

Registered number: 09663756



JANGADA MINES PLC

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE 18 MONTHS PERIOD ENDED 31 DECEMBER 2020
AND
NOTICE OF ANNUAL GENERAL MEETING**

COMPANY INFORMATION

Directors	Brian McMaster – Executive Chairman Luis De Azevedo – Non-Executive Director Nick von Schirnding – Non-Executive Director Louis Castro – Independent Non-Executive Director (Resigned 15 August 2020)
Company Secretary	Clive Hopewell
Registered Office	20 North Audley Street London W1K 6WE United Kingdom
Registered number:	09663756
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW United Kingdom
Legal advisors as to English law	Bird & Bird LLP 12 New Fetter Lane London EC4A 1JP United Kingdom
Legal advisors as to Brazilian law	FFA Legal Av. Jornalista Ricardo Marinho, 360 Sala 113, Ed. Cosmopolitan 22631-350 Barra da Tijuca, Rio de Janeiro Brasil
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Broker	Brandon Hill Capital Limited 1 Tudor Street, London EC4Y 0AH United Kingdom
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**GROUP STRATEGIC REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020**

The directors present the strategic report for the 18 month period ended 31 December 2020.

INTRODUCTION

Jangada Mines Plc (the "**Company**") was incorporated as an acquisition vehicle for the purposes of acquiring mining concerns in Brazil.

The Company has subsequently focused its strategy to investing in mining assets with clear economic, geological and environmental objectives. At the balance sheet date, the Company acted as a holding company for:

- its subsidiary undertaking VTF Mineracao Ltda, which has 100% ownership of the Pitombeiras Vanadium Project, which the Company is currently developing; and
- investments in ValOre Metals Corp and Fodere Titanium Limited.

(together with the Company, the "**Group**").

The financial statements are presented in thousands of US Dollars (\$'000). The financial statements have been prepared in accordance with the requirements of the International Financial Reporting Standards adopted by the European Union ("**IFRS**").

REVIEW OF THE BUSINESS

Pitombeiras Vanadium Project

During the period under review, the Company continued to develop its 100% owned Pitombeiras Vanadium Project ('Pitombeiras' or 'the Project'), located in the state of Ceará, Brazil and I am pleased to confirm that we have made great progress in this regard.

Consistent vanadium-titanium-iron grades and widths confirmed; new drilling targets delineated; an initial National Instrument 43-101 ('NI 43-101') compliant resource estimate of 5.70Mt released; and post period end, a Preliminary Economic Assessment ('PEA') defining robust economics and remarkable potential for further growth delivered. We are rapidly ticking boxes as we look to fast-track the exciting Pitombeiras Vanadium Project ('Pitombeiras' or 'the Project') in Brazil to production, realise its potential and, in the process, generate value for all our shareholders.

The 18-month period under review saw us embark on a plethora of activity at Pitombeiras including drilling programmes, metallurgical tests, and airborne magnetic surveys to delineate vanadium titanomagnetite ('VTM') drilling targets. The positive data generated from these activities enabled us to report an initial National Instrument 43-101 ('NI 43-101') compliant resource estimate for the Project mid 2020:

- Total Resource estimate of 5.70Mt at an average grade of 0.51% vanadium pentoxide ('V2O5'), 10.09% titanium dioxide ('TiO2') and 50.42% of ferric oxide ('Fe2O3') for a contained resource of 28,990 tonnes V2O5
- Indicated Resource estimate of 1.47Mt at an average grade of 0.50% V2O5, 9.85 % TiO2 and 49.78% of Fe2O3 for a contained resource of 7,297 tonnes V2O5
- Inferred Resource estimate of 4.23Mt at an average of 0.51% V2O5, 10.17% TiO2 and 50.64% of Fe2O3 for a contained resource of 21,693 tonnes V2O5

**GROUP STRATEGIC REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (*continued*)**

Post period end, using this estimate, we were delighted to deliver an initial PEA that confirmed our own confidence in the economic viability of the Project and its excellent potential to become a profitable producer of Ferro-Vanadium concentrate (62%/65% iron ('Fe'), plus V₂O₅ credit).

The PEA, prepared by GE21 Consultoria Mineral ('GE21') and compliant with National Instrument 43-101 ('NI 43-101'), projected a \$9.5m initial capital cost and post-tax payback period of 3 months. It also reported an estimated post-tax NPV (at a 8% discount rate) and IRR of \$106.5 million and 317.8%, respectively.

Notably, the PEA suggests a simple processing route providing opportunity to a fast-track approach to production and cash flow. Furthermore, the total resource considered in the PEA is based on just two out of 20 known targets selected based on a ground magnetic survey.

ValOre Metals Corp

Our investment in ValOre Metals Corp (TSX-V:VO) ('ValOre') has yielded positive results.

As previously advised, in August 2019, we divested our 100% interest in our former subsidiary, Pedra Branca Brasil Mineracao Ltda, the entity that held the advanced palladium, platinum, and nickel project, the Pedra Branca Project in Brazil ('Pedra Branca'), to ValOre whilst retaining a strategic upside exposure through a significant shareholding in ValOre. The consideration received on the divestment was CAD\$3,000,000 alongside the issue of 25,000,000 ValOre common shares to Jangada (of which 22,000,000 shares were received on completion and 3,000,000 deferred consideration shares over 3 years). The divestment resulted in a reported profit on disposal of \$6.2 million for the reporting period.

During the period, we have sold down part of the investment in ValOre to support the Company's working capital requirements, allowing us to substantially progress the development of Pitombeiras, including the PEA and identification of the JORC resource.

At the end of the reporting period, the Company had a 17.23% interest in ValOre's share capital. As Brian McMaster and Luiz Azevedo are both on the board of directors of ValOre, it is considered an associate for the purposes of preparing these financial statements.

ValOre continues to generate notable results from Pedra Branca. With a reported maiden NI 43-101 compliant inferred resource of 1,067,000 ounces PGE+Au at an average grade of 1.22 g/t PGE+Au, ValOre's focus in 2020 was to increase the resource and undertake discovery drilling. To this end, a 6,000 metre two phase diamond drill programme was undertaken with the bulk aimed at expanding specific zones, which form part of the inferred resource, namely Trapia (Trapia 1 and Trapia 2) and Santo Amaro. Results reported so far indicate that the "*ore body thickens at depth and that mineralisation remains open in all directions*".

Furthermore, work related to mineralogy, processing and metallurgy has provided very positive initial results and some additional options which warrant immediate follow up. We are expecting continued newsflow throughout the year as ValOre continues with a property-wide exploration programme at Pedra Branca.

**GROUP STRATEGIC REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (*continued*)**

Fodere Titanium Limited

By channelling capital in a responsible way towards companies that innovate and address global challenges to create a more sustainable world, investing can make a difference. With this in mind, the decision was made to take a 3.6% interest in Fodere Titanium Limited ('Fodere'), a company that is making great strides towards commercialising the production of titanium dioxide and vanadium from waste materials.

Fodere is rapidly advancing the commercialisation of its environmentally sustainable and highly innovative technology to extract high value metals from the titanium, vanadium, iron, and steel industries. Fodere is currently in discussion with industrial offtakers as it moves toward building an initial plant to commence production. One of the Company's Non-Executive Directors, Nick von Schirnding, is Chairman of Fodere.

COVID-19

The directors note that COVID-19 has had a significant negative impact on the global economy during 2020 with disruption felt globally. The Group has thankfully seen its inherent value significantly increase from its value in 2019 because of our successful exploration programme and project development initiatives. On a wider level COVID-19 has highlighted to the world the importance of sustainability across every aspect of life. With a portfolio of assets and investments that support the drive towards greater sustainability, Jangada is well placed to contribute to the world's needs without compromising the ability of future generations to meet their own needs

Financial Results

The progress during the financial year of advancing the Pitombeiras project resulted in the Group incurring an operating Loss from Continuing Operations of \$1.6 million (2019: \$1.6 million). As stated above, the reported profit on the disposal of the Pedra Branca project was \$6.2 million (2019: loss of \$0.09 million).

Overall and pleasingly, the reported Total Comprehensive Profit attributable to the Group for the 18 month reporting period was \$3.9 million (2019: loss of \$1.7 million).

**GROUP STRATEGIC REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (continued)**

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties, which could have a material impact on the long-term performance of the Group and could cause actual results to differ materially from expected results.

Management considers the following to be the principal risk and uncertainties relating to the Group:

Description	Impact	Mitigation
Strategic Risk:		
<ul style="list-style-type: none"> The Group's licences and operations are in foreign jurisdictions. 	<p>The Group is subject to political, economic and other uncertainties, including but not limited to, changes in policies or the personnel administering them, appropriation of property without fair compensation, cancellation or modification of contract rights, royalty and tax increases and other risks arising out of foreign governmental sovereignty over the area in which these operations are conducted.</p>	<p>The Board closely monitors economic and currency situations by developing a business continuity plan to allow the Directors to respond effectively to a country's economic crisis.</p>
Financial Risks:		
<ul style="list-style-type: none"> Currency exchange rate fluctuations may negatively affect the Group 	<p>The Group's consolidated financial statements are presented in United States dollars and certain ongoing management costs will be denominated in British pounds sterling. The markets for the commodities produced are typically listed in US dollars and so the Group expects that most of its future revenues and operating expenses will be in US dollars, British pounds sterling and Brazilian Reals. Consequently, the Group will be exposed to ongoing currency risk. The Group may also have operating expenses denominated in another currency. Consequently, changes in the exchange rates of these currencies may negatively affect the Group's cash flows, operating results or financial condition to a material extent.</p>	<p>The Group does not intend to hedge its cash resources against risks associated with disadvantageous movements in currency exchange rates. Therefore, currency exchange rate fluctuations may negatively affect the Group. However, the Group will endeavour to immediately convert funds raised in pounds sterling to US dollars as a natural currency hedge to fulfil operational work plans and will continue to place money market orders to take advantage of favourable currency fluctuations.</p>
<ul style="list-style-type: none"> Project capital cost performance 	<p>Higher costs might negatively affect the Group's cash flows, operating results or financial condition to a material extent.</p>	<p>To gain the most competitive pricing, control costs and limit overruns, the Group negotiates fixed pricing for services, wherever possible, and obtain quotations from multiple suppliers of materials and services.</p>

