RNS Number : 4526E
Bluejay Mining PLC
29 June 2023

AIM: JAY

29 June 2023

Final Results for the Period ended 31 December 2022 and Notice of General Meeting

Bluejay Mining plc ('Bluejay' or the 'Company'), the AIM, FSE listed and OTCQB traded exploration and development company with projects in Greenland and Finland, is pleased to announce its Final Results for the year ended 31 December 2022 (the 'Period').

2022 Highlights

- 2022 Field Programme at Disko-Nuussuaq Joint Venture ('JV') with Kobold Metals completed
- ERMA announce official support for Dundas
- Electronic Nautical Charts published for Dundas
- 2022 field season completed at Dundas
- Aerial geophysical survey at Kangerluarsuk completed
- 2022 exploration programme at the Enonkoski JV with Rio Tinto completed
- Robert Edwards appointed as Executive Chairman to the Board of the Company
- £5.3m (US$7m) raised through the issuance of new shares to progress the Dundas optimisation

Post Period

- Executive Chairman, Robert Edwards, released a strategic review of

Bluejay and its current portfolio of assets and new development strategy

- Positive results from the 2022 airborne geophysical survey at Kangerluarsuk refined existing suite of drill-ready targets
- Drill programme at Enonkoski consisting of follow-up drilling at the Laukunlampi target
- Drilling commenced at Hammaslahti with assays underway
- £1.3 million (US$1.65m) raised through the issuance of shares to new and existing shareholders primarily for the advancement of Hammaslahti

Notice of General Meeting

Bluejay Mining plc, the AIM, FSE and OTCQB traded exploration and development company with projects in Greenland and Finland, is pleased to give notice that its Annual General Meeting ('AGM') will be held on 27 July 2023 at 11:00am at The Washington Mayfair Hotel, 5 Curzon Street, London, W1J 5HE. Copies of the Notice of AGM and the Form of Proxy will be posted to shareholders today and available to view on the Company's website shortly.

Chairman's Statement

During the period under review, Bluejay was able to return to the field for the first time post the COVID-19 pandemic.

Both the Enonkoski Nickel-Copper-Cobalt ('Ni-Cu-Co') JV Project ('Enonkoski') with Rio Tinto in Finland, and the Disko-Nuussuaq Nickel-Copper-Cobalt-Platinum Group Metals (Ni-Cu-Co-PGM) JV Project ('Disko') with KoBold Metals ('KoBold') in Greenland which are both partner-funded, progressed their respective work streams.

Bluejay was also able to complete follow up drilling at the Dundas Ilmenite (Titanium) Project ('Dundas'), as well as progress some valuable study work which the team can utilise to inform other studies that we may undertake in Greenland related to mine delivery.

The year under review also saw the Company assess its strategy, and upon further reflection of the relative merits of the assets within the portfolio and the results achieved to date, Bluejay has enhanced its focus on those assets that its feels offer the best risk/reward profile and most deserve the deployment of shareholders' funds, which is of particular importance in a market environment that is not cyclically supportive for mineral explorers and developers. Our key objective is to enhance shareholder value by developing commercial critical mineral discovery opportunities in Greenland and Finland. I am both encouraged and assured in the knowledge that Bluejay is fortunate to have more than one opportunity within its current asset base to achieve this.

With this new strategy, each project in Bluejay's portfolio will get an equal opportunity to compete for shareholders' funds, so long as they can demonstrate that they have the potential to maximise value for the Company's shareholders.

Where assimilation of synergistic projects can be achieved that enhance and upgrade our current portfolio, we will pursue them providing that there is a strong science and commercial basis to do so. When projects do not meet hurdle rates, they will be classified as non-core and dealt with appropriately.

Through our strategic review published in late 2022, we determined that one of our 100% owned projects, the Hammaslahti Copper-Zinc-Silver-Gold ('Cu-Zn-Ag-Au') Project ('Hammaslahti'), strongly met the technical criteria to be able to drive shareholder value within a relatively short timeframe. Previous work conducted by the Company several years ago delineated the high potential 'E-lode' which is located parallel to historical mine workings. Historically, Hammaslahti produced a total of seven million tonnes of high-grade Cu-Zn-Ag-Au ore between 1971 and 1986, with all ore lodes remaining open at depth. The discovery and expansion of E lode makes for a compelling exploration and development platform.

Another of our 100% owned projects that we feel can be meaningful and is certainly of scale, is the Kangerluarsuk Zinc-Lead-Silver±Cu-Ge ('Zn-Pb-Ag±Cu-Ge') Project ('Kangerluarsuk') in West Greenland. The results of the airborne survey completed in 2022 confirmed management's belief that we are dealing with a large-scale mineralised system. A maiden drilling campaign at Kangerluarsuk was planned for the summer of 2023, however, due to unseasonal and unexpected sea-ice conditions, we were unable to progress on this without potentially incurring additional risks and expenditure.

The Enonkoski Ni-Cu-Co JV Project with Rio Tinto progressed during the period and post period, following the ground gravity survey which commenced in November 2022. This survey showed promising drill targets within the Makkola-Hälvälä target. This was followed up by a diamond drilling programme undertaken at the Laukunlampi intrusion in early 2023. The aim of this drilling programme was to demonstrate the presence of strong metal enrichment of economic grades of nickel, copper, and cobalt.

In the first full exploration field season under the JV structure with Kobold Metals, Disko underwent a significant work programme which aimed to further delineate and define drill targets of merit. The JV maintains its constructive view of Disko and is working collaboratively to work up a sound geological model of the district using the extensive historical data overlain with new perspectives.

At the corporate level, and after careful consideration, the Board of Bluejay no longer deemed the demerger of the Disko Exploration Ltd. subsidiary and its projects in the best interests of shareholders. Bluejay can achieve more by utilising its existing platform to unify the expertise of its teams in both Greenland and Finland.

During the period, Bluejay also experienced changes in its Board of Directors and I was proudly appointed Executive Chairman on 25 October 2022. Since my appointment we have defined a new strategy on the Company's approach to developing its assets against a particularly challenging market backdrop. I reiterate that Bluejay will never progress a project without a sound strategic and commercial basis to do so.

Moving forward in 2023, Bluejay will continue to use its new strategy to explore and develop its projects with the aim to increase their value to maximise value for its shareholders.

Greenland

During the Period, the first major exploration campaign commenced at the Disko-Nuussuaq JV project. This campaign targeted massive nickel, copper, cobalt, and platinum group metals. This included 4,500 line-kilometre ('line-km') of aerial geophysical survey, 2,115 line-km of a high-resolution drone magnetic survey and a 3,030 line-km Falcon Airborne Gravity Gradiometer survey and 3,572 geochemical samples.

The geochemical samples, geophysical data and mapping data from the exploration campaign are currently being integrated alongside existing data and interpreted by KoBold's team utilising its AI platforms. More data was gathered than originally expected during the 2022 season which has prolonged the analysis time required. The final interpretation of the data will allow the Joint-Venture to prioritise the ratification of mineralisation targets and will form the basis of future work.

Our 100% owned Kangerluarsuk Zn-Pb-Ag±Cu-Ge Project experienced significant development, with an aerial geophysical survey that covered 587 line-km of gravity gradiometry, magnetic data and terrain data during the period. The positive results of the aerial survey were fully processed in the fourth quarter of 2022 and have greatly improved the Company's confidence in what are now drill ready targets. This is supported by multiple independent datasets that indicate the presence of sulphide mineralisation and the outcropping of high-grade mineralisation within our licence area.

Historical chip samples results of 41.1% zinc and 45.5% lead and grab samples of 9.3% lead, 1.2% copper and 596 grams per tonne ('g/t') silver confirm that we have a very high potential district under our control, hosting what we believe to be a major Palaeoproterozoic sedimentary basin immediately to the house and hosted within this basin is the former Black Angel zinc-lead-silver mine which produced 11 million tonnes of ore grading at 12.6% zinc, 4.1% lead and 29 g/t silver for its former operators, Cominco (now Teck Resources) and Boliden.

Furthermore, the Geological Survey of Denmark and Greenland ('GEUS') has acknowledged Kangerluarsuk as containing the strongest cluster of stream sediment zinc anomalies in Greenland, with samples up to 2,200 parts per million zinc.

Because of the exciting characteristics Bluejay had allocated part of the proceeds of the up-to US$6 million Subscription from Towards Net Zero completed in February 2022, for developing the Kangerluarsuk project through a summer drilling campaign, scheduled for 2023.

However, due to unseasonal and unexpected weather conditions, sea-ice was formed in the fjord leading towards Kangerluarsuk which prevented the Company from safely operating in the project area on time and on budget. Because of this, we were unable to continue with the maiden drilling campaign. Kangerluarsuk Zn-Pb-Ag±Cu-Ge Project remains one of the high priority assets for value creation and we will replan and resume the campaign when it is feasible to do so.

