive Director
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Company secretary: Cargil Management Services Limited

Company number: 07353748

Registered office: 27/28 Eastcastle Street
London W1W 8DH

**Nominated advisor
& Joint Broker :** SP Angel Corporate Finance LLP
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London W1S 2PP

Joint broker: Shard Capital Partners LLP
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Solicitors: Memery Crystal
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London EC4A 2DY

Group auditors: PKF Littlejohn LLP
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Canary Wharf
London E14 4HD

**CHAIRMAN'S REVIEW
FOR THE SIX MONTHS ENDED 31 MARCH 2021**

I am pleased to report on our activities over the past six months. The team in Utah has worked very hard on the installation of the milling plant for the Diamond Creek mine. This had its challenges but it is great to see the plant being commissioned. We now have the in-house capacity to produce a range of high-quality products that we can tailor for customers and will now process the remainder of the run-of-mine ore from our 2020 mining season. The plant will also reduce our operating costs as no third-party tolling will be required going forward. Work will now focus on ensuring full road access and maintenance is complete so that we can commence our 2021 mining schedule. Production from our mining season is expected to commence in July and will run through to October.

Management has also continued to engage with the Togolese Authorities on the final permitting for the Nayéga manganese project in Togo and we are very pleased to welcome Blaise Gozan, previously employed by Rio Tinto in Canada, as Country Manager who further bolsters our presence and expertise in country and will continue to progress discussions on our behalf.

Diamond Creek Phosphate Mine (Diamond Creek) – Utah, US

Diamond Creek is a fully permitted, high grade organic phosphate mine and Keras now holds a 51% controlling interest having paid the final tranche of a US\$2.5m loan to Falcon Isle Resources, the owner of the Diamond Creek mine, at the end of December 2020. Work throughout the period at Diamond Creek focussed on the installation of the milling plant at Spanish Fork, Utah, which is being commissioned during June 2021, and provides the in-house capacity to beneficiate products on site and sell a range of premium organic phosphates directly into the high demand US fertiliser markets. This capacity will be further enhanced once the granulator plant is brought online. Delivery had been delayed due to shipping container constraints but this is now en route to site and will be commissioned later this year. The 2020 mining campaign - when we can carry out our physical mining activities and produce our target run-of-mine tonnages for the year - was completed in October 2020 with a total of 7,620 ore tons extracted. As previously announced, we plan to mine 10,000 tons during the 2021 mining season commencing during July 2021 - to ensure that sufficient material is available for planned sales, while maintaining the phased increase to the Year 5 target of 48,000 tons of commercial production.

Sales from the 2020 mining campaign up to 31 March 2021 were 1,297 tons, and the year-to-date total sales are 2,483 tons, at an average sales price of \$267 per ton, representing approximately 50% of forecast sales to 31 December 2021. To date we have sold six products in both 1 ton and 50lb bags to 21 different customers with several repeat orders, all produced through toll treating agreements. The majority of the orders have been for testwork to benchmark our products against their current producers and with the recent commissioning of our milling plant in Spanish Fork we can now not only guarantee high grade products in North America but can also guarantee tonnages.

Falcon Isle Resources only became a Keras subsidiary on 31 December 2020, as such only the Q1 2021 sales (241 tons) are reported as Revenue in the Income Statement.

KERAS RESOURCES PLC

CHAIRMAN'S REVIEW FOR THE SIX MONTHS ENDED 31 MARCH 2021

With the milling plant now in production, sales of our #100 and #350 mesh product will be our key focus as we increase our production and are now able to deliver products on demand. We expect our granulated products to be available for sale in the first quarter of 2022 to meet the new season's demand. Further improvements to the plant are envisaged in order to widen our product range, and the Company has ample funds in hand to finance its 51% share of the cost.

Nayéga Manganese Project – Togo

Management remains in close communication with the Togolese Ministry of Mines & Energy on the Exploitation Permit for the Nayéga Manganese Project and whilst this remains pending, we are very pleased to announce the appointment of Blaise Gozan as Togo Country Manager for Keras Resources Plc. Blaise is a Togolese national, and he joins the Company from Rio Tinto in Canada bringing a wealth of experience in mining and project management to this role. We look forward to updating shareholders on the Exploitation Permit when we have additional information to share.