**GROUP STRATEGIC REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (continued)**

Description	Impact	Mitigation
Operational Risks:		
<ul style="list-style-type: none"> Permits, licences and leases 	<p>Significant parts of the Company's operations require permits, licences, and leases from various governmental authorities in Brazil. There can be no assurance that the Company will be able to obtain all necessary permits, licences and leases that may be required to carry out future exploration and development at our projects. If the present permits, licences, and leases are terminated or withdrawn, such event could have an adverse effect of the Company's operations.</p>	<p>The directors believe that the Group is complying in all material respects with the terms of the licences and permits granted to it to undertake its activities in Brazil. Nevertheless, the Group's ability to obtain, sustain or renew such licences and permits on acceptable terms are subject to change in regulations and policies and to the discretion of the applicable regulatory authorities and governments.</p>
<ul style="list-style-type: none"> The Company's proposed development plans are subject to several operational and financial risks 	<p>The drilling programmes that continue to be carried out by the Group involve potentially complicated and difficult technical operations with which there are inherent risks. These include human error by the drilling operator, equipment failure, mistakes in the planning of the operations and the encountering of unforeseen difficulties within field operations.</p> <p>The ability for the Group to move to the production phase (assuming the project is considered economic) is dependent on sourcing sufficient and appropriate funding.</p>	<p>While these risks cannot be eliminated, they are to an extent mitigated because the geology and geophysics of the Group assets are well understood, in particular because of the number of wells previously drilled in each of the licences. The Group has an experienced technical team who have worked in Brazil for many years.</p> <p>The Board has significant experience in overseeing the transition from exploration to production, including the financing of such transition. As with any business, plans for growth will always be dependent of various factors including financing.</p> <p>The feasibility of the Pitombeiras Project will be further informed by the outcome of a further Preliminary Economic Assessment due in late Q2 2021.</p> <p>During the next 12 months the Board will look into financing options for the production phase.</p>
<ul style="list-style-type: none"> Global pandemic negatively impacts operations 	<p>If the global pandemic results in a lockdown or state of emergency being declared, it could result in the Group having to cease its operations, which might negatively affect the Group's cash flows, operating results or financial condition to a material extent.</p>	<p>The Board has planned for such a period of cessation of operations. The Board introduced measures in April 2020 (e.g postponement of capital expenditure, cost reductions and cost deferrals) and would take further measures as and when required.</p>

**GROUP STRATEGIC REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (continued)**

Description	Impact	Mitigation
HSE Risks:		
<ul style="list-style-type: none">• Accident and incidents associated with operations.	Serious accidents can result in shut down of operational sites and loss of credible operator reputation/licence.	<p>The Group does not have any employees.</p> <p>At present, the Group is only undertaking drilling operations as part of the exploration phase. All drilling is undertaken by contractors who are appropriately qualified to undertake the works. These contractors are responsible for ensuring HSE requirements are met for their personnel.</p> <p>Post balance sheet date, we have strengthened the technical team with the engagement (under contract) of two highly experienced senior appointments.</p>
Organisational Risks:		
<ul style="list-style-type: none">• Dependence on key executives and personnel, employee retention and recruitment	<p>The Group has no employees. One director holds an executive position.</p> <p>As such, the future success of the Group depends on the expertise of the directors and, post the balance sheet date, its new senior management team.</p> <p>For operational matters, the Group engages third party contractors to undertake various works (such as drilling etc).</p>	<p>Executive directors have notice periods of no less than three months to ensure sufficient time to handover responsibilities in the event of a departure.</p> <p>The Board considers the current remuneration of the directors to be fair and competitive.</p> <p>The use of third party contractors mitigates the risk of damage to the business that may occur through the loss of key employees.</p> <p>Post balance sheet date, we have strengthened the technical team with the engagement (under contract) of two highly experienced senior appointments.</p>

GROUP STRATEGIC REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 *(continued)*

STAKEHOLDER ENGAGEMENT

A key focus of the Board is to promote the success of the Company for the benefit of its members as a whole, whilst having regard to other matters (as set out below), as outlined in Section 172 of the Companies Act 2006.

We understand that our long-term success depends on our relationships with our stakeholders. We strive to provide our stakeholders with timely and effective information, responses and support. The following table summarises how we identify and seek to meet their needs, interests and expectations.

Stakeholder	Reason for engagement	How we engage
Shareholders: We provide transparent, accessible and balanced information to investors to ensure support and confidence.	Understanding shareholder sentiments regarding the business, its prospects and the performance of management and, incidentally, meeting regulatory requirements.	RNS announcements and on our website and across our online channels. Interviews with our directors published as videos. Regular updates to our corporate presentation. Attendance at investor relations events. Annual report and AGM channels.
Industry bodies, local and national governments: Our services must meet certain legal and regulatory requirements.	We work hard to meet our regulatory obligations to retain our good standing with regulators, the Brazilian government, and the wider natural mining sector. Our relationship with the local and national government is a key to our success and has taken a long time to develop.	Adherence to Brazilian state regulations. Commitment to fulfilling our AIM reporting obligations. Annual audit of Company processes and financial risks.
Communities and environment: Our operations are embedded within a complex local economic and ecosystem.	We ensure that all our contractors are properly qualified to undertake the services for which they are engaged. We also ensure that our exploration activities are conducted with due care for the environment and neighbouring communities. We work with state and local government to support the communities in the areas where we operate.	Post balance date, we have strengthened the technical team with the engagement (under contract) of two highly experienced senior appointments who have significant local knowledge.

**GROUP STRATEGIC REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (continued)**

Stakeholder	Reason for engagement	How we engage
Suppliers. We engage contractors and purchase from a wide range of suppliers.	We must honour our obligations to the staff of the companies that we contract, and ensure they are aware of the HSE and regulatory framework within which we operate.	We integrate our HSE policies into all agreements entered into by our contractors. We have a robust financial process for settling our invoices for contractors and all other service providers. We take care to ensure we source products and services from ethical suppliers.

The Board is responsible for putting in place and communicating a sound system to manage risk and implement internal control. We recognise that the management of risk is an essential business practice: we work to balance risk and return, threat and opportunity.

HEALTH, SAFETY AND ENVIRONMENT

Our operations are conducted within a robust Health, Safety and Environment ("HSE") framework. Any serious incident or high potential near miss will immediately be brought to the attention of the Board which will then oversee the appropriate remedial action.

CLIMATE CHANGE

For our sector, there is a keen interest from several stakeholders and investors on the theme of climate change and we can assure them that the group is wholly committed to good environmental stewardship. We have a robust approach to corporate responsibility and sustainability issues, underpinned by our commitment to high standards of health and safety and environmental stewardship. Consistent with our strategy, we have increased our investment in Fodere that provide access to forward thinking experts, technology, and waste improvement processes, it is also consistent with the Company's approach to developing vanadium, titanium and iron resources in a sustainable and environmentally friendly way.

KEY PERFORMANCE INDICATORS

The key financial performance indicator for the Group is the overall performance of its investment in its subsidiary undertaking.

During the period the Group made considerable advancement in developing the Pitombeiras project incurring an operating Loss from Continuing Operations of \$1.6 million (2019: \$1.6 million). This was in line with business plans and the directors' expectations whilst the Group invested significantly in the Pitombeiras project.

As the Group is in an exploration phase, the directors review budgets and monitors pre-production timing targets as non-financial performance indicators. The non-financial KPIs the Group set itself during the year were the completion of the drilling targets and commencement of the Preliminary Economic Assessment ("PEA"), all of which the Group achieved.

**GROUP STRATEGIC REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (continued)**

DIRECTORS' EQUITY INTEREST IN THE COMPANY

The interests (all of which are beneficial unless otherwise stated) of the directors and their immediate families and the persons connected with them (within the meaning of section 252 of the Companies Act 2006, the "2006 Act") at the balance sheet date in the issued share capital of the Company or the existence of which could, with reasonable diligence, be ascertained by any director are as follows:

	No. of ordinary shares held	% of share capital	No. of ordinary shares over which options are granted
Directors' interests as at 31 December 2020:			
Brian McMaster	55,244,467	22.8%	-
Luis De Azevedo (1)	54,066,667	22.3%	-
Nicholas von Schirnding	253,333	0.1%	3,000,000

(1) Held through a corporate vehicle, Flagstaff International Investments Ltd, on Mr De Azevedo's behalf.

STRATEGY AND FUTURE DEVELOPMENTS

The Group's key strategic goal is to progress the Pitombeiras operations through to production and future cash flow generative, which would be opportune at these times when we see peak iron ore prices and recovering vanadium prospects. As announced on 16 February 2021, the results of the PEA at current 5.5Mt of resources, indicate an initial capital expenditure ("CAPEX") of US\$9.5 million for a 1.1Mt ('million tonnes') per year operation to deliver a NPV8% of US\$106.5 million post-tax and 317.8% IRR. Further upside to economics is expected to be delivered in a revised PEA (including potential expanded mineral resources upon conclusion of ongoing drilling programme) expected in Q2, 2021.

The estimated initial CAPEX amount is primarily for the construction of a plant to process the ore. The timing of the construction of the plant is at this stage unknown due to the ongoing assessment of the project and, if considered economic, the need to access funding. This ongoing assessment and the sourcing of funding are matters the Board will be considering over the next 3-9 months. Whilst it is a strategy the Board are seeking to pursue, it is clearly too early to say definitively whether the project will move into the production phase in 2022.

This report was approved by the directors on 26 March 2021.



B K McMaster
Director

**DIRECTORS' REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020**

The directors present their report and the audited financial statements for the 18 month period ended 31 December 2020.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs') as adopted by the EU and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

They are further responsible for ensuring that the Strategic Report and the Report of the Directors and other information included in the Annual Report and Financial Statements are prepared in accordance with applicable law in the United Kingdom.