Our understanding of Dundas Ilmenite Project was also advanced significantly during the period, with the publishing of the Electronic Nautical Charts, conducted by the Danish firm, Geodata, which covers the seaward approach and coastal waters. Dundas also received official support from the European Raw Material Alliance ('ERMA'). Of the £5.3 million of fresh equity raised in March 2022 by the Company, £2.2 million was spent on the summer drilling programme at Dundas. We expect to receive the revised Mineral Resource Estimate relatively soon.

Consistent with the new strategy as outlined in the Chairman's Review of late 2022, the Company's aim is to present a more realisable way to develop the Dundas project.

Finland

The Enonkoski Ni-Cu-Co JV Project with Rio Tinto also progressed during the period under review and into 2023 with exploration programmes and surveys revealing new drilling targets.

Between May and July 2022 there was a follow-up drilling programme at Muhelampi, with a total of three new diamond drill holes, and one drill hole extension, that drilled a total of 1,648.20 metres ('m'). This was followed by downhole electromagnetic surveys of selected drill holes and a top bedrock drill programme that consisted of 60 holes, focused on new targets and infill sampling at the targets tested by the 2021 top of bedrock sampling.

In November 2022 a ground gravity survey was conducted at the Makkola-Hälvälä target in the south-eastern part of the 15km Enonkoski Ni-Cu-Co Project area. The survey consisted of 670 survey stations with 50m station spacing and 50-100m line spacing, conducted with the aim to generate new drilling targets. The survey was completed in December and revealed several new drill targets of interest at the Laukunlampi intrusion, where Bluejay conducted its first exploration programme that consisted of 1,000-1,500m of follow-up drilling.

The results of the first exploration programme at Enonkoski were very encouraging and have increased the Company's confidence in the project area. One of the drill holes returned significant intervals of nickel sulphide-droplets and represents the highest sulphide content of any hole that has been drilled in the Laukunlampi intrusion to date and has thus extended the potential search space in the area.

Post Period, a total of 951m was drilled out of the planned 1,000-1,500m campaign, and will be followed-up by another drilling programme that consists of a single drill depth of 400m. The aim of this follow-up drilling programme is to further test the current geological model, which indicates that the pyroxenitic units (a favourable rock type in the Laukunlampi intrusion that hosts Ni-Cu-Co mineralisation) continue to the north-west.

Hammaslahti Cu-Zn-Ag-Au Project received focussed development post period. A 2,000m drill programme conducted on the E-Lode, confirmed the continuity of the high-grade Cu-Zn-Pb-Au-Ag ore lode. Further indication of the high-grade mineralisation present at Hammaslahti is the presence of polymetallic mineralisation which is interpreted to be a partially re-mobilised volcanogenic massive sulphide ("VMS").

The historical high-grade production, coupled with the presence of polymetallic mineralisation, indicates the potential of the project to enhance shareholder value. In accordance with the Company's new strategy, Bluejay has raised £1.3 million in June 2023 to further the development of Hammaslahti specifically to generate a Mineral Resource Estimate ("MRE") at the E-Lode. The conditional divestment of the Company's Black-Shales assets to Metals One continues.

Financial

In February 2023, Bluejay announced an equity subscription where up to US$6 million would be received from Towards Net Zero ("TNZ"), consisting of three tranches of US$2 million. However, shortly following the receipt of the first tranche, the Company took the decision with the pragmatic agreement from TNZ to terminate the arrangement. The decision to return US$2 million of capital in April 2023 was not taken lightly but was driven by the view that the original benefits of the structure were outweighed by the risks created by entering into it in the first place, and a simpler funding route was pursued thereafter.

In June 2023, the company successfully raised US$1.7million in new equity from new and importantly existing shareholders to further the development of Hammaslahti Cu-Zn-Ag-Au Project instead, following the unforeseen weather conditions that prevented workable access to Kangerluarsuk. These funds will immediately go towards finalising a MRE on Hammaslahti's E-Lode as well as General Corporate purposes.

In recognition that current shareholders have already borne a significant burden of risk in the past, Bluejay is in discussions with two strategic entities with complimentary attributes which we believe have the ability to strengthen both the financial and technical capabilities of the business as we explore and develop our portfolio of projects. This is aimed to both financially derisk the business as well as create a unique and powerful combination of skills.

Outlook

Despite a volatile economic and market environment, critical minerals are essential to the global energy transition, and Bluejay is uniquely positioned to play a pivotal role in helping to secure a global sustainable supply of these essential minerals. The official support for Dundas from the ERMA further indicates just how strongly Bluejay is positioned to help supply the critical minerals required to aid the green energy transition and other key industries. Moreover, because Bluejay operates in jurisdictions that are both well-endowed from a mineralogical perspective, are mining friendly and also unlikely to undergo political instability or threaten our ownership rights, we are confident that we will succeed in achieving our goal.

To help with our goal of securing a global, sustainable, supply of critical minerals, we have secured and maintained strong relationships with globally significant partners. We have received significant support from the Greenlandic and Danish government, as well as partnerships with Rio Tinto, KoBold Metals and an Asian Master Distribution partner for Dundas. In total, these partnerships have seen approximately US$40 million contractually committed to a number of its projects and will help Bluejay significantly advance its portfolio of assets up the value curve.

Located 12km north of the former high-producing Black Angel Zn-Pb-Ag Mine, Kangerluarsuk Zn-Pb-Ag±Cu-Ge Project represents huge potential for Bluejay and the opportunity to maximise shareholder value. With the results from our surveys and geological work, we believe that Kangerluarsuk can maximise value for shareholders, and are immensely enthusiastic about the upcoming drilling programme at the project.

Our ability to pivot and focus on other promising projects when events arise that are out of our control speaks volumes of the strength of Bluejay's project portfolio.

I look forward to updating shareholders on the development of Hammaslahti and will provide an update on the maiden drilling programme at Kangerluarsuk when we have a clearer timeline of when we are able to commence drilling.

I would like to thank all who have supported our endeavours in Greenland and Finland, and our shareholders for their faith in the long-term potential embedded within the Bluejay proposition as we continue to progress our strategic goals. The communities, strategic partners and the Bluejay team itself have been immensely supportive in our efforts to develop the Company's projects, and their hard work has created an exciting opportunity this season at Hammaslahti.

I look forward to the rest of the year and seeing the progression of our projects, especially Hammaslahti, as we move them higher up the value curve and continue to realise value from our new strategy.

Robert Edwards

Executive Chairman

STATEMENTS OF FINANCIAL POSITION
As at 31 December 2022

	Note	Group 31 December 2022 £	31 December 2021 £	Company 31 December 2022 £	31 December 2021 £
Non-Current Assets					
Property, plant and equipment	6	**1,718,337**	1,802,379	**26,230**	30,651
Intangible assets	7	**31,850,128**	27,922,589	**-**	-
Investment in subsidiaries	8	**-**	-	**43,016,524**	34,509,322
Investment in Joint Venture	25	**4,470,787**	-	**-**	-
		38,039,252	29,724,968	**43,042,754**	34,539,973
Current Assets					
Trade and other receivables	9	**995,129**	228,909	**255,063**	564,181
Cash and cash equivalents	10	**1,996,957**	2,701,792	**1,366,568**	2,534,964
		2,992,086	2,930,701	**1,621,631**	3,099,145
Total Assets		**41,031,338**	32,655,669	**44,664,385**	37,639,118
Non-Current Liabilities					
Deferred tax liabilities	12	**496,045**	496,045	**-**	-
		496,045	496,045	**-**	-
Current Liabilities					
Trade and other payables	11	**524,286**	630,833	**281,589**	365,175
		524,286	630,833	**281,589**	365,175
Total Liabilities		**1,020,331**	1,126,878	**281,589**	365,175
Net Assets		**40,011,007**	31,528,791	**44,382,796**	37,273,943
Equity attributable to owners of the Parent					
Share capital	14	**7,492,041**	7,484,355	**7,492,041**	7,484,355
Share premium	14	**60,903,995**	55,705,882	**60,903,995**	55,705,882
Other reserves	16	**(5,635,169)**	(7,213,274)	**1,377,303**	1,292,323
Retained losses		**(22,749,860)**	(24,448,172)	**(25,390,543)**	(27,208,617)
Total Equity		**40,011,007**	31,528,791	**44,382,796**	37,273,943

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the Parent Company Income Statement and Statement of Comprehensive Income. The profit for the Company for the year ended 31 December 2022 was £1,784,303 (loss for year ended 31 December 2021: £3,486,819).