Financial Review

The current financial period for Keras has been extended to 15 months and will end on 31 December 2021, enabling the accounts of all subsidiaries to terminate on the same date. As a result, Keras will publish a second interim statement for the six months ending 30 September 2021.

The loss for the six months to 31 March 2021 was £506,000 compared with £809,000 for the comparable period in 2020. As explained above there was no material revenue in the period, but increasing sales are expected to be reflected in the next interim statement to 30 September 2021.

Management was very pleased to complete two placings during the period through to the end of March 2021. These funds have in part been utilised to fund Falcon Isle Resources working capital requirements, and to finance our 51% of the plant expansion in Utah. In addition, they have allowed us to bolster our management team and to provide additional working capital. Our Directors all supported these placings, and we welcomed a number of new holders to our register.

Focus on Sustainability

We are aware of our responsibility as an employer and a mining company, and we are committed to upholding best practice across our business. We care about all our stakeholders and are focused on looking to create value and benefits for all whilst seeking to manage and mitigate the potential impacts that our operations may have. Our assets are diverse in commodity and location but have important similarities – mining essential resources that can contribute to a more sustainable future, running simple operations with minimal processing requirements and looking to maintain a low carbon footprint. We are focused on meeting our commitments across the ESG space and will continue to be proactive in this area as we look to develop and sustain a positive legacy.

KERAS RESOURCES PLC

CHAIRMAN'S REVIEW FOR THE SIX MONTHS ENDED 31 MARCH 2021

Looking Forward

There was a range of challenges experienced during the period, notably the ongoing travel and quarantine restrictions due to the Covid pandemic which limited interactions between the business units and stopped key consultants and original equipment manufacturers from travelling and the knock-on effects resulting in the global imbalance of shipping containers, but we look forward to the coming months. Mining will be underway in Utah soon and we will continue to process and sell premium organic phosphate from Diamond Creek whilst we also pursue the Exploitation Permit in Togo. Whilst securing the final grant has continued to take time, we remain confident in the process and continue to work hard to look to unlock this.

Finally, I would like to take this opportunity to thank the rest of the board and management for their ongoing hard work and shareholders for their continuing support.

Brian Moritz

Chairman

23 June 2021

KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 31 MARCH 2021

	31-Mar-21 (unaudited) £'000	31-Mar-20 (unaudited) £'000	30-Sep-20 (audited) £'000
Continuing operations			
Revenue	31	-	-
Cost of production	(74)	-	-
Gross loss	(43)	-	-
Administrative and exploration expenses	(517)	(810)	(1,235)
Loss from operating activities	(560)	(810)	(1,235)
Finance income	-	1	-
Finance costs	-	-	(3)
Net finance costs	-	1	(3)
Share of net loss of associate accounted for using the equity method	-	-	(4)
Loss before taxation	(560)	(809)	(1,242)
Taxation	-	-	-
Loss for the period	(560)	(809)	(1,242)
Other comprehensive income – items that may be subsequently reclassified to profit or loss			
Exchange translation on foreign operations	(47)	(3)	(15)
Change in fair value of available for sale financial assets	-	-	-
Items that will not be reclassified to profit or loss			
Change in fair value of equity investments at fair value through other comprehensive income	-	-	-
Total comprehensive (loss) for the period	(607)	(812)	(1,257)
(Loss)/profit attributable to:			
Owners of the Company	(497)	(753)	(1,181)
Non-controlling interests	(63)	(56)	(61)
(Loss)/profit for the period	(560)	(809)	(1,242)
Total comprehensive income/(loss) attributable to:			
Owners of the Company	(556)	(756)	(1,194)
Non-controlling interests	(51)	(56)	(63)
Total comprehensive loss for the period	(607)	(812)	(1,257)
Earnings per share - continuing operations			
Basic and diluted (loss)/earnings per share (pence)	(0.017)	(0.029)	(0.040)

The notes on pages 11 to 17 are an integral part of this condensed consolidated interim financial report.

KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2021

	Notes	31-Mar-21 (unaudited) £'000	31-Mar-20 (unaudited) £'000	30-Sep-20 (audited) £'000
Assets				
Non-current assets				
Intangible assets	7	3,637	1,066	1,069
Property, plant and equipment	8	493	274	263
Investments accounted for using the equity method	9	-	-	1,622
		<u>4,130</u>	<u>1,340</u>	<u>2,954</u>
Current assets				
Inventory	10	135	-	-
Other investments	11	-	-	-
Trade and other receivables	12	391	36	83
Cash and cash equivalents		886	87	438
		<u>1,412</u>	<u>123</u>	<u>521</u>
Total assets		<u><u>5,542</u></u>	<u><u>1,463</u></u>	<u><u>3,475</u></u>
Equity				
Equity attributable to owners of the Company				
Share capital	13	629	279	487
Share premium	13	4,027	419	2,637
Other reserves		68	-	16
Retained deficit		(590)	428	8
		<u>4,134</u>	<u>1,126</u>	<u>3,148</u>
Non-controlling interests		934	(132)	(140)
Total equity		<u><u>5,068</u></u>	<u><u>994</u></u>	<u><u>3,008</u></u>
Liabilities				
Current liabilities				
Trade and other payables	14	474	469	467
		<u>474</u>	<u>469</u>	<u>467</u>
Total liabilities		<u><u>474</u></u>	<u><u>469</u></u>	<u><u>467</u></u>
Total equity and liabilities		<u><u>5,542</u></u>	<u><u>1,463</u></u>	<u><u>3,475</u></u>

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KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 31 MARCH 2020

	Total attributable to owners of the Company								
	Share capital £'000	Share premium £'000	Share option/ warrant reserve £'000	Exchange reserve £'000	Financial assets at FVOCI £'000	Retained earnings/ (deficit) £'000	Total £'000	Non- controlling interests £'000	Total equity £'000
Balance at 1 October 2019 (audited)	7,266	10,938	-	(33)	3,459	(10,310)	11,320	(76)	11,244
Loss for the period	-	-	-	-	-	(753)	(753)	(56)	(809)
Other comprehensive income	-	-	-	3	-	(6)	(3)	-	(3)
Total comprehensive loss for the period		-	-	3	-	(759)	(756)	(56)	(812)
Capital reduction	(7,023)	(10,938)	-	-	(3,459)	11,497	(9,923)	-	(9,923)
Issue of ordinary shares	36	429	-	-	-	-	465	-	465
Issue costs	-	(10)	-	-	-	-	(10)	-	(10)
Share based payment transactions	-	-	30	-	-	-	30	-	30
	(6,987)	(10,519)	30	-	(3,459)	11,497	(9,438)	-	(9,438)
Balance at 31 March 2020 (unaudited)	279	419	30	(30)	-	428	1,126	(132)	994

The notes on pages 11 to 17 are an integral part of this condensed consolidated interim financial report.

KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2020

	Total attributable to owners of the Company							Non-controlling interests £'000	Total equity £'000
	Share capital £'000	Share premium £'000	Share option/ warrant reserve £'000	Exchange reserve £'000	Financial assets at FVOCI £'000	Retained earnings £'000	Total £'000		
Balance at 1 April 2020 (unaudited)	279	419	30	(30)	-	428	1,126	(132)	994
Loss for the period	-	-	-	-	-	(428)	(428)	(5)	(433)
Other comprehensive income	-	-	-	(19)	-	10	(9)	(3)	(12)
Total comprehensive income for the period	-	-	-	(19)	-	(418)	(437)	(8)	(445)
Issue of ordinary shares	208	2,289	-	-	-	-	2,497	-	2,497
Share based payment transactions	-	-	33	-	-	-	33	-	33
Issue costs	-	(71)	-	-	-	-	(71)	-	(71)
Transfer	-	-	-	2	-	(2)	-	-	-
	208	2,218	33	2	-	(2)	2,459	-	2,459
Balance at 30 September 2020 (audited)	487	2,637	63	(47)	-	8	3,148	(140)	3,008

The notes on pages 11 to 17 are an integral part of this condensed consolidated interim financial report.

KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
FOR THE SIX MONTHS ENDED 31 MARCH 2021

	Total attributable to owners of the Company								Total equity £'000
	Share capital £'000	Share premium £'000	Share option/ warrant reserve £'000	Exchange reserve £'000	Financial assets at FVOCI £'000	Retained earnings £'000	Total £'000	Non- controlling interests £'000	
Balance at 1 October 2020 (audited)	487	2,637	63	(47)	-	8	3,148	(140)	3,008
Loss for the period	-	-	-	-	-	(497)	(497)	(63)	(560)
Total other comprehensive income	-	-	-	42	-	(101)	(59)	12	(47)
Total comprehensive loss for the period	-	-	-	42	-	(598)	(556)	(51)	(607)
Issue of ordinary shares	142	1,463	-	-	-	-	1,605	-	1,605
Issue costs	-	(73)	-	-	-	-	(73)	-	(73)
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	-	-	1,125	1,125
Share based payment transactions	-	-	10	-	-	-	10	-	10
	142	1,390	10	-	-	-	1,542	1,125	2,667
Balance at 31 March 2021 (unaudited)	629	4,027	73	(5)	-	(590)	4,134	934	5,068

The notes on pages 11 to 17 are an integral part of this condensed consolidated interim financial report.

KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 31 MARCH 2021

	31-Mar-21 (unaudited) £'000	31-Mar-20 (unaudited) £'000	30-Sep-20 (audited) £'000
Cash flows from operating activities			
Loss from operating activities	(560)	(809)	(1,242)
Adjustments for:			
Depreciation and amortisation	18	57	76
Share of loss of equity accounted associate	71	-	4
Loss on disposal of property, plant and equipment	-	-	-
Foreign exchange differences	117	(2)	(39)
Compensation on cancellation of SARS scheme	-	119	120
Equity-settled share-based payment transactions	10	30	63
	<u>(344)</u>	<u>(605)</u>	<u>(1,018)</u>
Changes in:			
- inventories	7	-	-
- trade and other receivables	(186)	(1)	2
- trade and other payables	45	188	278
Cash used in operating activities	<u>(478)</u>	<u>(418)</u>	<u>(738)</u>
Finance costs	-	-	-
Net cash used in operating activities	<u>(478)</u>	<u>(418)</u>	<u>(738)</u>
Cash flows from investing activities			
Acquisition of property, plant and equipment	(93)	-	-
Proceeds from sale of property, plant and equipment	-	-	-
Exploration and licence expenditure	(161)	(16)	(1)
Investment in associate to date of control	(455)	-	(938)
Net cash used in investing activities	<u>(709)</u>	<u>(16)</u>	<u>(939)</u>
Cash flows from financing activities			
Net proceeds from issue of share capital	1,477	337	1,931
Proceeds from short term borrowings	-	-	-
Net cash flows from financing activities	<u>1,477</u>	<u>337</u>	<u>1,931</u>
Net (decrease)/increase in cash and cash equivalents	290	(97)	254
Cash and cash equivalents at beginning of period	438	184	184
Cash acquired with subsidiary	158	-	-
Effect of foreign exchange rate changes	-	-	-
Cash and cash equivalents at end of period	<u>886</u>	<u>87</u>	<u>438</u>

The notes on pages 11 to 17 are an integral part of this condensed consolidated interim financial report.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 MARCH 2021

1. Reporting entity

Keras Resources plc (the “Company”) is a company domiciled in England and Wales. The condensed consolidated interim financial statements of the Company as at and for the six months ended 31 March 2021 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and jointly controlled entities. The Group currently operates as an explorer and developer.

2. Basis of preparation

(a) Statement of compliance

This condensed consolidated interim financial report has been prepared in accordance with IAS 34 *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial performance and position of the Group since the last annual consolidated financial statements as at and for the year ended 30 September 2020. This condensed consolidated interim financial report does not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards.

This condensed consolidated interim financial report was approved by the Board of Directors on 23 June 2021.

(b) Judgements and estimates

Preparing the interim financial report requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial report, significant judgements made by Management in applying the Group’s accounting policies and key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 September 2020.

3. Significant accounting policies

The accounting policies applied by the Group in this condensed consolidated interim financial report are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 30 September 2020.

4. Financial instruments

Financial risk management

The Group’s financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 30 September 2020.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 MARCH 2021 (CONTINUED)

5. **Segment information**

The Group considers that it operates in two distinct business areas, manganese mining in West Africa and phosphate mining in Utah, USA. These business areas form the basis of the Group's operating segments. For each segment, the Group's Managing Director (the chief operating decision maker) reviews internal management reports on at least a quarterly basis.

Other operations relate to the group's administrative functions conducted at its head office and by its intermediate holding company together with consolidation adjustments.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's Managing Director. Segment results are used to measure performance as Management believes such information is the most relevant in evaluating the performance of certain segments relative to other entities that operate within the exploration industry.