The maintenance and integrity of the Jangada Mines website is the responsibility of the directors; the work carried out by the auditors does not involve the consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

**DIRECTORS' REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (continued)**

PRINCIPAL ACTIVITIES

The Company acts as a holding company. The principal activity of the Group is the operation of business engaged in the exploration and development of mining assets in Brazil.

RESULTS AND DIVIDENDS

The Company changed its accounting reference date from 30 June to 31 December. This report covers the 18 month period ended 31 December 2020. The change was made to align its financial year end to that of its Brazilian subsidiary VTF Mineração Ltda. Therefore, the current 18 months period ended 31 December 2020 is not directly comparable with the prior 12 months period ended 30 June 2019.

The Group incurred an operating loss from continuing operations for the period of \$1.6 million (2019: \$1.6 million). The reported profit on the disposal of the Pedra Branca project was \$6.2 million (2019: loss of \$0.09 million).

Overall, the reported Total Comprehensive Profit attributable to the Group for the 18 month reporting period was \$3.9 million (2019: loss of \$1.7 million).

The directors do not recommend payment of a dividend.

GOING CONCERN

The Board are cognisant of the potential impacts of COVID-19 on the Group and the significant negative impact on the global economy. To date, there has been little impact of COVID-19 on the Group's operations and, whilst the potential future impacts are unknown, the Board has considered the operational disruption that could be caused by factors such as illness amongst our workforce and potential disruptions to supply chain, factoring in these potential impacts and reasonable mitigating actions to forecasts and sensitivity scenarios.

The disposal of its subsidiary which owned the Pedra Branca project to ValOre, for the combined consideration of CAD\$3 million (USD \$2.26m) cash and 25,000,000 ValOre common shares has provided the Company with significant cash flow to allow the Company to advance the Pitombeiras Project as well as provide for ongoing working capital requirements.

The Group monitors its cash position, cash forecasts and liquidity regularly, and has a conservative approach to cash management. As at 31 December 2020, the Company held cash reserves of \$513,000.

The Group will require further funding to finance its programme in the medium to long term. To this end:

- On 19 February 2021, the Company raised £1.25 million (USD \$1.75 million) via a placing of 13,888,888 new Ordinary shares of £0.0004 each in the Company at a price of £0.09 per Placing Share through Brandon Hill Capital.
- On 24 February 2021, the Company disposed of 2 million of its common shares in ValOre at a price of CAD\$0.30 per share, providing Jangada with gross proceeds of CAD\$600,000 (USD \$477,779).

**DIRECTORS' REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (continued)**

- On 5 March 2021, the Company disposed of a further 3.875 million of its common shares in ValOre at a price of CAD\$0.30 per share, providing Jangada with gross proceeds of CAD\$1,162,500 (USD \$917,300).
- As at the date of this report, the Company holds 10,305,000 common shares in ValOre and is due to receive a further 1.5 million common shares in ValOre over the next 18 months as part of the deferred consideration under the terms of the disposal of Pedra Branca.

As announced on 16 February 2021, the results of the PEA at current 5.5Mt of resources, indicate an initial capital expenditure ("CAPEX") of US\$9.5 million for a 1.1Mt ('million tonnes') per year operation to deliver a NPV8% of US\$106.5 million post-tax and 317.8% IRR. Further upside to economics is expected to be delivered in a revised PEA (including potential expanded mineral resources upon conclusion of ongoing drilling programme) expected in Q2, 2021.

The timing of the CAPEX spend is at this stage unknown due to the ongoing assessment of the project and, if considered economic, the need to access funding. This ongoing assessment and the sourcing of finance are matters the Board will be considering over the next 3-9 months. Whilst it is a strategy the Board are seeking to pursue, it is clearly too early to say definitively whether the project will move into the production phase in 2022.

Notwithstanding the uncertainty in respect to future CAPEX timing and requirements, based on the results of abovementioned fundraising activities, the directors do not consider there to be a material uncertainty during the assessment period, which may cast significant doubt over the Group's ability to continue as a going concern. The directors therefore consider it appropriate to prepare the financial statements on a going concern basis.

DIRECTORS

The directors who served during the period were:

B K McMaster

L M F De Azevedo

N K Von Schirnding

L E Castro (Resigned 15 August 2020)

FINANCIAL INSTRUMENTS

Details of the Company's financial instruments are given in note 4.

EVENTS AFTER THE END OF REPORTING PERIOD

Post balance sheet events are discussed in note 22.

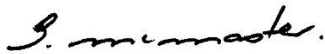
**DIRECTORS' REPORT
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 *(continued)***

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

Each person who was a director at the date of approval of this report confirms that:

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

This report was approved by the directors on 26 March 2021.



B K McMaster

Director

STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE

CHAIRMAN'S CORPORATE GOVERNANCE STATEMENT

The Directors recognise the importance of and are committed to high standards of corporate governance. The corporate governance framework within which the Group operates, including Board leadership and effectiveness, Board remuneration, and internal control is based upon practices which the Board believes are proportional to the size, risks, complexity, and operation of the business.

My role as Executive Chairman effectively combines the roles of Chairman and Chief Executive, although, in practice, much of the day-to-day running of the Company's operations is delegated to consultants who are not directors of the Company. Whilst this does not satisfy the QCA statement that the "chair must have adequate separation from the day-to-day business to be able to make independent decisions", this reflects both the entrepreneurial nature and early stage of development of the Company and its business. The continued combination of the two roles will be reviewed as the business develops further.

The Board of Directors currently comprises an Executive Chairman and two non-executive directors. It is the main decision-making body of the Company, being responsible for:

- a) the overall direction and strategy of the Company;
- b) monitoring performance;
- c) understanding risk, and
- d) reviewing controls.

It is collectively responsible for the success of the Company. The Board is satisfied that it has a suitable balance between independence and knowledge of the business to allow it to discharge its duties and responsibilities effectively. The Chairman is ultimately responsible for the implementation and practice of sound corporate governance.

The Company does not currently undertake a formal annual evaluation of the performance of the Board or individual Directors but will consider doing so at an appropriate stage of its development in accordance with general market practice.

The Board maintains a regular dialogue with Strand Hanson, its nominated adviser, and obtains legal, financial, and other professional advice as required to ensure compliance with the AIM Rules and other governance requirements.

In the statement below, we explain our approach to governance, and how the Board and its committees operate. It is the role of the Board to ensure that the Group is managed for the long-term benefit of all shareholders, with effective and efficient decision making. Effective corporate governance is an essential part of that role, reducing risk and adding value to our business.



Brian McMaster
Executive Chairman
26 March 2021

STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE
(continued)

Adoption of the QCA Corporate Governance Code

Changes to the AIM Rules in March 2018 required AIM companies to apply a recognised corporate governance code from 28 September 2018. Of the two widely recognised formal codes, the Board has decided to adhere to the Quoted Companies Alliance Corporate Governance Code (the QCA Code), for Small and Mid-Size Quoted Companies to meet the new requirements of AIM Rule 26.

The QCA Code is constructed around ten broad principles and a set of disclosures. We have considered how we apply each principle to the extent that the Board judges these to be appropriate in the circumstances and below we provide an explanation of the approach taken in relation to each. The Board considers that the only departure arises under principles 5 and 7 where, given its small size, the Chairman and CEO roles are combined, and the Company has no formal succession planning process or board performance evaluation in place, respectively.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

The Company has a clearly articulated strategy and business plan as the holding company of a Brazilian mining operation that is focussed on the Pitombeiras vanadium resource. Our business model has been to discover and develop highly prospective, low risk projects with low cost production. The Board believes that there is strong support for vanadium as an asset class and considers that it is in the best interests of shareholders to focus the Company's resources on pursuing the development of Pitombeiras.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Company recognises that maintaining strong communications with its shareholders promotes transparency and will drive value in the medium to long-term. As such, the Group is committed to communicating openly with its shareholders to ensure that its strategy and performance are clearly understood.

We communicate with shareholders through the Annual Report and Accounts and Interim Accounts, full-year, and half-year announcements thereto, trading updates and other regulatory announcements and the Annual General Meeting (AGM). The Directors actively seek to build relationships with both private and institutional shareholders and potential investors.

An up to date information flow is also maintained on the Company's website (www.jangadamines.com) which contains all press announcements and financial reports as well as extensive operational information on the Company's activities.

The Board also encourages shareholders, where possible and allowed under Government regulations, to attend the Annual General Meeting, at which members of the Board are available to answer questions and present a summary of the year's activity and the corporate outlook for the Company.

STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE
(continued)

Principle 3: Consider wider stakeholder and social responsibilities and their implications for long-term success

The Group is aware of its corporate social responsibilities and the need to maintain effective working relationships across a range of stakeholder groups. In addition to its shareholders, these include the Group's employees, customers, local partners, and suppliers. The Group's operating and working methodologies take account of the need to balance the needs of all stakeholder groups while maintaining focus on the Board's primary responsibility to promote the success of the Group for the benefit of its shareholders as a whole. The Group endeavours to take account of feedback received from stakeholders, making amendments to arrangements and plans where appropriate and where such amendments are consistent with the Group's longer-term strategy.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board reviews risks facing the business on a regular basis. The Board maintains full control and direction over appropriate strategic, financial, organisational and compliance issues, and has put in place an organisational structure with defined lines of responsibility and delegation of authority.

The annual budget and forecasts are reviewed by the Board prior to approval being given. This includes the identification and assessment of the business risks inherent in the Company along with associated financial risks.

The Directors have established a system of financial controls and reporting procedures which they consider to be appropriate given the size and structure of the Group. These controls will be reviewed following any significant acquisitions by the Group and adjusted accordingly. The key procedures include:

- budgeting programme with an annual budget approved by the Board;
- review by the Board of actual results compared with budget and forecasts;
- establishment of procedures for acquisitions, capital expenditure and expenditure incurred in the ordinary course of business;
- reporting to the Board on changes in legislation and practices within the sector and accounting and legal developments pertinent to the Company;
- appointing experienced and suitably qualified staff to take responsibility for key business functions to ensure maintenance of high standards of performance.