CONSOLIDATED INCOME STATEMENT
For the year ended 31 December 2022

Continued operations	**Note**	**Year ended 31 December 2022 £**	Year ended 31 December 2021 £
Revenue		**-**	-
Cost of sales	24	**(629,930)**	(199,844)
Gross profit		**(629,930)**	(199,844)
Administrative expenses	2424	**(1,886,271)**	(2,662,046)
Share of (losses) from joint venture	25	**(71,956)**	-
Increase in share of net assets on joint venture	25	**2,457,596**	-
Other (losses)	21	**(112,533)**	(46,072)

Foreign exchange gain		**103,543**	18,235
Operating loss		**(139,551)**	(2,889,727)
Finance income/(expense)	19	**2,653**	(4,251)
Other income	20	**1,801,439**	187,145
Profit/(loss) before income tax		**1,664,541**	(2,706,833)
Income tax	22	**-**	-
Profit/(loss) for the year attributable to owners of the Parent		**1,664,541**	(2,706,833)
Basic and Diluted Earnings Per Share attributable to owners of the Parent during the period (expressed in pence per share)	23	**0.16p**	(0.28)p

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2022

	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Profit/(loss) for the year	**1,664,541**	(2,706,833)
Other Comprehensive Income:		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	**1,493,125**	(1,640,140)
Other comprehensive income/(losses) for the year, net of tax	**3,157,666**	(4,346,973)
Total Comprehensive Income/(losses) attributable to owners of the Parent	**3,157,666**	(4,346,973)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2022

	Note	**Share capital £**	**Share premium £**	**Other reserves £**	**Retained losses £**	**Total £**
Balance as at 1 January 2021		**7,484,232**	**55,620,034**	**(6,220,719)**	**(21,749,624)**	**35,133,923**
Loss for the year		-	-	-	(2,706,833)	(2,706,833)
Other comprehensive income for the year						
Items that may be subsequently reclassified to profit or loss						
Currency translation differences		-	-	(1,640,140)	**-**	(1,640,140)
Total comprehensive income/(losses) for the year		**-**	**-**	**(1,640,140)**	**(2,706,833)**	**(4,346,973)**
Share based payments	14	123	85,848	-	-	85,971
Issued Options	15	-	-	655,870	-	655,870
Exercised options	15	-	-	(8,285)	8,285	-
Total transactions with owners, recognised directly in equity		**123**	**85,848**	**647,585**	**8,285**	**741,841**
Balance as at 31 December 2021		**7,484,355**	**55,705,882**	**(7,213,274)**	**(24,448,172)**	**31,528,791**
Balance as at 1 January 2022		**7,484,355**	**55,705,882**	**(7,213,274)**	**(24,448,172)**	**31,528,791**
Profit for the year		-	-	-	1,664,541	1,664,541
Other comprehensive income for the year						
Items that may be subsequently reclassified to profit or loss						
Currency translation differences		**-**	-	1,493,125	-	1,493,125
Total comprehensive income/(losses) for the year		**-**	**-**	**1,493,125**	**1,664,541**	**3,157,666**
Issue of share capital	14	7,686	5,198,113	-	-	5,205,799
Share based payments	15	-	-	118,751	-	118,751
Expired options	15	-	-	(33,771)	33,771	-
Total transactions with owners, recognised directly in equity		**7,686**	**5,198,113**	**84,980**	**33,771**	**5,324,550**
Balance as at 31 December 2022		**7,492,041**	**60,903,995**	**(5,635,169)**	**(22,749,860)**	**40,011,007**

COMPANY STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2022

	Note	**Share capital £**	**Share premium £**	**Other reserves £**	**Retained losses £**	**Total equity £**
Balance as at 1 January 2021		**7,484,232**	**55,620,034**	**644,738**	**(23,730,083)**	**40,018,921**
Loss for the year		-	-	-	(3,486,819)	(3,486,819)
Total comprehensive income for the year		**-**	**-**	**-**	**(3,486,819)**	**(3,486,819)**
Share based payments	14	123	85,848	-	-	85,971
Issued Options	15			655,870	-	655,870

Exercised options	15	-	-	(8,285)	8,285	-
Total transactions with owners, recognised directly in equity		**123**	**85,848**	**647,585**	**8,285**	**741,841**
Balance as at 31 December 2021		**7,484,355**	**55,705,882**	**1,292,323**	**(27,208,617)**	**37,273,943**
Balance as at 1 January 2022		**7,484,355**	**55,705,882**	**1,292,323**	**(27,208,617)**	**37,273,943**
Profit for the year		-	-	-	1,784,303	1,784,303
Total comprehensive income for the year		**-**	**-**	**-**	**1,784,303**	**1,784,303**
Issue of share capital	14	7,686	5,198,113	-	-	5,205,799
Share based payments	15	-	-	118,751	-	118,751
Expired options	15	-	-	(33,771)	33,771	-
Total transactions with owners, recognised directly in equity		**7,686**	**5,198,113**	**84,980**	**33,771**	**5,324,550**
Balance as at 31 December 2022		**7,492,041**	**60,903,995**	**1,377,303**	**(25,390,543)**	**44,382,796**

STATEMENTS OF CASH FLOWS
For the year ended 31 December 2022

		Group		Company	
	Note	**Year ended 31 December 2022 £**	Year ended 31 December 2021 £	**Year ended 31 December 2022 £**	Year ended 31 December 2021 £
Cash flows from operating activities					
Profit/(Loss) before income tax		**1,664,541**	(2,706,833)	**1,784,303**	(3,486,826)
Adjustments for:					
Depreciation	6	**369,714**	460,713	**19,312**	83,645
Loss on sale of property plant and equipment		**1,362**	-	**-**	-
Gain on sale of financial assets at FVTPL		**-**	(75,497)	**-**	(75,497)
Share options expense	15	**118,751**	655,870	**118,751**	655,870
Intercompany management fees		**-**	-	**(542,446)**	(722,716)
Share of losses from joint venture	25	**71,956**	-	**-**	-
Increase in share of net asset	25	**(2,457,596)**	-	**-**	-
Net finance (income)/costs	19	**(2,653)**	4,251	**(807,919)**	(668,198)
Foreign exchange loss/(gain)		**134,358**	454	**(2,049,375)**	2,329,977
Changes in working capital:					
(Increase)/Decrease in trade and other receivables	9	**(760,747)**	1,377,664	**833,398**	1,413,873
Increase/(Decrease) in trade and other payables	11	**(108,718)**	(321,408)	**(65,420)**	171,081
Net cash used in operating activities		**(969,032)**	(604,786)	**(709,396)**	(298,791)
Cash flows from investing activities					
Purchase of property plant and equipment	6	**(253,799)**	(26,037)	**(14,891)**	(22,433)
Sale of financial assets at FVTPL		**-**	75,497	**-**	75,497
Sale of property, plant and equipment	6	**47,149**	179,245	**-**	-
Purchase of intangible assets	7	**(4,744,690)**	(2,887,110)	**-**	-
Interest received		**4,888**	379	**4,859**	379
Net loans granted to subsidiary undertakings		**-**	-	**(5,654,746)**	(2,892,470)
Net cash used in investing activities		**(4,946,452)**	(2,658,026)	**(5,664,778)**	(2,839,027)
Cash flows from financing activities					
Proceeds from issue of share capital	14	**5,379,999**	85,970	**5,379,999**	85,970
Transaction costs of share issue	14	**(174,200)**	-	**(174,200)**	-
Repayment of loans		**-**	(62,220)	**-**	(62,220)
Interest paid		**(2,322)**	(252)	**(20)**	-
Net cash generated from financing activities		**5,203,477**	23,498	**5,205,779**	23,750
Net (decrease) in cash and cash equivalents		**(712,007)**	(3,239,314)	**(1,168,395)**	(3,114,068)
Cash and cash equivalents at beginning of year		**2,701,792**	5,942,848	**2,534,693**	5,649,030
Exchange gain on cash and cash equivalents		**7,172**	(1,742)	**270**	2
Cash and cash equivalents at end of year	10	**1,996,957**	2,701,792	**1,366,568**	2,534,964

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 December 2021

1. General information

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

The address of its registered office is 6 Heddon Street, London W1B 4BT.

2. Summary of significant Accounting Policies

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

2.1. Basis of preparation of Financial Statements

The Group and Company Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards (UK adopted IAS) in accordance with the requirements of the Companies Act 2006. The Consolidated Financial Statements have also been prepared under the historical cost convention, except as modified for assets and liabilities recognised at fair value on business combination.