For the six months ended 31 March 2021 (unaudited)

	Manganese	Phosphate	Other	Total
	£'000	£'000	operations	£'000
	£'000	£'000	£'000	£'000
External revenue	-	31	-	31
Loss before tax	(60)	(110)	(390)	(560)
Segment assets	1,082	2,958	1,502	5,542

For the six months ended 31 March 2020 (unaudited)

	Manganese	Phosphate	Other	Total
	£'000	£'000	operations	£'000
	£'000	£'000	£'000	£'000
External revenue	-	-	-	-
Loss before tax	(373)	-	(436)	(809)
Segment assets	993	-	470	1,463

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 MARCH 2021 (CONTINUED)5. Segment information (continued)
For the twelve months ended 30 September 2020 (audited)

	Manganese £'000	Phosphate £'000	Other operations £'000	Total £'000
External revenue	-	-	-	-
Profit/(loss) before tax	(405)	(4)	(833)	(1,242)
Segment assets	1,011	1,622	842	3,475

Information about geographical segments:

For the six months ended 31 March 2021 (unaudited)

	West Africa £'000	US £'000	Other operations £'000	Total £'000
External revenue	-	31	-	31
Loss before tax	(60)	(110)	(390)	(560)
Segment assets	1,082	2,958	1,502	5,542

For the six months ended 31 March 2020 (unaudited)

	West Africa £'000	US £'000	Other operations £'000	Total £'000
External revenue	-	-	-	-
Loss before tax	(373)	-	(436)	(809)
Segment assets	993	-	470	1,463

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 MARCH 2021 (CONTINUED)

5. Segment information (continued)

Information about geographical segments (continued):

For the twelve months ended 30 September 2020 (audited)

	West Africa £'000	US £'000	Other operations £'000	Total £'000
External revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit/(loss) before tax	<u>(405)</u>	<u>(4)</u>	<u>(833)</u>	<u>(1,242)</u>
Segment assets	<u>1,011</u>	<u>1,622</u>	<u>842</u>	<u>3,475</u>

6. Seasonality of operations

The Group is not considered to be subject to seasonal fluctuations.

7. Intangible assets

	6 months 31 Mar 21 (unaudited) £'000	6 months 31 Mar 20 (unaudited) £'000	12 months 30 Sep 20 (audited) £'000
Cost			
Balance at beginning of period	1,227	1,206	1,206
Additions	2,629	16	1
Disposals	(158)	-	-
Effect of movement in exchange rates	(61)	(1)	20
Balance at end of period	<u>3,637</u>	<u>1,221</u>	<u>1,227</u>
Impairment losses			
Balance at beginning of period	158	155	155
Impairment	-	-	-
Amortisation	-	-	-
Disposals	(158)	-	-
Effect of movement in exchange rates	-	-	3
Balance at end of period	<u>-</u>	<u>155</u>	<u>158</u>
Carrying amounts			
Balance at end of period	<u>3,637</u>	<u>1,066</u>	<u>1,069</u>
Balance at beginning of period	<u>1,069</u>	<u>1,051</u>	<u>1,051</u>

Intangible assets comprise the fair value of prospecting and exploration rights.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 MARCH 2021 (CONTINUED)

8. **Property, plant and equipment**

Acquisitions and disposals

During the six months ended 31 March 2021 the Group acquired assets with a cost of £263,000 (six months ended 31 March 2020: £nil, twelve months ended 30 September 2020: £nil).

Assets with a carrying amount of £nil were disposed of during the six months ended 31 March 2021 (six months ended 31 March 2019: £nil; twelve months ended 30 September 2020: £nil), resulting in a loss on disposal of £nil (six months ended 31 March 2019: £nil; twelve months ended 30 September 2020: £nil), which is included in 'administrative expenses' in the condensed consolidated statement of comprehensive income.

9. **Investments**

The interest in Falcon Isle was acquired for nominal consideration under a binding heads of terms dated 28 July 2020. Under this agreement the Company agreed to provide US\$2.5m in loans to Falcon Isle payable in agreed tranches. Falcon Isle is the 100% owner of the Diamond Creek phosphate mine located in Utah (USA) which is a fully permitted, high grade direct shipping ore organic phosphate operating mine.