The Company's auditors are encouraged to raise comments on internal control in their management letter following their audit, and the points raised and actions arising are monitored through to completion by the Audit Committee.

Other areas that will be subject to ongoing review as the Company grows will include regulatory compliance, business integrity, health and safety, risk management, business continuity and corporate social responsibility (including ethical trading, supplier standards, environmental concerns, and employment diversity).

STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE
(continued)

Principle 5: Maintain the board as a well-functioning, balanced team led by the chair

The Board

The Board, whose size is commensurate with the Company's current stage of development, consists of one Executive Director, Brian McMaster (Executive Chairman) and two Non-Executive Directors, Luis De Azevedo and Nicholas von Schirnding. Louis Castro resigned from the Board on 15 August 2020.

During the reporting period there have been 8 board meetings with the number of meetings attended by each director as follows.

Director	Number of Meetings Eligible to Attend	Number of Meetings Attended
Mr. Brian McMaster	8	8
Mr. Luis De Azevedo	8	8
Mr. Nicholas von Schirnding	8	7
Mr. Louis Castro	7	7

Description of Roles

The Chairman is responsible for overseeing the running of the Board and ensuring its effectiveness, and that no individual dominates the Board's decision-making. He is also responsible for making sure that the Board operates in the interests of the shareholders and other stakeholders. Additionally, the Chairman is responsible for managing the day-to-day business activities and for the implementation of the strategy.

The role of Chairman and Chief Executive are not separate. However, given the size of the Company, its stage of development and the seniority and experience of the Non-Executive Directors, the directors believe that there is an effective counterbalance on the Board which is perfectly appropriate for the Group.

The Non-Executive Directors constructively challenge and help to develop strategy, whilst also scrutinising the performance of management.

Principle 6: Ensure that between them the directors have the necessary up-to-date experience, skills, and capabilities

The Directors believes that the composition and breadth of experience of the Board are appropriate for the Group at present and that its blend of relevant experience, skills and personal qualities and capabilities is sufficient to enable it to successfully execute its strategy. The skills and experience required for the next stage in the Group's development are kept under continual review and appropriate actions taken when needs are identified. The biographies of the members of the Board are published on the Company's website.

STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE
(continued)

The Articles of Association require that one-third of Directors must stand for re-election by shareholders at every AGM. However, the Board has adopted a policy whereby all Directors retire and stand for re-election every year.

The Company has appointed a professional Company Secretary in the UK who assists the Chairman in preparing for effective board meetings, including the timely dissemination of appropriate information. The Company Secretary provides advice and guidance to the extent required by the board on the legal and regulatory environment.

Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Company does not currently undertake a formal annual evaluation of the performance of the Board or individual Directors but will consider doing so at an appropriate stage of its development in accordance with general market practice. Given its small size, the Company has no formal succession planning process in place. Recommendations for Board-level appointments are put to the Board by the Nominations Committee for approval by the Executive Chairman.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The Board is committed to delivering high standards of corporate governance, a key element of which is managing the Company in a socially responsible way. We are mindful of the Company's impact on all our stakeholders, including employees, clients, suppliers, shareholders, and local communities.

The Board believes that a healthy corporate culture both protects and generates value for the Company, and we see this as an asset in its own right. We therefore seek to operate within a corporate culture that is based on sound ethical values and behaviours. These values, which we seek to instil throughout the Company, include integrity, respect, honesty, and transparency. As a small company, these characteristics are far more visible to staff than might otherwise be the case to ensure that our corporate culture is structured accordingly to protect the business against the principal risks and uncertainties discussed in Group's strategic report on page 4.

We aim to continually improve our work in these areas and will maintain a quality system appropriate to the standards required for a Company of its size.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the board

The Board provides strategic leadership for the Group and operates within the scope of a robust corporate governance framework. The Executive Chairman has day-to-day responsibility for the operational management of the Group's activities. The Non-Executive Directors are responsible for bringing independent and objective judgement to Board decisions.

STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE
(continued)

Matters Reserved for the Board as a whole

The Board operates both formally, through Board meetings, and informally, through regular contact amongst Directors. High-level decisions on such matters as strategy, financial performance and reporting, dividends, risk management, major capital expenditure, acquisitions and disposals are reserved for the Board.

Appointment of Directors

The Executive Chairman formally approves the appointment of all new Directors, following consideration of the recommendation from the Nomination Committee. All Directors are required to submit themselves for re-election at each Annual General Meeting following their appointment.

Board Committees

The Board has three Committees, each with their own specific areas of responsibility – Audit, Remuneration and Nomination. Each Committee meets in accordance with its Terms of Reference and on an ad hoc basis as required.

Audit Committee

The Committee reports to the Board on any matters in respect of which it considers that action or improvement is needed and makes recommendations as to the steps to be taken. The members of the Audit Committee were Louis Castro (until his resignation in August 2020) and Nicholas von Schirnding. Brian McMaster was appointed to the committee following the resignation of Mr Castro. Nicholas von Schirnding acts as Chairman.

Activities:

The Committee is responsible for:

- ensuring that the financial performance of the Group is properly monitored and reported;
- monitoring and reviewing formal announcements relating to financial performance;
- meeting the auditors and agreeing audit strategy;
- reviewing reports from the auditors and management relating to accounts and internal control systems; and
- making recommendations to the Board in respect of external auditor appointment and remuneration.

2020 Review:

During the past 18 months the Audit Committee has:

- approved full year and interim accounts, including key judgements and policies to ensure they are fair, balanced and understandable to our shareholders; and
- reviewed and recommended the reappointment of our external auditor, Crowe U.K. LLP, including fee structure.

STATEMENT OF COMPLIANCE WITH THE QCA CORPORATE GOVERNANCE CODE
(continued)

Remuneration Committee

The members of the Remuneration Committee are Nicholas von Schirnding and Louis Castro (until his resignation in August 2020). Luis De Azevedo was appointed to the committee following the resignation of Mr Castro. Nicholas von Schirnding acts as Chairman.

Activities:

The details of each Director's remuneration are presented in note 10.

2020 Review:

During the past 18 months the Remuneration Committee has met once.

Nomination Committee

The members of the Nomination Committee are Nicholas von Schirnding and Brian McMaster with Nicholas von Schirnding acting as Chairman.

Activities:

In particular, the Committee is responsible for:

- identifying the skills and experience required for the next stage in the Company's development;
- keeping close watch on succession planning and possible candidates for future board roles; and
- providing assistance to the Chairman of the Board in taking steps to remove any underperforming director.

2020 Review:

During the past 18 months the Nomination Committee has not been required to meet, but rather decisions have been taken by the Board as a whole.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Group places a high priority on regular communications with its various stakeholder groups and aims to ensure that all communications concerning the Group's activities are clear, fair and accurate. It communicates with its shareholders through the Annual Report and Accounts and Interim Accounts, full and half year announcements, the Annual General Meeting (AGM) and one to one meetings with existing or potential new shareholders.

A range of corporate information (including all Company announcements and Annual Reports) is also available to shareholders, investors and the public on the Group's corporate website, www.jangadamines.com.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JANGADA MINES PLC

Opinion

We have audited the financial statements of Jangada Mines plc (the "Parent Company") and its subsidiaries (the "Group") for the 18 month period ended 31 December 2020, which comprise the Group statement of comprehensive income for the period ended 31 December 2020, the Group and parent company balance sheets as at 31 December 2020, the Group and parent company statements of cash flows for the period then ended, the Group and parent company statements of changes in equity for the period then ended and the notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as regards the parent company, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2020 and of the Group's profit for the period then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you when:

- The directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- The directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF JANGADA MINES PLC (Continued)

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the Group financial statements as a whole to be \$40,000, based on 1% of the Group’s total assets due to the group being an exploration company.

We use a different level of materiality (‘performance materiality’) to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and directors’ remuneration. We agreed with the Audit Committee to report to it all identified errors in excess of \$1,000. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

Overview of the scope of our audit

The group consists of the parent company and its subsidiary. The group audit team conducted a full scope audit of the parent company and carried out specific audit procedures on the subsidiary with the assistance of audit personnel in Brazil working under the group audit team’s direction and supervision. The company’s associate is audited by a component auditor and we undertook a review of that auditor’s work.

Key Audit Matters

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

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Exploration & evaluation assets The Group’s aim is to develop the Vanadium Project through its operations in Brazil. Capitalised expenditure in the year totalled US\$509,000.</p> <p>There is a risk that expenditure is being capitalised under IFRS 6 which does not relate to the exploration and evaluation activities and, additionally, a risk that the asset is impaired.</p>	<p>We agreed the costs capitalised to underlying supporting documentation and considered whether it met the criteria set out with IFRS 6 “Exploration for and Evaluation of Mineral Resources”.</p> <p>We carried out procedures to determine whether there were any indications of impairment including the results of the technical report, prepared by a specialist, independent mineral consulting company, which provided a positive preliminary economic assessment for the Pitombeiras Vanadium Project.</p>

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JANGADA MINES PLC (*Continued*)