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

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

2.2. New and amended standards

(1) *New and amended standards mandatory for the first time for the financial periods beginning on or after 1 January 2022*

The IASB issued various amendments and revisions to UK IAS and IFRSIC interpretations which include IFRS 3 - Reference to Conceptual Framework, IAS 37 - Onerous Contracts, IAS 16 - Proceeds before intended use, IAS 8 - Accounting estimates and Annual Improvements - 2018 - 2020 Cycle. The amendments and revisions were applicable for the period ended 31 December 2022 but did not result in any material changes to the financial statements of the Group or Company.

ii) New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted

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

Standard	Impact on initial application	Effective date
IFRS 17 (Amendments)	Insurance contracts	1 January 2023
IAS 1 (Amendments) and IFRS Practice Statement 2	Disclosure of Accounting Policies	1 January 2023
IAS 8 (Amendments)	Definition of Accounting Estimate	1 January 2023
IAS 12 Income Taxes (Amendments)	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	1 January 2023
IAS 1 (Amendments)	Classification of liabilities as current or non-current	1 January 2023
IFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback	1 January 2024

The Group is evaluating the impact of the new and amended standards above which are not expected to have a material impact on the Group's results or shareholders' funds

2.3. Basis of Consolidation

The Consolidated Financial Statements comprise the financial statements of the Company and its subsidiaries made up to 31 December. 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.

a) Subsidiaries

Subsidiaries are entities over which the Group has control. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

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

b) Joint Venture

A joint venture (JV) is a joint arrangement in which the parties that share joint control have rights to the net assets of the arrangement. Joint arrangements are accounted for using the equity method of accounting and are initially recognised at cost. The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries. The aggregate of the Group's share of profit or loss of the JV is shown on the face of the statement of profit or loss and other comprehensive income as part of operating profit and represents profit or loss after tax. The financial statements of the JV are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in the JV. At each reporting date, the Group determines whether there is objective evidence that the investment in the JV is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the JV and its carrying value, then recognises the loss as 'Share of profit of a joint venture' in the statement of profit or loss and other comprehensive income.

c) Reimbursement of the costs of the operator of the joint arrangement

When the Group, acting as lead operator or manager of a joint arrangement, receives reimbursement of direct costs recharged to the joint arrangement, such recharges represent reimbursements of costs that the operator incurred as an agent for the joint arrangement and therefore have no effect on profit or loss. When the Group charges a management fee (based on a fixed percentage of total costs incurred for the year) to cover other general costs incurred in carrying out the activities on behalf of the joint arrangement, it is not acting as an agent. Therefore, the general overhead expenses and the management fee are recognised in the statement of profit or loss and other comprehensive income as an expense and income, respectively. The amount of income does not represent revenue from contracts with customers. Instead, it represents income

from collaborative partners and hence is outside scope of IFRS 15.

2.4. Going concern

The Consolidated Financial Statements have been prepared on a going concern basis. The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement and the Strategic Report.

As at 31 December 2022, the Group had cash and cash equivalents of £1,996,957. The Directors have prepared cash flow forecasts to 30 June 2024, which take account of the cost and operational structure of the Group and Parent Company, planned exploration and evaluation expenditure, licence commitments and working capital requirements. These forecasts indicate that the Group and Parent Company's cash resources are not sufficient to cover the projected expenditure for the period for a period of 12 months from the date of approval of these financial statements. These forecasts indicate that the Group and Parent Company, in order to meet their operational objectives, and meets their expected liabilities as they fall due, will be required to raise additional funds within the next 12 months.

In common with many exploration and evaluation entities, the Company will need to raise further funds within the next 12 months in order to meet its expected liabilities as they fall due, and progress the Group into definitive feasibility and then into construction and eventual production of revenues. The Directors are confident in the Company's ability to raise additional funds as required, from existing and/or new investors, within the next 12 months. The Company has demonstrated its access to financial resources, as evidenced by the successful completion of a Placing in March 2022 with an equity raising of £5,379,999.

Given the Group and Parent Company's current cash position and its demonstrated ability to raise capital, the Directors have a reasonable expectation that the Group and Parent Company has adequate resources to continue in operational existence for the foreseeable future.

Notwithstanding the above, these circumstances indicate that a material uncertainty exists that may cast significant doubt on the Group and Parent Company's ability to continue as a going concern and, therefore, that the Group and Parent Company may be unable to realise their assets or settle their liabilities in the ordinary course of business. As a result of their review, and despite the aforementioned material uncertainty, the Directors have confidence in the Group and Parent Company's forecasts and have a reasonable expectation that the Group and Parent Company will continue in operational existence for the going concern assessment period and have therefore used the going concern basis in preparing these consolidated and Parent Company financial statements.

2.5. Segment reporting

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

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

2.6. Foreign currencies

(a) Functional and presentation currency

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

(b) Transactions and balances

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

(c) Group companies

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

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

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

2.7. Intangible assets

Exploration and evaluation assets

The Group recognises expenditure as exploration and evaluation assets when it determines that those assets will be successful in finding specific mineral resources. Expenditure included in the initial measurement of exploration and evaluation assets and which are classified as intangible assets relate to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production.

Exploration and evaluation assets are recorded and held at cost

Exploration and evaluation assets are not subject to amortisation, as such at the year-end all intangibles held have an indefinite life, but are assessed annually for impairment. The assessment is carried out by allocating exploration and evaluation assets to cash generating units ('CGU's'), which are based on specific projects or geographical areas. The CGU's are then assessed for impairment using a variety of methods including those specified in IFRS 6.

Whenever the exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to the Income Statement.

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

Exploration assets which are acquired as part of a business combination are recognised at fair value in accordance with IFRS 3. When a business combination results in the acquisition of an entity whose only significant assets are its exploration asset and/or rights to explore, the Directors consider that the fair value of the exploration assets is equal to the consideration. Any excess of the consideration over the capitalised exploration asset is attributed to the fair value of the exploration asset.

2.8. Investments in subsidiaries and joint venture

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

Additional contributions by the JV Partner which increase the net assets in the joint venture, are shown as "increase in share of net assets" in the Income Statement. This is a non-cash adjustment and is to retain the Group's ownership in the Joint Venture at 49%.

2.9. Property, plant and equipment

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

Office Equipment - 5 years

Machinery and Equipment - 5 to 15 years

Software - 2 years

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

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

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

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

2.10. Impairment of non-financial assets

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

2.11. Financial assets

(a) Classification

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

(b) Recognition and measurement

Amortised cost

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

Fair value through the profit or loss

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL.

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

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

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

(c) Impairment of financial assets

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

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

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

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

(d) Derecognition

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

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

2.12. Financial liabilities

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

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

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

Trade and other payables

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

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

Derecognition

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

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

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

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

2.13. Cash and cash equivalents

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

2.14. Equity

Equity comprises the following:

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

2.15. Share capital, share premium and deferred shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity, as a deduction, net of tax, from the proceeds provided there is sufficient premium available. Should sufficient premium not be available placing costs are recognised in the Income Statement.

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

2.16. Share based payments

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

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

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

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

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

2.17. Taxation

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

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

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

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

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

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

Deferred tax assets and liabilities are not discounted.

3. Financial risk management

3.1. Financial risk factors

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

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

Market risk

(a) Foreign currency risk

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

The Group negotiates all material contracts for activities in relation to its subsidiaries in either British Pounds, Euros, USD or Danish Krone. The Group does not hedge against the risks of fluctuations in exchange rates. The volume of transactions is not deemed sufficient to enter into forward contracts as most of the foreign exchange movements result from the retranslation of inter company loans. The Group has sensitised the figures for fluctuations in foreign exchange rates, as the Directors acknowledge that, at the present time, the foreign exchange retranslations have resulted in rather higher than normal fluctuations which are separately disclosed, and is predominantly due to the exceptional nature of the Euro exchange rate in the last two years in the current economic climate. Further detail is in note 3.3.

(b) Price risk

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

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

Credit risk

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

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

Liquidity risk

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

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

3.2. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to enable the Group to continue its exploration and evaluation activities, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the issue of shares or sell assets to reduce debts.

At 31 December 2022 the Group had borrowings of £nil (31 December 2021: £nil) and defines capital based on the total equity of the Company. The Group monitors its level of cash resources available against future planned exploration and evaluation activities and may issue new shares in order to raise further funds from time to time.

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

3.3. Sensitivity analysis

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

Potential impact on Euro expenses: 2022	**(Loss)/profit before tax for the year ended 31 December 2022**		**Equity before tax for the year ended 31 December 2022**	
	Group	**Company**	**Group**	**Company**
Increase/(decrease) in foreign exchange rate	**£**	**£**	**£**	**£**
10%	1,652,879	1,784,303	40,041,829	44,382,796
-10%	1,676,203	1,784,303	39,980,185	44,382,796

Potential impact on DKK expenses: 2022	**Loss before tax for the year ended 31 December 2022**		**Equity before tax for the year ended 31 December 2022**	
	Group	**Company**	**Group**	**Company**
Increase/(decrease) in foreign exchange rate	**£**	**£**	**£**	**£**
10%	1,594,828	1,784,303	40,487,435	44,382,796
-10%	1,734,254	1,784,303	39,534,579	44,382,796

4. Critical accounting estimates and judgements

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

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

Items subject to such estimates and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years, include but are not limited to:

Impairment of intangible assets - exploration and evaluation costs

Exploration and evaluation costs have a carrying value at 31 December 2022 of £31,850,128 (2021: £27,922,589) Such assets have an indefinite useful life as the Group has a right to renew exploration licences and the asset is only amortised once extraction of the resource commences. Management tests for impairment annually whether exploration projects have future economic value in accordance with the accounting policy stated in Note 2.7. Each exploration project is subject to an annual review by either a consultant or senior company geologist to determine if the exploration results returned during the period warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration long term metal prices, anticipated resource volumes and supply and demand outlook. In the event that a project does not represent an economic exploration target and results indicate there is no additional upside a decision will be made to discontinue exploration; an impairment charge will then be recognised in the Income Statement.