At 30 September 2020 the Company had advanced US\$ 1.9m to Falcon Isle, resulting in an equity interest of 40% and bringing the cost of the investment in the associate to £1,626,000.

On 31 December 2020 the Company advanced the balance of \$0.6m and its equity interest has increased to 51%.

The initial acquisitions were accounted for under the equity method of accounting but upon achieving control on 31 December 2020, the acquisition method of accounting has been applied.

The details of the business combination are as follows:

	Fair value
	£'000
Intangibles	2,170
Fixed assets	172
Inventory	142
Receivables	122
Bank balances and cash	158
Trade and other payables	(17)
Loans	(3,164)
	<u>(417)</u>
Adjust: Non controlling interest	204
Adjust : goodwill	298
Adjust: Equity accounted losses to date of control	76
	<u>161</u>
	£'000
Satisfied by:	
Acquisition related costs	161
	<u>161</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 MARCH 2021 (CONTINUED)

10. Inventories

	31-Mar-21 (unaudited) £'000	31-Mar-20 (unaudited) £'000	30-Sep-20 (audited) £'000
Phosphate	135	-	-
	<u>135</u>	<u>-</u>	<u>-</u>

11. Other investments

	31-Mar-21 (unaudited) £'000	31-Mar-20 (unaudited) £'000	30-Sep-20 (audited) £'000
Equity securities – available for sale			
Brought forward	-	9,923	9,923
Disposal via demerger	-	(9,923)	(9,923)
	<u>-</u>	<u>-</u>	<u>-</u>

Equity securities represented ordinary and performance shares in Calidus Resources Limited (“Calidus”), a company listed on the Australian Securities Exchange (“ASX”).

These equity securities were demerged on 19 November 2019 by way of a capital reduction scheme.

12. Trade and other receivables

	31-Mar-21 (unaudited) £'000	31-Mar-20 (unaudited) £'000	30-Sep-20 (audited) £'000
Other receivables	352	36	71
Prepayments	39	-	12
	<u>391</u>	<u>36</u>	<u>83</u>

Trade receivables and other receivables are stated at their nominal values less allowances for non recoverability.

13. Share capital and reserves

Issue of ordinary shares

On 18 December 2020, 400,000,000 ordinary shares were issued for cash at £0.0011 per share.

On 18 December 2020 B Moritz and D Reeves, conditionally agreed to subscribe for 36,363,636 and 63,636,364 shares each at £0.0011 per share, these were issued on 18 January 2021 following a General Meeting to grant increased authority to issue shares.

On 18 January 2021, 869,565,217 ordinary shares were agreed to be issued at £0.00115 per share, of these, B Moritz conditionally agreed to subscribe for 17,391,304 shares and R Lamming conditionally agreed to subscribe for 26,086,957 shares in lieu of part of his salary. Of these shares, 600,000,000 were issued on 18 January 2021 and the balance of 269,565,217 were issued on 15 February 2021 following a General Meeting to grant increased authority to issue shares.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 31 MARCH 2021 (CONTINUED)

13. Share capital and reserves (continued)

On 18 January 2021, the company conditionally agreed to issue 48,000,000 ordinary shares at £0.00115 per share in settlement of amounts owing to advisors. These were issued on 15 February 2021 following a General Meeting to grant increased authority to issue shares.

Dividends

No dividends were declared or paid in the six months ended 31 March 2021 (six months ended 31 March 2020: £nil, twelve months ended 30 September 2020: £nil).

14. Trade and other payables

	31-Mar-21 (unaudited) £'000	31-Mar-20 (unaudited) £'000	30-Sep-20 (audited) £'000
Trade payables	146	220	104
Accruals	230	187	228
Other payables	98	62	135
	<u>474</u>	<u>469</u>	<u>467</u>

There is no material difference between the fair value of trade and other payables and their book value.

15. Related parties

The total amount due to D Reeves at the period end was £43,000 in respect of unpaid remuneration (six months ended 31 March 2020: £19,000, twelve months ended 30 September 2020: £31,000). The total amount due to B Moritz at the period end was £nil in respect of unpaid remuneration (six months ended 31 March 2019: £27,000, twelve months ended 30 September 2020: £nil). The total amount due to Parallel Resources Limited, a company owned and controlled by R Lamming in respect of unpaid fees at the period end was £nil (six months ended 31 March 2020: £28,500, twelve months ended 30 September 2020: £nil).