Key audit matter	How the scope of our audit addressed the key audit matter
<p>Disposal of Pedra Branca do Brasil Mineração Ltda and related acquisition of shares in ValOre Metals Corp</p> <p>During the period the company sold its subsidiary company Pedra Branca do Brasil Mineração S/A to ValOre Metals Corp for a mixture of cash and shares generating a material gain on disposal.</p> <p>There is a risk that the disposal of Pedra Branca is not accounted for or disclosed appropriately.</p>	<p>We reviewed the sale agreement and the accounting treatment of the disposal and agreed the receipt of the cash consideration and the shares in ValOre Metals Corp (including the treatment of the deferred shares).</p> <p>We also considered the treatment and adequacy of the disclosures of the disposal in the financial statements.</p>
<p>Investment in associate</p> <p>As part of the disposal of Pedra Branca the company acquired shares in ValOre Metals Corp, a Canadian listed company.</p> <p>At the point of acquisition of the shares, this represented over 20% of the issued share capital of ValOre Metals Corp but by the balance sheet date this had reduced to less than 20% but two members of the Jangada board were on the board of ValOre Metals Corp.</p> <p>On this basis, the directors have identified that ValOre Metals Corp is an associate and the interest in ValOre Metals Corp has been accounted for using the equity method.</p> <p>There is a risk that the appropriate accounting treatment has not been adopted for the investment in ValOre Metals Corp and that the calculation of the share of that company's result for the period has not been accounted for appropriately.</p>	<p>We reviewed the shareholding by Jangada throughout the period and considered the application of IAS 28 with regards to significant influence.</p> <p>We agreed the calculations of the company's share of ValOre Metals Corp's loss for the period to 31 December 2020 including the adjustment required to align the accounting policies of ValOre Metals Corp with those of Jangada.</p> <p>We reviewed the audit work undertaken by the auditor of ValOre Metals Corp to the year-end 30 September 2020 and performed further analytical procedures on the ValOre Metals Corp interim accounts for the quarter ended 31 December 2020.</p>
<p>Going concern</p> <p>In previous years the directors have identified a material uncertainty in relation to going concern on the basis that that Group would require further funding to finance its future work programme.</p> <p>Both during the period and subsequent to the balance sheet date, the company has generated funds through the disposal of its interest in Pedra Branca, the partial disposal of its interest in ValOre Metals Corp and through a further placing which generated £1.125m (around \$1.5m).</p> <p>There is a risk that the company does not have the appropriate means to continue as a going concern or that a material uncertainty might exist in respect of its ability to continue as a going concern.</p>	<p>We reviewed and challenged management's going concern assessment and assumptions used covering a minimum of 12 months from the date of approval of these financial statements.</p> <p>We noted Jangada undertook a share placing and also disposed of 5.875m ValOre Metals Corp shares post year-end which would provide future sources of funding and support for the Group's and Company's needs.</p>

Our audit procedures in relation to these matters were designed in the context of our audit opinion as a whole. They were not designed to enable us to express an opinion on these matters individually and we express no such opinion.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JANGADA MINES PLC (Continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report. We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JANGADA MINES PLC (Continued)

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 12, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Steve Gale (Senior Statutory Auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditor

London

26 March 2021

JANGADA MINES PLC

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 18 MONTHS PERIOD ENDED 31 DECEMBER 2020**

		18 Months Period ended 31 December 2020 \$'000	12 Months Year ended 30 June 2019 \$'000
Other Income			
Profit on disposal of investment		29	-
Administration expenses		(1,580)	(1,590)
Operating loss from continuing operations		(1,551)	(1,590)
Finance expense	7	(3)	(4)
Share of loss from associates	14	(714)	
Loss before tax		(2,268)	(1,594)
Tax expense	8	-	-
Loss from continuing operations		(2,268)	(1,594)
Discontinued operation			
Profit / (Loss) from discontinued operation	6	6,190	(88)
Financial profit / (loss) for the year		3,922	(1,682)
Other comprehensive income:			
Items that will or may be reclassified to profit or loss:			
Fair value differences arising from OCI in associates		38	-
Currency translation differences arising on translation of foreign operations		(18)	3
Total comprehensive profit / (loss) attributable to owners of the parent		3,942	(1,679)
Earnings / (Loss) per share from loss from continuing operations attributable to the ordinary equity holders of the Company during the period			
		Cents	Cents
- Basic (cents)	9	(0.94)	(0.71)
- Diluted (cents)	9	(0.94)	(0.71)
Earnings / (Loss) per share attributable to the ordinary equity holders of the Company during the period			
		Cents	Cents
- Basic (cents)	9	1.63	(0.75)
- Diluted (cents)	9	1.63	(0.75)

The notes on pages 36 to 56 form part of these financial statements.

JANGADA MINES PLC

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020**

		As at 31 December 2020 \$'000	As at 30 June 2019 \$'000
Assets			
Non-current assets			
Exploration and evaluation assets	12	550	41
Property, plant and equipment		1	-
Investments	13	600	-
Investments in associates	14	2,194	-
		3,345	41
Current assets			
Other receivables	15	554	15
Cash and cash equivalents		513	117
Assets held for sale		-	782
		1,067	914
Total assets		4,412	955
Liabilities			
Current liabilities			
Trade payables		36	41
Loans and borrowings	16	-	62
Accruals and other payables	17	93	698
Liabilities associated with assets held for sale		-	22
Total liabilities		129	823
Issued capital and reserves attributable to owners of the parent			
Share capital	18	126	123
Share premium	18	4,389	4,202
Translation reserve		(8)	10
Fair Value Reserve		38	-
Retained earnings		(262)	(4,203)
Total equity		4,283	132
Total equity and liabilities		4,412	955

The financial statements were approved and authorised for issue by the directors and were signed on 26 March 2020.

B. K. McMaster

B K McMaster
Director

The notes on pages 36 to 56 form part of these financial statements.

JANGADA MINES PLC

**COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020**

		As at 30 December 2020 \$'000	As at 30 June 2019 \$'000
Assets			
Non-current assets			
Investment in subsidiary		800	-
Investment	13	600	-
Investments in associates	14	2,870	-
		4,270	-
Current assets			
Group and other receivables	15	549	1,082
Cash and cash equivalents		447	117
		996	1,199
Total assets		5,266	1,199
Liabilities			
Current liabilities			
Trade payables		35	41
Loans and borrowings	16	-	62
Accruals and other payables	17	76	698
Total liabilities		111	801
Issued capital and reserves attributable to owners of the parent			
Share capital	18	126	123
Share premium	18	4,389	4,202
Translation reserve		30	-
Retained earnings		610	(3,927)
Total equity		5,155	398
Total equity & liabilities		5,266	1,199

The profit for the year dealt with in the accounts of the parent company, Jangada Mines plc, was \$4,518,000 (2019: loss of \$1,594,000). As permitted under Section 408 of the Companies Act 2006, no Income Statement or Statement of Comprehensive Income is presented for the parent company.

The financial statements were approved and authorised for issue by the directors and were signed on 26 March 2021.

B. K. McMaster

B K McMaster
Director

The notes on pages 36 to 56 form part of these financial statements.

JANGADA MINES PLC

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE 18 MONTHS PERIOD ENDED 31 DECEMBER 2020**

	18 Months Period ended 31 December 2020	12 Months Year ended 30 June 2019
	\$'000	\$'000
Cash flows from operating activities		
Profit/(Loss) before Tax from continuing operations	(2,268)	(1,594)
Profit/(Loss) before Tax from discontinued operations	6,190	(88)
Profit/(Loss) before Tax	3,922	(1,682)
Cash proceeds on sale of subsidiary	(2,259)	-
Non-cash share consideration received on disposal of subsidiary	(4,207)	-
Non-cash exchange differences	(18)	-
Non-cash share option charge	19	169
Non-cash shares issued in lieu of fees	190	96
Share of losses in associate	714	-
Decrease/(increase) in other receivables	245	-
(Decrease)/increase in trade and other payables	(632)	535
Net cash outflow from operating activities	(2,026)	(880)
Investing activities		
Development of exploration and evaluation assets	(509)	(477)
Purchase of plant, property and equipment	(1)	-
Cash proceeds on sale of subsidiary	2,259	-
Sale of shares in investment	1,337	-
Purchase of shares in investments	(600)	-
Net cash inflow/(outflow) from investing activities	2,486	(477)
Financing activities		
Share capital issue	-	1,496
Cost of issuing share capital	-	(213)
(Repayment)/Increase in related party borrowings	(62)	4
Net cash from financing activities	(62)	1,287
Net movement in cash and cash equivalents	398	(70)
Cash and cash equivalents at beginning of period	117	198
Movements in foreign exchange	(2)	2
Cash and cash equivalents at end of year	513	117

The notes on pages 36 to 56 form part of these financial statements.

JANGADA MINES PLC

**COMPANY CASH FLOW STATEMENT
FOR THE 18 MONTHS PERIOD ENDED 31 DECEMBER 2020**

Notes	18 Months Year ended 31 December 2020	12 Months Year ended 30 June 2019
Cash flows from operating activities	\$'000	\$'000
Profit/(loss) before tax	4,518	(1,594)
Cash proceeds on sale of subsidiary	(2,259)	
Non-cash share received on disposal of subsidiary	(4,207)	-
Non-cash exchange differences	30	-
Non-cash share option charge	19	169
Non-cash shares issued in lieu of fees	190	96
Decrease/(increase) in other receivables	(265)	2
(Decrease)/increase in trade and other payables	(628)	524
Net cash flows from operating activities	(2,602)	(803)
Investing activities		
Proceeds on sale of subsidiary	2,259	-
Sale of shares in Valore Metals Corp	1,337	-
Purchase of shares in investment	(600)	-
	2,996	-
Financing activities		
Share capital issue	-	1,496
Cost of issuing share capital	-	(213)
Loans to subsidiary	-	(563)
Repayment of convertible loan notes	-	-
Increase / (repayment) in related party borrowings	(62)	4
Net cash from financing activities	(62)	724
Net movement in cash and cash equivalents	332	(79)
Cash and cash equivalents at beginning of period	117	196
Movements in foreign exchange	(2)	-
Cash and cash equivalents at end of year	447	117

The notes on pages 36 to 56 form part of these financial statements.