Useful economic lives of property, plant and equipment

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

Share based payment transactions

The Group has made awards of options and warrants over its unissued share capital to certain Directors as part of their remuneration package. Certain warrants have also been issued to shareholders as part of their subscription for shares and suppliers for various services received. In the year ended 31 December 2022, 17,000,000 share options were issued during the year to Robert Edwards.

The valuation of these options and warrants involves making a number of critical estimates relating to price volatility, future dividend yields, expected life of the options and forfeiture rates. These assumptions have been described in more detail in Note 15.

5. Segment information

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

The Group had no turnover during the period.

2022	**Greenland** £	**Finland** £	**UK** £	**Total** £
Revenue	-	-	-	**-**
Cost of sales	624,214	5,716	-	**629,930**
Administrative expenses	676,106	230,347	979,818	**1,886,271**
Share of earnings from joint venture	71,956	-	-	**71,956**
Increase in share of net asset	(2,457,596)	-	-	(2,457,596)
Other net gains	1,362	76	111,095	**112,533**
Foreign exchange	-	-	(103,543)	**(103,543)**
Finance expense	1,371	815	(4,839)	**(2,653)**
Other income	(1,641,536)	(114,616)	(45,287)	**(1,801,439)**
(Profit)/loss before tax per reportable segment	(2,724,123)	122,338	937,244	**(1,664,541)**
Additions to PP&E	238,908	-	14,891	**253,799**
Additions to intangible asset	4,634,039	110,651	-	**4,744,690**
Reportable segment assets	34,764,714	4,938,310	1,328,314	**41,031,338**

2021	**Greenland** £	**Finland** £	**UK** £	**Total** £
Revenue	-	-	-	**-**
Administrative expenses	550,576	88,335	2,023,135	**2,662,046**
Foreign exchange	31,404	-	(13,169)	**18,235**
Finance expense	2,055	1,795	401	**4,251**
Other income	30,105	155,540	1,500	**187,145**
Loss before tax per reportable segment	1,291,644	90,575	1,324,614	**2,706,833**
Additions to PP&E	3,604	-	22,433	**26,037**
Additions to intangible asset	2,668,436	218,674	-	**2,887,110**
Reportable segment assets	25,257,377	4,777,642	2,620,650	**32,655,669**

6. Property, plant and equipment

Group

	Right of use assets £	**Software** £	**Machinery & equipment** £	**Office equipment** £	**Total** £
Cost					
As at 1 January 2021	**182,542**	**46,314**	**3,674,321**	**61,223**	**3,964,400**
Exchange Differences	-	-	(224,094)	2	(224,092)
Additions	-	7,503	3,604	14,930	26,037
Disposals	(182,542)	-	(250,093)	-	(432,635)
As at 31 December 2021	**-**	**53,817**	**3,203,738**	**76,155**	**3,333,710**
As at 1 January 2022	**-**	**53,817**	**3,203,738**	**76,155**	**3,333,710**
Exchange Differences	-	-	166,306	266	166,572

Disposals	-	-	(136,336)	-	(136,336)
Additions	-	7,417	238,312	8,070	253,799
As at 31 December 2022	**-**	**61,234**	**3,472,020**	**84,491**	**3,617,745**
Depreciation					
As at 1 January 2021	**121,695**	**36,361**	**1,209,271**	**40,162**	**1,407,489**
Charge for the year	60,847	9,020	377,068	13,778	460,713
Disposals	(182,542)	-	(70,848)	-	(253,390)
Exchange differences	-	-	(83,481)	-	(83,481)
As at 31 December 2021	**-**	**45,381**	**1,432,010**	**53,940**	**1,531,331**
As at 1 January 2022	**-**	**45,381**	**1,432,010**	**53,940**	**1,531,331**
Charge for the year	-	8,435	350,402	10,877	369,714
Disposals	-	-	(87,825)	-	(87,825)
Exchange differences	-	-	85,839	349	86,188
As at 31 December 2022	**-**	**53,816**	**1,780,426**	**65,166**	**1,899,408**
Net book value as at 31 December 2021	**-**	**8,436**	**1,771,728**	**22,215**	**1,802,379**
Net book value as at 31 December 2022	**-**	**7,418**	**1,691,594**	**19,325**	**1,718,337**

Depreciation expense of £369,714 (31 December 2021: £460,713) for the Group has been charged in administration expenses.

Company

	Right of use assets £	Software £	Office equipment £	Total £
Cost				
As at 1 January 2021	**182,542**	**46,314**	**53,942**	**282,798**
Additions	-	7,503	14,930	22,433
Disposals	(182,542)	-	-	(182,542)
As at 31 December 2021	**-**	**53,817**	**68,872**	**122,689**
As at 1 January 2022	**-**	**53,817**	**68,872**	**122,689**
Additions	-	7,417	7,474	14,891
As at 31 December 2022	**-**	**61,234**	**76,346**	**137,580**
Depreciation				
As at 1 January 2021	**121,695**	**36,361**	**32,879**	**190,935**
Charge for the year	60,847	9,020	13,778	83,645
Disposals	(182,542)	-	-	(182,542)
As at 31 December 2021	**-**	**45,381**	**46,657**	**92,038**
As at 1 January 2022	**-**	**45,381**	**46,657**	**92,038**
Charge for the year	-	8,435	10,877	19,312
As at 31 December 2022	**-**	**53,816**	**57,534**	**111,350**
Net book value as at 31 December 2021	**-**	**8,436**	**22,215**	**30,651**
Net book value as at 31 December 2022	**-**	**7,418**	**18,812**	**26,230**

Depreciation expense of £19,312 (31 December 2021: £83,645) for the Company has been charged in administration expenses.

7. Intangible assets

Intangible assets comprise exploration and evaluation costs. Exploration and evaluation assets are measured at cost. Once the pre-production phase has been entered into, the exploration and evaluation assets will cease to be capitalised and commence amortisation.

	Group	
Exploration & Evaluation Assets - Cost and Net Book Value	**31 December 2022 £**	31 December 2021 £
Cost		
As at 1 January	36,796,174	35,641,812
Transfer of licence to JV	(2,085,147)	-

Additions	4,744,690	2,887,110
Exchange differences	1,267,996	(1,732,748)
As at year end	**40,723,713**	**36,796,174**
Provision for impairment		
As at 1 January	8,873,585	8,873,585
Impairments	**-**	-
As at year end	8,873,585	8,873,585
Net book value	**31,850,128**	**27,922,589**

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

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

Following their assessment, the Directors concluded that no impairment charge was required at 31 December 2022.

8. Investments in subsidiary undertakings

	Company	
	31 December 2022 £	31 December 2021 £
Shares in Group Undertakings		
At beginning of period	**558,342**	558,342
At end of period	**558,342**	558,342
Loans to Group undertakings	**42,458,182**	33,950,980
Total	**43,016,524**	34,509,322

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

Subsidiaries

Name of subsidiary	**Registered office address**	**Country of incorporation and place of business**	**Proportion of ordinary shares held by parent (%)**	**Proportion of ordinary shares held by the Group (%)**	**Nature of business**
Centurion Mining Limited	6 Heddon Street, London, W1B 4BT	United Kingdom	100%	100%	Dormant
Centurion Universal Limited	6 Heddon Street, London, W1B 4BT	United Kingdom	100%	100%	Holding
Finland Investments Limited	6 Heddon Street, London, W1B 4BT	United Kingdom	100%	100%	Holding
FinnAust Mining Finland Oy	Kummunkatu 23, FI-83500 Outokumpu, Finland	Finland	Nil	100%	Exploration
FinnAust Mining Northern Oy	Kummunkatu 23, FI-83500 Outokumpu, Finland	Finland	Nil	100%	Exploration
Disko Exploration Limited	6 Heddon Street, London, W1B 4BT	United Kingdom	100%	100%	Exploration

Dundas Titanium A/S	c/o Nuna Advokater ApS, Qullilerfik 2, 6, Postboks 59, Nuuk 3900, Greenland	Greenland	Nil	100%	Exploration

All subsidiary undertakings are included in the consolidation.

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

9. Trade and other receivables

	Group		Company	
	31 December 2022	31 December 2021	**31 December 2022**	31 December 2021
Current	**£**	£	**£**	£
Receivable from related party	**873,666**	4,300	**-**	4,306
Amounts owed by Group undertakings	**-**	-	**189,988**	484,476
Prepayments	**50,933**	75,187	**49,214**	70,239
VAT receivable	**31,109**	82,858	**10,702**	-
Other receivables	**39,421**	66,564	**5,159**	5,160
Total	**995,129**	228,909	**255,063**	564,181

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

At 31 December 2022 all trade and other receivables were fully performing. No ageing analysis is considered necessary as the Group has no significant trade receivable receivables which would require such an analysis to be disclosed under the requirements of IFRS 7. None of the amounts above are overdue or impaired.

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

	Group		Company	
	31 December 2022	31 December 2021	**31 December 2022**	31 December 2021
	£	£	**£**	£
UK Pounds	**821,767**	94,946	**255,063**	564,181
Euros	**25,353**	106,173	**-**	-
Danish Krone	**148,009**	27,790	**-**	-
	995,129	228,909	**255,063**	564,181

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

10. Cash and cash equivalents

	Group		Company	
	31 December 2022	31 December 2021	**31 December 2022**	31 December 2021
	£	£	**£**	£
Cash at bank and in hand	**1,996,957**	2,701,792	**1,366,568**	2,534,964

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

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

	Group	Company

	31 December 2022 £	31 December 2021 £	31 December 2022 £	31 December 2021 £
UK Pounds	**1,835,746**	2,571,644	**1,366,568**	2,534,964
Euros	**35,197**	85,168	**-**	-
Danish Krone	**126,014**	44,980	**-**	-
	1,996,957	2,701,792	**1,366,568**	2,534,964

11. Trade and other payables

	Group		Company	
	31 December 2022 £	31 December 2021 £	**31 December 2022 £**	31 December 2021 £
Trade payables	**141,615**	409,282	**172,378**	250,928
Accrued expenses	**256,439**	131,048	**98,361**	60,676
Other creditors	**126,232**	90,503	**10,850**	53,571
	524,286	630,833	**281,589**	365,175

Trade payables include amounts due of £397,302 in relation to exploration and evaluation activities.

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

	Group		Company	
	31 December 2022 £	31 December 2021 £	**31 December 2022 £**	31 December 2021 £
UK Pounds	**63,649**	351,688	**120,065**	365,175
Euros	**132,952**	173,781	**27,461**	-
Danish Krone	**327,685**	105,364	**134,063**	-
	524,286	630,833	**281,589**	365,175

12. Deferred tax

An analysis of deferred tax liabilities is set out below.

	Group		Company	
	2022 £	**2021 £**	**2022 £**	**2021 £**
Deferred tax liabilities				
- Deferred tax liability after more than 12 months	**496,045**	496,045	**-**	-
Deferred tax liabilities	**496,045**	496,045	**-**	-

The Group has additional capital losses of approximately £8,661,772 (2021: £8,704,033) and other losses of approximately £6,955,765 (2021: £7,234,636) available to carry forward against future taxable profits. No deferred tax asset has been recognised in respect of these tax losses because of uncertainty over the timing of future taxable profits against which the losses may be offset.

13. Financial Instruments by Category

Group	**31 December 2022**			**31 December 2021**		
	Amortised cost	**FVTP**	**Total**	Amortised cost	FVTP	Total
Assets per Statement of Financial Performance	**£**	**£**	**£**	**£**	**£**	**£**
Trade and other receivables (excluding prepayments)	**944,196**	**-**	**944,196**	153,722	-	153,722
Cash and cash equivalents	**1,996,957**	**-**	**1,996,957**	2,701,792	-	2,701,792
	2,941,153	**-**	**2,941,153**	2,855,514	-	2,855,514

Liabilities per Statement of Financial Performance	31 December 2022 Amortised cost £	Total £	31 December 2021 Amortised cost £	Total £
Trade and other payables (excluding non-financial liabilities)	**524,286**	**524,286**	630,833	630,833
	524,286	**524,286**	630,833	630,833

Company	31 December 2022 Amortised cost	FVTP	Total	31 December 2021 Amortised cost	FVTP	Total
Assets per Statement of Financial Performance	**£**	**£**	**£**	**£**	**£**	**£**
Trade and other receivables (excluding prepayments)	**205,849**	**-**	**205,849**	493,492	-	493,492
Cash and cash equivalents	**1,366,568**	**-**	**1,366,568**	2,534,964	-	2,534,964
	1,572,417	**-**	**1,572,417**	3,028,456	-	3,028,456

Liabilities per Statement of Financial Performance	31 December 2022 Amortised cost £	Total £	31 December 2021 Amortised cost £	Total £
Trade and other payables (excluding non-financial liabilities)	**281,591**	**281,591**	365,175	365,175
	281,591	**281,591**	365,175	365,175

14. Share capital and premium

Group and Company	Number of shares 31 December 2022	31 December 2021	Share capital 31 December 2022	31 December 2021
Ordinary shares	**1,049,714,747**	972,857,613	**104,971**	97,285
Deferred shares	**558,104,193**	558,104,193	**558,104**	558,104
Deferred A shares	**68,289,656,190**	68,289,656,190	**6,828,966**	6,828,966
Total	**69,897,475,130**	69,820,617,996	**7,492,041**	7,484,355

Issued at 0.01 pence per share	Number of Ordinary shares	Share capital £	Share premium £	Total £
As at 1 January 2021	**971,629,460**	**97,162**	**55,620,034**	**55,717,196**
Exercise of warrants - 23 December 2021	1,228,153	123	85,848	85,971
As at 31 December 2021	**972,857,613**	**97,285**	**55,705,882**	**55,803,167**
As at 1 January 2022	**972,857,613**	**97,285**	**55,705,882**	**55,803,167**
Issue of new shares - 23 March 2022 (1)	76,857,134	7,686	5,198,113	5,205,799
As at 31 December 2021	**1,049,714,747**	**104,971**	**60,903,995**	**61,008,966**

(1) Includes issue costs of £174,200

Deferred Shares (nominal value of 0.1 pence per share)	Number of Deferred shares	Share capital £
As at 1 January 2021	558,104,193	558,104
As at 31 December 2021	558,104,193	558,104
As at 1 January 2022	**558,104,193**	**558,104**
As at 31 December 2022	**558,104,193**	**558,104**

Deferred A Shares (nominal value of 0.1 pence per share)	Number of Deferred A shares	Share capital £
As at 1 January 2021	68,289,656,190	6,828,966
As at 31 December 2021	68,289,656,190	6,828,966
As at 1 January 2022	**68,289,656,190**	**6,828,966**
As at 31 December 2022	**68,289,656,190**	**6,828,966**

On 23 March 2022, the Company issued and allotted 76,857,134 new Ordinary Shares at a price of 7 pence per share.

15. Share based payments

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

			Options & Warrants	
Grant Date	Expiry Date	Exercise price in £ per share	**31 December 2022**	**31 December 2021**
9 June 2017	9 June 2022	0.165	**-**	1,025,000
23 July 2019	23 July 2023	0.10	**5,200,000**	5,200,000
23 July 2019	23 July 2023	0.15	**5,200,000**	5,200,000
23 July 2019	23 July 2023	0.20	**5,600,000**	5,600,000
10 July 2020	30 July 2025	0.10	**4,400,000**	5,150,000
10 July 2020	30 July 2025	0.15	**1,100,000**	2,100,000
15 February 2021	15 February 2025	0.15	**11,000,000**	11,000,000
15 February 2021	15 February 2025	0.20	**11,000,000**	11,000,000
15 February 2021	15 February 2025	0.25	**11,000,000**	11,000,000
24 October 2022	1 October 2023	0.10	**1,500,000**	-
24 October 2022	1 October 2024	0.15	**3,000,000**	-
24 October 2022	1 October 2025	0.20	**4,500,000**	-
24 October 2022	1 October 2026	0.25	**8,000,000**	-
			71,500,000	57,275,000

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

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

	2017 Options	2019 Options	2019 Options	2019 Options
Granted on:	9/6/2017	23/7/2019	23/7/2019	23/7/2019
Life (years)	5 years	4 years	4 years	4 years
Share price (pence per share)	15.5p	7.45p	7.45p	7.45p
Risk free rate	0.56%	0.5%	0.5%	0.5%
Expected volatility	31.83%	21.64%	21.64%	21.64%
Expected dividend yield	-	-	-	-
Marketability discount	20%	20%	20%	20%
Total fair value (£000)	34	31	5	1