JANGADA MINES PLC

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 18 MONTHS PERIOD ENDED 31 DECEMBER 2020**

	Share capital \$'000	Share premium \$'000	Translation reserve \$'000	Fair Value reserve \$'000	Retained earnings \$'000	Total equity \$'000
As at 1 July 2018	102	2,844	7	-	(2,690)	263
Comprehensive income for the year						
Loss for the period	-	-	-	-	(1,682)	(1,682)
Other comprehensive income	-	-	3	-	-	3
Total comprehensive income for the year	-	-	3	-	(1,682)	(1,679)
Transactions with owners						
Shares issued	21	1,358	-	-	-	1,379
Share options issued	-	-	-	-	169	169
Total transactions with owners	21	1,358	-	-	169	1,548
As at 30 June 2019	123	4,202	10	-	(4,203)	132
Comprehensive income for the period						
Profit for the period	-	-	-	-	3,922	3,922
Other comprehensive income	-	-	(18)	38	-	20
Total comprehensive income for the period	-	-	(18)	38	3,922	3,942
Transactions with owners						
Share issued	3	187	-	-	-	190
Share options issued	-	-	-	-	19	19
Total transactions with owners	3	187	-	-	19	209
As at 31 December 2020	126	4,389	(8)	38	(262)	4,283

The notes on pages 36 to 56 form part of these financial statements.

JANGADA MINES PLC

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE 18 MONTHS PERIOD ENDED 31 DECEMBER 2020**

	Share capital \$'000	Share Premium \$'000	Translation reserve \$'000	Retained earnings \$'000	Total equity attributable to owners \$'000
As at 1 July 2018	102	2,844	-	(2,502)	444
Comprehensive income for the year					
Loss for the period	-	-	-	(1,594)	(1,594)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	(1,594)	(1,594)
Transactions with owners					
Share issued	21	1,358	-	-	1,379
Share options issued	-	-	-	169	169
Total transactions with owners	21	1,358	-	169	1,548
As at 30 June 2019	123	4,202	-	(3,927)	398
Comprehensive income for the year					
Profit for the period	-	-	-	4,518	4,518
Other comprehensive income	-	-	30	-	30
Total comprehensive income for the year	-	-	30	4,518	4,548
Transactions with owners					
Share issued	3	187	-	-	190
Share options issued	-	-	-	19	19
Total transactions with owners	3	187	-	19	209
As at 31 December 2020	126	4,389	30	610	5,155

The notes on pages 36 to 56 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020**

1. General information

The Company is a public limited company limited by shares, incorporated in England and Wales on 30 June 2015 with the registration number 09663756 and with its registered office at 20 North Audley Street, London W1K 6WE.

The nature of the Company's operations and its principal activities are set out in the Strategic Report and the Report of the Directors on pages 4 and 13 respectively.

2. Accounting policies

Basis of preparation and going concern basis

These financial statements have been prepared on a historical cost basis in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations issued by the International Accounting Standards Board (IASB) adopted by the European Union and in accordance with applicable UK Law. The adoption of all of the new and revised Standards and Interpretations issued by the IASB and the IFRIC of the IASB that are relevant to the operations and effective for annual reporting periods beginning on 1 July 2019 are reflected in these financial statements.

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The consolidated financial information is presented in United States Dollars (\$).

The functional currency of the subsidiary, VTF Mineração Ltda is Brazilian Real. The functional of the Company is British Pounds Sterling (GBP). Amounts are rounded to the nearest thousand (\$'000), unless otherwise stated.

During the period, the Group changed its accounting reference date from 30 June to 31 December and consequently the current period covers the 18 months period ended 31 December 2020. The comparative period covers the year ended 30 June 2019.

The estimates and underlying assumptions are reviewed on an ongoing basis. Changes in accounting estimates may be necessary if there are changes in the circumstances on which the estimate was based, or as a result of new information or more experience. Such changes are recognised in the period in which the estimate is revised.

The Group's business activities together with the factors likely to affect its future development, performance and position are set out on pages 4 to 12. In addition, note 4 to the Financial Statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposure to credit and liquidity risk.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

2. Accounting policies (continued)

The Financial Statements have been prepared on a going concern basis. Although the Group's assets are not generating revenues and an operating loss has been reported from its continued operations, the Directors consider that the Group has sufficient funds to undertake its operating activities for a period of at least the next 12 months including any additional expenditure required in relation to its current exploration projects. The Group has cash reserves which are considered sufficient by the Directors to fund the Group's committed expenditure both operationally and on its exploration project for the foreseeable future. However, as additional projects are identified and the Pitombeiras project moves towards production, additional funding will be required.

As discussed in the Directors' report, the directors do not consider there to be a material uncertainty, which may cast doubt about the Group and Company's ability to continue as a going concern. Given the proceeds from the sale of the Pedra Branca project and based on the Group's planned expenditure on the Pitombeiras vanadium deposit and the Group's working capital requirements, the Directors have a reasonable expectation that the Group will have adequate resources to meet its capital requirements for the foreseeable future. For that reason, the Directors have concluded that the financial statements should be prepared on a going concern basis.

Changes in accounting principles and adoption of new and revised standards

In the period ended 31 December 2020, the Directors have reviewed all the new and revised Standards. The only relevant new standard that is effective for this year's financial statements is IFRS 16 "Leases", but this does not have a material impact on the financial statements.

Standards issued and relevant to the Group, but not yet effective at the date of these Group financial statements are listed below.

The standards discussed are those that the Group reasonably expects to be applicable to the financial statements in the future, and therefore do not include those standards or interpretations that the directors consider will not be relevant to the Group. The Group intends to adopt these standards when they become effective. The directors do not expect that the adoption of these standards will have a material impact on the Group's financial statements either in the period of initial application or thereafter. An assessment of the impact of each relevant standard is included below.

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the group has decided not to adopt early. The following amendments are effective for the period beginning 1 January 2020:

- IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Definition of Material).
- IFRS 3 Business Combinations (Amendment – Definition of Business).

In January 2020, the IASB issued amendments to IAS 1, which clarify the criteria used to determine whether liabilities are classified as current or non-current. These amendments clarify that current or non-current classification is based on whether an entity has a right at the end of the reporting period to defer settlement of

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

2. Accounting policies (continued)

the liability for at least twelve months after the reporting period. The amendments also clarify that 'settlement' includes the transfer of cash, goods, services, or equity instruments unless the obligation to transfer equity instruments arises from a conversion feature classified as an equity instrument separately from the liability component of a compound financial instrument. The amendments are effective for annual reporting periods beginning on or after 1 January 2023.

There are no standards in issue but not yet effective which could have a material impact on the financial statements.

Basis of Consolidation

Subsidiaries

The subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continues to be consolidated until the date that such control ceases. The Company has control over a subsidiary if all three of the following elements are present:

- Power over the investee,
- exposure to variable returns from the investee, and
- the ability of the investor to use its power to affect those variable returns.

Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

The financial information of the subsidiary is prepared for the same reporting year as the parent company, using consistent accounting policies and is consolidated using the acquisition method. Intra-group balances and transactions, including unrealised profits arising from intra-group transactions, have been eliminated. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

During the period, the Group changed its accounting reference date from 30 June to 31 December allowing the Parent Company to report in line with VTF Mineração Ltda's statutory year end which is 31 December.

Business combinations

The acquisition method of accounting is used to account for business combinations by the Group. The consideration transferred for the acquisition of a business is the fair value of the assets transferred, liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date. A business is an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits. A business consists of inputs and processes applied to those inputs that have the ability to create outputs that provide a return to the Company and its shareholders.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

2. Accounting policies (continued)

A business need not include all of the inputs and processes that were used by the acquiree to produce outputs if the business can be integrated with the inputs and processes of the Company to continue to produce outputs. If the integrated set of activities and assets is in the exploration and development stage, and thus, may not have outputs, the Company considers other factors to determine whether the set of activities and assets is a business. Those factors include, but are not limited to, whether the set of activities and assets:

- Has begun planned principal activities;
- Has employees, intellectual property and other inputs and processes that could be applied to those inputs;
- Is pursuing a plan to produce outputs; and
- Will be able to obtain access to customers that will purchase the outputs.

Foreign currency

Transactions entered into by the Group in a currency other than the currency of its primary economic environment in which it operates (the "functional currency") are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences are taken to the Statement of Comprehensive Income.

Financial instruments

Financial instruments are measured as set out below. Financial instruments carried on the statement of financial position include cash and cash equivalents, trade and other receivables, trade and other payables and loans to group companies.

Financial instruments are initially recognised at fair value when the group becomes a party to their contractual arrangements. Transaction costs directly attributable to the instrument's acquisition or issue are included in the initial measurement of financial assets and financial liabilities, except financial instruments classified as at fair value through profit or loss (FVTPL). The subsequent measurement of financial instruments is dealt with below.

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes party to the contractual provisions of the instrument.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities, for which fair value is measured or disclosed in the Financial Statements, are categorised within the fair value hierarchy, described as follows, based on the lowest-level input that is significant to the fair value measurement as a whole:

Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 – valuation techniques for which the lowest-level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 – valuation techniques for which the lowest-level input that is significant to the fair value measurement is unobservable.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

2. Accounting policies (continued)

Financial assets

All of the Group's financial assets are held within a business model whose objective is to collect contractual cash flows which are solely payments of principals and interest and therefore classified as subsequently measured at amortised cost.

Group's financial assets include cash and cash equivalents, Company's financial assets include cash and other receivables. The Group assesses on a forward-looking basis the expected credit losses, defined as the difference between the contractual cash flows and the cash flows that are expected to be received.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset.

For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Financial liabilities

Financial liabilities are classified as either financial liabilities at fair value through profit and loss (FVTPL) or as other financial liabilities. The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged or cancelled, or they expire.

Financial liabilities are classified at FVTPL when the financial liability is either held for trading or it is designated at FVTPL. A financial liability is classified as held for trading if it has been incurred principally for the purpose of repurchasing it in the near term or is a derivative that is not a designated or effective hedging instrument.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

2. Accounting policies (continued)

Exploration and evaluation assets

Costs capitalised in respect of the Group's development and production assets are required to be assessed for impairment under the provisions of IAS 36. Such an estimate requires the Group to exercise judgement in respect of the indicators of impairment and also in respect of inputs used in the models which are used to support the carrying value of the assets. Such inputs include costs of exploration work, studies, field costs, government fees and the associated support costs. The directors concluded there were no impairment indicators in the current period. Therefore, no impairment to the carrying value of the Pitmobeiras asset was considered necessary.

Costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the Statements of Profit or Loss and Other Comprehensive Income. Only material expenditures incurred after the acquisition of a licence interest are capitalised.

Interests in associates

Associates are those entities in which the Company has significant influence, but not control or joint control, over the financial and operating policies.

The results and assets and liabilities of associates are incorporated using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Company's share of profit or loss and other comprehensive income of the associate.

Share Options – estimates and assumptions

The fair value of options and warrants granted to directors and others in respect of services provided is recognised as an expense in the Statement of Comprehensive Income with a corresponding increase in equity reserves.

Taxation

The charge for current tax is based on the taxable income for the period. The taxable result for the period differs from the result as reported in the statement of comprehensive income because it excludes items which are not assessable or disallowed and it further excludes items that are taxable and deductible in other years. It is calculated using tax rates that have been enacted or substantially enacted by the statement of financial position date.

Investments

Investments are carried at fair value.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

2. Accounting policies (continued)

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the audited consolidated balance sheet differs from its tax base. Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

3. Critical accounting estimates and judgements

The preparation of the Financial Statements in conformity with IFRSs 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 end of the reporting period and the reported amount of expenses during the year. Actual results may vary from the estimates used to produce these Financial Statements.

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

Significant items subject to such judgements and estimates include, but are not limited to:

Judgements

ValOre is considered an associate despite Jangada holding less than 20% shareholdings due to 2 directors of the Company (Messrs McMaster and De Azevedo) being on the board of ValOre during the financial period.

The Directors have considered the criteria of IFRS 6 regarding the impairment of exploration and evaluation assets and have decided based on this assessment that there is no basis to impair the carrying value of its exploration assets in respect to the Pitmobeiras project (2020: \$550,000, 2019: \$41,000) at this time.

Estimates and assumptions

Share based payments

Share options issued by the Group relates to the Jangada Plc Share Option Plan. The grant date fair value of such options is calculated using a Black-Scholes model whose input assumptions are derived from market and other internal estimates.

The key estimates include volatility rates and the expected life of the options, together with the likelihood of non-market performance conditions being achieved. Refer note 19.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

3. Critical accounting estimates and judgements (continued)

On exercise or cancellation of share options and warrants, the proportion of the share based payment reserve relevant to those options and warrants is transferred from other reserves to the accumulated deficit. On exercise, equity is also increased by the amount of the proceeds received. The fair value is measured at grant date charged in the accounting period during which the option and warrants becomes unconditional.

The fair value of options and warrants are calculated using the Black-Scholes model, taking into account the terms and conditions upon which the options and warrants were granted. Vesting conditions are non-market and there are no market vesting conditions. These vesting conditions are included in the assumptions about the number of options and warrants that are expected to vest. At the end of each reporting period, the Company revises its estimate of the number of options and warrants that are expected to vest. The exercise price is fixed at the date of grant and no compensation is due at the date of grant. Where equity instruments are granted to persons other than employees, the statement of comprehensive income is charged with the fair value of the goods and services received. Please refer to note 19.

Company – Application of the expected credit loss model prescribed by IFRS 9

IFRS 9 requires the Parent company to make assumptions when implementing the forward-looking expected credit loss model. This model is required to be used to assess the intercompany loan receivables from the company's Brazilian subsidiaries for impairment.

Arriving at the expected credit loss allowance involved considering different scenarios for the recovery of the intercompany loan receivables, the possible credit losses that could arise and the probabilities for these scenarios. The following was considered; the exploration project risk for Pitombeiras, positive NPV of the Pitombeiras project as demonstrated by the Feasibility Study, ability to raise the finance to develop the projects, ability to sell the projects, market and technical risks relating to the project. The Directors therefore considered that there was no impairment of the subsidiary loan (2020: nil, 2019: \$1,067,000).

4. Financial instruments - Risk Management

The Company is exposed through its operations to the following financial risks:

- Credit risk;
- Foreign exchange risk; and
- Liquidity risk.

Credit risk

Credit risk arises from cash and cash equivalents and outstanding receivables. The Group maintains cash and short-term deposits with a variety of credit worthy financial institutions and considers the credit ratings of these institutions before investing in order to mitigate against the associated credit risk.

The Group's exposure to credit risk amounted to \$1,067,000 (2019: \$132,000). Of this amount, \$513,000 represents the Group's cash holdings (2019: \$117,000).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

4. Financial instruments - Risk Management (continued)

The directors monitor the utilisation of the credit limits regularly and at the reporting date does not expect any losses from non-performance by the counterparties.

Liquidity risk

In keeping with similar sized mining exploration groups, the Group's continued future operations depend on the ability to raise sufficient working capital through the issue of equity share capital. The Group monitors its cash and future funding requirements through the use of cash flow forecasts.

The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due.

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments.

Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Brazilian Real, US Dollar and the Pound Sterling.

Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations that are denominated in a foreign currency. The Group holds a proportion of its cash in GBP and Brazilian Reals to hedge its exposure to foreign currency fluctuations and recognises the profits and losses resulting from currency fluctuations as and when they arise. The volume of transactions is not deemed sufficient to enter into forward contracts.

The Group's financial instruments are set out below:

	As at 31 December 2020 \$'000	As at 30 June 2019 \$'000
Financial assets		
Cash and cash equivalents	513	130
Other receivables	83	22
Total financial assets	596	152

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

4. Financial instruments - Risk Management (continued)

	As at 31 December 2020 \$'000	As at 30 June 2019 \$'000
Financial liabilities		
Trade payables	36	53
Related party loans	-	62
Accruals and other payables	93	708
Total financial liabilities	129	823
	As at 31 December 2020 \$'000	As at 30 June 2019 \$'000
US Dollar	-	-
Brazilian Real	17	22
Pound Sterling	112	801
	129	823

The potential impact of a 10% movement in the exchange rate of the currencies to which the Group is exposed is shown below:

	2020 \$'000	2019 \$'000
Foreign currency risk sensitivity analysis		
Brazilian Real		
Strengthened by 10%	2	3
Weakened by 10%	(2)	(3)
Pound Sterling		
Strengthened by 10%	37	46
Weakened by 10%	(45)	(56)

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and to enable the Group to continue its exploration and evaluation activities. The Group has only short-term trade payables and accruals at 31 December 2020 and defines capital based on the total equity of the Group. The Group monitors its level of cash resources available against future planned exploration and evaluation activities and may issue new shares to raise further funds from time to time.

There were no changes in the Company's approach to capital management during the period. The Company is not subject to externally imposed capital requirements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

4. Financial instruments - Risk Management (continued)

General objectives, policies and processes

The board of directors has overall responsibility for the determination of the Company's risk management objectives and policies. The overall objective of the board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company's competitiveness and flexibility.

Principal financial instruments

The principal financial instrument used by the Company, from which financial instrument risk arises, is related party borrowings.

5. Segment information

The Company evaluates segmental performance on the basis of profit or loss from operations calculated in accordance with IFRS 8. In the Directors' opinion, the Group only operates in one segment being mining services. All non-current assets have been generated in Brazil.

6. Discontinued operation

On 14 August 2019, the Company completed the disposal of Pedra Branca do Brasil Mineracao S/A ('Pedra Branca') to ValOre Metals Corp ('ValOre' or the 'Purchaser') pursuant to the share purchase agreement dated 16 July 2019 ('Share Purchase Agreement'). The subsidiary was reported in the annual report for the year ended 30 June 2019 as a discontinued operation. Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

a) Consideration received or receivable

The financial performance and cash flow information presented reflects the operations for the period ending 14 August 2019.

	18 months ended	Year ended
	31 December	30 June
	2020	2019
	\$'000	\$'000
Cash Consideration	2,259	-
Initial Consideration Shares in the Purchaser, ValOre Metals Corp, totalling 22,000,000 common shares	3,987	-
Post Share Consideration totalling 1,000,000 common shares	219	-
Fair value of Deferred Consideration Shares in the Purchaser, totalling 2,000,000 common shares	471	-
Total disposal consideration	6,936	-
Less: Net liabilities of disposed subsidiary	499	-
Add: Share of loss to disposal	(21)	-
Less: Write off on debts owed	(1,224)	-
Gain on disposal before income tax	6,190	-
Income tax expense	-	-
Gain on disposal before income tax	6,190	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

6. Discontinued operation (continued)

The Company received the final cash payment of CAD\$1,000,000 (USD \$751,944) and 500,000 Deferred Consideration Shares on 10 February 2020 with a further 500,000 deferred Consideration Shares received on 14 August 2020. As at 31 December 2020, the Company was due to receive the remaining 2,000,000 ValOre common shares over the next 2 years (Deferred Consideration Shares). As at 31 December 2020 the fair value of the Deferred Consideration Shares was determined to be \$471,000.

b) Financial performance and cash flow information

The financial performance and cash flow information presented reflects the operations for the period ending 14 August 2019.

	Period ended 14 August 2019 \$'000	Year ended 30 June 2019 \$'000
<i>Financial performance from discontinued operations</i>		
Expenses	(21)	(88)
Loss before tax from discontinued operations	(21)	(88)
Tax	-	-
Loss for the period from discontinued operations	(21)	(88)

	Period ended 14 August 2019 \$'000	Year ended 30 June 2019 \$'000
<i>Cash flows from discontinued operation</i>		
Net cash flows from operating activities	(9)	(77)
Net cash flows from investing activities	(31)	(477)
Net cash flows from financing activities	-	563
Net cash flow (outflow) / inflow	(40)	9

c) Net assets as at date of sale

The carrying amounts of assets and liabilities as at the date of sale on 14 August 2019 were:

	14 August 2019 \$'000	30 June 2019 \$'000
Assets		
Exploration and evaluation assets	753	760
Property, plant and equipment	2	2
Trade and receivables	6	7
Cash and cash equivalents	-	13
Assets held for sale	761	782
Liabilities		
Trade payables	24	11
Loans and borrowings	1,224	-
Accruals and other payables	12	11
Liabilities directly associated with assets held for sale	1,260	22
Net (liabilities)/assets associated with disposal group	(499)	760

JANGADA MINES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

7. Finance expense

	18 months ended 31 December 2020 \$'000	Year ended 30 June 2019 \$'000
Interest expense	(3)	(4)
Total finance expense	(3)	(4)

8. Tax expense

	18 months ended 31 December 2020		Year ended 30 June 2019	
	Continuing operations \$'000	Discontinued operations \$'000	Continuing operations \$'000	Discontinued operations \$'000
Profit on ordinary activities before tax	(2,268)	6,190	(1,594)	(88)
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(431)	1,176	(303)	(17)
Effects of:				
Unrelieved tax losses carried forward	431	(1,176)	303	17
Total tax charge for the period	-	-	-	-

Factors that may affect future tax charges

Apart from the losses incurred to date, there are no factors that may affect future tax charges.