	2020 Options	2020 Options	2021 Options	2021 Options
Granted on:	10/7/2020	10/7/2020	15/2/2021	15/2/2021
Life (years)	5 years	5 years	4 years	4 years
Share price (pence per share)	6.16p	6.16p	9.20p	9.20p
Risk free rate	0.5%	0.5%	0.5%	0.5%
Expected volatility	30.24%	30.24%	61.47%	61.47%
Expected dividend yield	-	-	-	-
Marketability discount	20%	20%	20%	20%
Total fair value (£000)	31	5	270	213

	2021 Options	2022 Options	2022 Options	2022 Options
Granted on:	15/2/2021	24/10/2022	24/10/2022	24/10/2022
Life (years)	4 years	1 year	2 years	3 years
Share price (pence per share)	9.20p	5.3p	5.3p	5.3p
Risk free rate	0.5%	3.26%	3.26%	3.26%
Expected volatility	30.24%	69.64%	69.64%	69.64%
Expected dividend yield	-	-	-	-

Marketability discount	20%	20%	20%	20%
Total fair value (£000)	173	6,178	16,043	30,423

	2022 Options
Granted on:	24/10/2022
Life (years)	4 years
Share price (pence per share)	5.3p
Risk free rate	3.26%
Expected volatility	69.64%
Expected dividend yield	-
Marketability discount	20%
Total fair value (£000)	66,107

The expected volatility of the options is based on historical volatility for the six months prior to the date of granting.

The risk-free rate of return is based on zero yield government bonds for a term consistent with the option life.

A reconciliation of options and warrants granted over the year to 31 December 2022 is shown below:

	2022		2021	
	Number	**Weighted average exercise price (£)**	Number	Weighted average exercise price (£)
Outstanding at beginning of period	**57,275,000**	**0.1830**	**25,503,153**	**0.1556**
Expired	(1,025,000)	0.1650	-	-
Forefeited	(1,750,000)	0.1786	-	-
Exercised	-	-	(1,228,153)	0.0700
Granted	17,000,000	0.2058	33,000,000	0.2000
Outstanding as at period end	**71,500,000**	**0.1888**	**57,275,000**	**0.1830**
Exercisable at period end	**71,500,000**	**0.1888**	**57,275,000**	**0.1830**

	2022				2021			
Range of exercise prices (£)	**Weighted average exercise price (£)**	**Number of shares**	**Weighted average remaining life expected (years)**	**Weighted average remaining life contracted (years)**	Weighted average exercise price (£)	Number of shares	Weighted average remaining life expected (years)	Weighted average remaining life contracted (years)
0.05 - 2.00	**0.1888**	**71,500,000**	**1.9887**	**1.9887**	0.1830	57,275,000	3.18	3.18

During the period there was a charge of £118,751 (2021: £655,870) in respect of share options.

16. Other reserves

		Group				
	Merger reserve £	**Foreign currency translation reserve £**	**Reverse acquisition reserve £**	**Redemption reserve £**	**Share option reserve £**	**Total £**
At 31 December 2020	**166,000**	**1,205,544**	**(8,071,001)**	**364,630**	**114,108**	**(6,220,719)**
Currency translation differences	**-**	(1,640,140)	-	-	-	**(1,640,140)**
Expired Options	-	-	-	-	(8,285)	**(8,285)**
Issued Options	-	-	-	-	655,870	**655,870**
At 31 December 2021	**166,000**	**(434,596)**	**(8,071,001)**	**364,630**	**761,693**	**(7,213,274)**
At 31 December 2021	**166,000**	**(434,596)**	**(8,071,001)**	**364,630**	**761,693**	**(7,213,274)**
Currency translation differences	-	1,493,125	-	-	-	1,493,125
Expired Options	-	-	-	-	(33,771)	(33,771)
Issued Options	-	-	-	-	118,751	118,751
At 31 December 2022	**166,000**	**1,058,529**	**(8,071,001)**	**364,630**	**846,673**	**(5,635,169)**

17. Employee benefit expense

Staff costs (excluding Directors)	**Group** **Year ended 31 December 2022 £**	Year ended 31 December 2021 £	**Company** **Year ended 31 December 2022 £**	Year ended 31 December 2021 £
Salaries and wages	**186,994**	369,708	**128,618**	360,134
Social security costs	**38,191**	99,068	**34,753**	64,356
Retirement benefit costs	**11,324**	2,049	**11,324**	2,049
Other employment costs	**75,693**	27,425	**-**	2,093
	312,202	498,250	**174,695**	428,632

The average monthly number of employees for the Group during the year was 13 (year ended 31 December 2021: 11) and the average monthly number of employees for the Company was 6 (year ended 31 December 2021: 7).

Of the above Group staff costs, £105,459 (year ended 31 December 2021: £245,743) has been capitalised in accordance with IFRS 6 as exploratory related costs and are shown as an intangible addition in the year.

18. Directors' remuneration

Year ended 31 December 2022

	Short-term benefits £	**Post-employment benefits £**	**Share based payments £**	**Total £**
Executive Directors				
Roderick McIllree [1]	200,212	9,250	-	209,462
Robert Edwards [2]	19,067	587	118,751	138,405
Bo Møller Stensgaard	198,000	-	-	198,000
Eric Sondergaard [3]	200,466	-	-	200,466
Non-executive Directors				
Johannus Hansen [4]	24,167	-	-	24,167
Peter Waugh	24,000	533	-	24,533
Michael Hutchinson	40,000	-	-	40,000
	705,912	**10,370**	**118,751**	**835,033**

(1) Resigned on 22 June 2022
(2) Appointed on 24 October 2022
(3) Appointed 27 January 2022; resigned 2 November 2022
(4) Resigned 26 October 2022

For the year ending 31 December 2022, a further £13,408 was paid to Eric Sondergaard during his non-directorship employment in the year.

Year ended 31 December 2021

	Short-term benefits £	**Post-employment benefits £**	**Share based payments £**	**Total £**
Executive Directors				
Roderick McIllree [1]	196,534	18,500	-	215,034
Bo Møller Stensgaard	221,800	-	238,498	460,298
Non-executive Directors				
Ian Henderson [2]	12,879	-	-	12,879
Johannus Hansen [3]	23,309	-	-	23,309
Peter Waugh	24,000	533	-	24,533
Michael Hutchinson	38,750	-	-	38,750
	517,272	**19,033**	**238,498**	**774,803**

(1) Resigned on 22 June 2022
(2) Resigned on 5 January 2021
(3) Appointed on 15 March 2021

Of the above Group directors' remuneration, £522,689 (31 December 2021: £338,296) has been capitalised in accordance with IFRS 6 as exploratory related costs and are shown as an intangible addition in the year.

The above figures do not include employer portion of NIC. Directors NIC for the year ending 31 December 2022 was £28,747 (31 December 2021: £30,529). These have been included in note 17.

Details of fees paid to Companies and Partnerships of which the Directors detailed above are Directors and Partners have been disclosed in Note 26.

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

19. Finance income

	Group	
	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Interest income/(expense) from cash and cash equivalents	**2,653**	(4,251)
Finance Income/(expense)	**2,653**	(4,251)

20. Other Income

	Group	
	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Income from related parties	**1,641,536**	-
Other income	**159,903**	187,145
Finance Income/(expense)	**1,801,439**	187,145

Nikkeli Greenland A/S, joint venture company, was invoiced £1,641,536 during the year ended 31 December 2022 for management services provided

21. Other gain/(losses)

	Group	
	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Loss on disposal of property, plant and equipment	**(22,739)**	-
Foreign exchange gains/(losses)	**(89,794)**	(46,072)
Other gain/(losses)	**(112,533)**	(46,072)

22. Income tax expense

No charge to taxation arises due to the losses incurred.

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

	Group	
	Year ended 31 December 2021 £	Year ended 31 December 2020 £
Loss before tax	**1,664,541**	(2,491,062)

Tax at the applicable rate of 16.75% (2021: 20.68%)	**278,871**	(515,152)
Effects of:		
Expenditure not deductible for tax purposes	**63,453**	99,228
Depreciation in excess of/(less than) capital allowances	**42,261**	89,897
Net tax effect of losses carried forward	**(384,585)**	326,027
Tax (charge)/refund	**-**	-

The weighted average applicable tax rate of 16.75% (2021: 20.68%) used is a combination of the 19% standard rate of corporation tax in the UK, 20% Finnish corporation tax and 25% Greenlandic corporation tax.

The Group has a potential deferred income tax asset of approximately £900,508 (2021: £1,285,093) due to tax losses available to carry forward against future taxable profits. The Company has tax losses of approximately £6,955,765 (2021: £7,234,636) available to carry forward against future taxable profits. No deferred tax asset has been recognised on accumulated tax losses because of uncertainty over the timing of future taxable profits against which the losses may be offset.

The UK corporate income tax rate applicable for the year ended December 31, 2022, is 19%. Deferred taxes on the Balance Sheet have been measured at 25%, which represents the future corporate income tax rate that was enacted at the balance sheet date. The Finance Act 2021 (enacted on May 24, 2021) increased the main rate of UK corporate income tax to 25% with effect from April 1, 2023.

23. Earnings per share

Group

The calculation of the total basic earnings per share of 0.16 pence (31 December 2021: (0.28) pence) is based on the loss attributable to equity holders of the parent company of £1,664,541 (31 December 2021: £2,706,833) and on the weighted average number of ordinary shares of 1,032,448,213 (31 December 2021: 971,659,743) in issue during the year.

In accordance with IAS 33, basic and diluted earnings per share are identical for the Group as the effect of the exercise of share options would be to decrease the earnings per share. Details of share options that could potentially dilute earnings per share in future periods are set out in Note 15.

24. Expenses by nature

	Group	
	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Cost of Sales		
Exploitation licence fees	**624,214**	199,844
Other	**5,716**	-
Total cost of sales	**629,930**	199,844
Administrative expenses		
Employee expenses	**495,425**	438,982
Establishment expenses	**70,184**	89,137
Travel & subsistence	**50,182**	38,082
Professional & consultancy fees	**573,035**	692,470
IT & Software	**25,671**	19,612
Insurance	**101,223**	75,548
Depreciation	**369,714**	460,713
Share Option expense	**118,751**	655,870
Other expenses	**82,086**	191,632
Total administrative expenses	**1,886,271**	2,662,046

Services provided by the Company's auditor and its associates

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

	Group	
	Year ended 31 December 2022 £	Year ended 31 December 2021 £
Fees payable to the Company's auditor and its associates for the audit of the Parent Company and Consolidated Financial Statements	**67,751**	58,004
Fees payable to the Company's auditor for other services	**2,000**	11,385

25. Investments in Joint Venture

During the 2021 financial year, Disko Exploration Ltd entered into a joint venture agreement with Kobold Metals to drill in Greenland for critical materials used in electric vehicles. On 1 February 2022, the joint venture company, Nikkeli Greenland AS ("Nikelli"), was incorporated and the specific licence's were transferred to Nikkeli.

		Proportion of ownership interest held	
Name	**Country of incorporation**	**30 June 2022**	**30 June 2021**
Nikkeli Greenland A/S	Greenland	49%	-

	Year ended 31 December 2022 £
Interest in joint venture	2,085,147
Share of loss in joint venture	(71,956)
Increase in share of net asset	2,457,596
	4,470,787

Summarised financial information

Nikkeli Greenland A/S	**Year ended 31 December 2022 £**
Current assets	366,587
Non-current assets	8,928,292
Current liabilities	170,825
	9,124,054

	Year ended 31 December 2022 £
Revenues	-
(Loss) after tax from continuing operations	(146,850)
	(146,850)

	Year ended 31 December 2022 £
Opening net assets	**-**
Loss for the period	(71,956)
Other comprehensive income	-
Foreign exchange differences	-
Closing net assets	**9,124,054**
Interest in joint venture at 49%	4,470,787
Carrying value	**4,470,787**

The financial statements of the JV are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group (refer to note 2.3.b).

Increase in share of net assets is a non-cash adjustment to increase the Group's ownership in the Joint Venture to 49% from additional contributions by the JV Partner (refer to note 2.8).

Nikkeli Greenland A/S had no contingent liabilities or commitments as at 31 December 2022.

26. Commitments

License commitments

Bluejay now owns 7 mineral exploration licenses and one exploitation licence in Greenland. Licence 2015/08, 2020/114 and 2021/08 is a part of the Dundas project and licences 2011/31, 2020/03, 2020/06, and 2020/22 are part of the Disko projects in Greenland. These licences include commitments to pay annual licence fees and minimum spend requirements.

As at 31 December 2022 these are as follows:

Group	**Group** **License fees** **£**	**Minimum spend requirement** **£**	**Total** **£**
Not later than one year	142,329	1,527,187	1,669,516
Later than one year and no later than five years	239,806	15,465,686	15,705,492
Total	**382,135**	**16,992,873**	**17,375,008**

27. Related party transactions

Loans to Group undertakings

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

	Company **31 December 2022** **£**	31 December 2021 £
Finland Investments Ltd	**-**	-
FinnAust Mining Finland Oy	**8,278,416**	7,311,625
Centurion Mining Limited	**345**	345
Dundas Titanium A/S	**29,470,669**	23,462,907
Disko Exploration Limited	**4,708,752**	3,176,103
At 31 December (Note 8)	**42,458,182**	33,950,980

Loans granted to subsidiaries have increased during the year due to additional loans being granted to the subsidiaries, and foreign exchange loss of £2,049,375, given that no loans were repaid during the year.

These amounts are unsecured and repayable in Euros and Danish Krone on demand from the Company.

All intra Group transactions are eliminated on consolidation.

Other transactions

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

PMW Consultancy Services, operated by Peter Waugh as a sole trader, was paid a fee of £42,000 for the year ended 31 December 2022 (31 December 2021: £50,000) for consulting services to the Company. There was a balance of £5,000 owing at year end (31 December 2021: £nil).

Egholm Consult, operated by Johannus Hansen, was paid a fee of £10,500 for the year ended 31 December 2022 (31 December 2021: £nil) for consulting services to the Company. There was a balance of £nil owing at year end (31 December 2021: £nil).

Nikkeli Greenland A/S, joint venture company, was invoiced £1,641,536 during the year ended 31 December 2022 (31 December 2021: £nil) for management services provided. There was a balance of £873,666 receivable at year end (31 December 2021: £nil). Nikelli Greenland A/S show this balance as part of their contributed capital.

28. Ultimate controlling party

The Directors believe there is no ultimate controlling party.

29. Events after the reporting date

On 14 February 2023, the Company received funding for US$2,000,000 as a convertible loan note. On the same date, the Company issued 5,800,000 Initial Placement shares at nominal value and 3,798,911 Commencement shares issued a price of £0.047382 per share to the convertible loan note holder.

On 25 April 2023, the Company mutually agreed to repay the US$2,000,000 amount received for the convertible loan note.

On 28 June 2023, the Company rasied £1,300,000 via the issue and allotment of 74,285,707 new Ordinary Shares at a price of 1.75 pence per share. On the same day, the Company issued and allotted 571,429 new Ordinary Shares at a price of 1.75 pence per share in lieu of fees.

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ('MAR') which has been incorporated into UK law by the European Union (Withdrawal) Act 2018.

For further information please visit http://www.bluejaymining.com or contact:

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About Bluejay Mining plc

Bluejay is listed on the London AIM market and Frankfurt Stock Exchange and its shares also trade on the OTCQB Market in the US. With multiple projects in Greenland and Finland, Bluejay has now secured four globally respected entities as partners on three of its projects, and exploration expenditure of up to $37 million contractually committed on three key projects, giving the Company and its shareholders both portfolio and commodity diversification in high quality jurisdictions.

Bluejay's Dundas Ilmenite Project in northwest Greenland is fully permitted and undergoing further optimisation studies. The Company has agreed a Master Distribution Agreement with a major Asian conglomerate for up-to 340k tonnes per annum ('tpa') of its designed 440ktpa annual output. The Company has also mandated a major European bank to head the financing syndicate for Dundas.

Bluejay, through its wholly owned subsidiary Disko Exploration Ltd., has signed a definitive Joint Venture Agreement with KoBold Metals to guide exploration for new deposits rich in the critical materials required for the green energy transition and electric vehicles (The Disko-Nuussuaq nickel-copper-cobalt-PGE Project). Disko Exploration Ltd holds two additional projects in Greenland - the 692 sq km Kangerluarsuk zinc-lead- silver project, where historical work has recovered grades of up to 45.4% zinc, 9.3% lead and 596 g/t silver and where multiple large-scale drill targets have been identified; and the 920 sq km Thunderstone project which has the potential to host large-scale base metal and gold deposits.

In Finland, Bluejay currently holds three large scale multi-metal projects through its wholly owned subsidiary FinnAust Mining Finland Oy. The Company has a Joint Venture Agreement with a mining major at its Enonkoski nickel-copper-cobalt Project in East Finland which has seen continued exploration and drilling since June 2021. Bluejay's drill ready Hammaslahti copper-zinc-gold-silver project hosts high-grade VMS mineralisation and extensions of historical ore lodes have been proven. The drill ready Outokumpu copper-nickel-cobalt-zinc-gold-silver project is located in a prolific geological belt that hosts several high-grade former mines. Bluejay has also signed a conditional agreement for a partial divestment in a fourth Finnish project.

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Peter Waugh – Non Executive Director

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