At the period end, \$4,424,000 (2019: \$2,870,000) of cumulative estimated unrelieved tax losses arose in Brazil and the United Kingdom, which could be utilised in the foreseeable future.

JANGADA MINES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

9. Earnings per share

	31 December 2020			30 June 2019		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Loss for the period	(2,268)	6,190	4,377	(1,594)	(88)	(1,682)
			2020			2019
Weighted average number of shares (basic & diluted)			240,627,396			224,270,445
Loss per share - basic & diluted (US 'cents)	(0.94)	2.57	1.63	(0.71)	(0.04)	(0.75)

There have been no transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

10. Staff costs and directors' remuneration

Staff costs, including directors' remuneration, were as follows:

	Monetary Remuneration 18 months ended 31 December 2020 \$'000	Share options 18 months ended 31 December 2020 \$'000	Total 18 months ended 31 December 2020 \$'000	Total Year ended 30 June 2019 \$'000
B K McMaster	246	-	246	169
L M F De Azevedo	123	-	123	87
L E Castro	55	-	55	52
N K von Schirnding	74	6	80	52
	498	6	504	360

Excluding directors, there were no members of staff during the period ended 31 December 2020 (2019: 5). Excluding directors remuneration, staff costs during the period were salaries \$nil (2019: \$30,381), social security \$nil (2019: \$8,480), other benefits \$nil (2019: \$2,409).

JANGADA MINES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

11. Auditors remuneration

	18 months ended 31 December 2020 \$'000	Year ended 30 June 2019 \$'000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	30	25
Fees payable for other services:		
- Taxation	3	3
	3	3

12. Exploration and evaluation assets

	As at 31 December 2020		As at 30 June 2019	
	Continuing operations \$'000	Discontinued operations \$'000	Continuing operations \$'000	Discontinued operations \$'000
Cost and net book value				
At beginning of year	41	-	-	324
Expenditure capitalised during the period	509	-	41	436
Cost and net book value at 31 December 2020	550	-	41	760

13. Investments

	As at 31 December 2020 \$'000	As at 30 June 2019 \$'000
Equity securities	600	-
Carrying amount of investments	600	-

The Company acquired shares in the share capital of Fodere Titanium Limited during the financial period for \$600,000 (2019: \$nil). Fodere Titanium Limited is a United Kingdom registered minerals technology company which has developed innovative processes for the titanium, vanadium, iron and steel industries.

14. Investment in associates

	As at 31 December 2020 \$'000	As at 30 June 2019 \$'000
Cost of investment in ValOre Metals Corp	4,207	-
Sale of ValOre Metals Corp shares	(1,337)	-
Balance at 31 December 2020 (Company)	2,870	-
Share of losses from continuing operations	(714)	-
Share of gains from OCI	38	-
Balance at 31 December 2020 (Consolidated)	2,194	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

14. Investment in associates (continued)

On 14 August 2019 pursuant to the Share Purchase Agreement following the completion of the disposal of Pedra Branca to ValOre, the Company received the initial Consideration Shares in ValOre, totalling 22,000,000 common shares, equating to the Company owning 25.87% of ValOre's then enlarged share capital. As at 31 December 2020 the Company held 17.23% of ValOre's share capital.

ValOre is a Vancouver based company with a portfolio of high-quality uranium and precious metal exploration projects in Canada and Brazil that is listed on the Toronto Stock Exchange ("TSX") Venture Exchange.

During the period, the Company received both the first and second tranche of 500,000 Deferred Consideration Shares in February 2020 and August 2020. The Company will receive the remaining Deferred Consideration Shares totalling 2,000,000 payable in four equal tranches of 500,000. Post the balance sheet date, in February 2021, the third tranche of 500,000 Deferred Consideration Shares was received by the Company. Refer to Note 22.

At the reporting date, the Company held 17.23% interest in ValOre's share capital, however, as Messrs McMaster and De Azevedo are both on the board of directors of ValOre, ValOre is considered an associate. ValOre is a Canadian domiciled company with a reporting period ending on 30 September.

The Company recently changed its accounting reporting period from 30 June to 31 December to align its financial year end to that of its Brazilian subsidiary VTF Mineração Ltda. Whilst the Company's reporting period differs to that of ValOre, the share of losses from continuing operations of ValOre have been calculated based on the period from acquisition through to 31 December 2020. The quoted market price of ValOre as at 31 December 2020 was CAD \$0.30 (US\$0.23).

Summarised financial information in respect of ValOre Metals Corp are shown below. ValOre results are reported in Canadian Dollars and have been translated into US Dollars using the appropriate exchange rates.

	31 December 2020 \$'000
Current assets	96
Non-current assets	8,254
Current liabilities	(2,131)
Non-current liabilities	(328)
Equity attributable to the owners of the Company	5,891
Revenue	-
Profit/(loss) for the period from acquisition through to 31 December 2020	(4,519)
Other comprehensive income	162
Total comprehensive income	(4,357)

JANGADA MINES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

15. Group and other receivables

	Group As at 31 December 2020 \$'000	Group As at 30 June 2019 \$'000	Company As at 31 December 2020 \$'000	Company As at 30 June 2019 \$'000
Current				
Other receivables	83	15	78	15
Accrued income	471	-	471	-
Group receivables	-	-	-	1,067
Total other receivables	554	15	549	1,082

Accrued income totalling \$471,000 relating to the disposal of Pedra Branca being 2,000,000 Deferred Consideration Shares in ValOre with fair value determined to be \$471,000 at the balance sheet date.

16. Loans and borrowings

	Group As at 31 December 2020 \$'000	Group As at 30 June 2019 \$'000	Company As at 31 December 2020 \$'000	Company As at 30 June 2019 \$'000
Current				
Related party loan	-	62	-	62
Total loans and borrowings	-	62	-	62

17. Accruals and other payables

	Group As at 31 December 2020 \$'000	Group As at 30 June 2019 \$'000	Company As at 31 December 2020 \$'000	Company As at 30 June 2019 \$'000
Current				
Accruals	62	51	45	51
Amounts owed to Directors	31	262	31	262
Disposal purchase consideration	-	180	-	180
Share provision in lieu of fees	-	205	-	205
Total accruals and other payables	93	698	76	698

Under the terms of the Share Purchase Agreement ValOre Metals Corp paid \$180,000 upon signing of the binding letter of agreement.

JANGADA MINES PLC

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

18. Share capital

	31 December 2020			30 June 2019		
	Issued Number	Share Capital \$'000	Share premium \$'000	Issued Number	Share Capital \$'000	Share premium \$'000
At beginning of the period ordinary shares of 0.04p each:	237,315,053	123	4,202	197,515,600	102	2,844
3 October 2018: shares Issued as part of placement	-	-	-	38,273,328	20	1,476
25 April 2019: share issue in lieu of fees	-	-	-	1,526,125	1	95
Share issue costs charged to share premium	-	-	-	-	-	(213)
18 December 2019: share issue in lieu of fees	4,798,091	3	187	-	-	-
At 31 December 2020: ordinary shares of 0.04p each:	242,113,144	126	4,389	237,315,053	123	4,202

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of a winding up of the Company, to participate in the proceeds from sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or proxy, at a meeting of the Company.

19. Share options and warrants

	Average exercise price per share option \$	18 months ended 31 December 2020 Number of options	Average exercise price per share option \$	Year ended 30 June 2019 Number of options
At the beginning of the period	0.075	50,249,996	0.065	15,250,000
Warrants issued 15 October 2018	-	-	0.079	34,999,996
Share options issued 1 December 2019	0.023	9,000,000	-	-
Warrants issued 12 December 2019	0.079	4,798,091	-	-
Expired and surrendered share options expired 31 December 2019	0.065	(15,250,000)	-	-
Lapsed warrants 15 October 2020	-	(39,798,087)	-	-
At the end of the period		9,000,000		50,249,996

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

19. Share options and warrants (continued)

In December 2019, as part of the new award of the Director/Consultant Options, all of the individuals concerned, together with the other Directors of the Company who were not receiving new share options surrendered their existing holdings of share options, which in total aggregated 8,000,000 share options. These share options were awarded at the time of the Company's IPO on AIM in June 2017, with an exercise price of 5.5 pence per share option (6.5 US cents), and an expiry date of 31 December 2019. Other carried forward options outstanding in the Company, which in total aggregated 7,250,000, were on the same terms and expired unexercised on 31 December 2019.

Warrants issued in October 2018 of 34,999,996 new ordinary shares and to Consulmet Metals (Pty) Ltd for the consultancy work undertaken of 4,798,091 shares lapsed on 15 October 2020.

Share options granted during the 18 month period ended 31 December 2020 have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price \$	Share options 31 December 2020	Share options 30 June 2019
1 December 2019	30 November 2024	0.023	9,000,000	-

The fair value at grant date is independently determined using an adjusted form of the Black Scholes Model that takes into account the exercise price, the term of the option, the impact of dilution (where material), the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk free interest rate for the term of the option and the correlations and volatilities of the peer group companies. In addition to the inputs in the table above, further inputs as follows:

The model inputs for options granted during the period included:

- (a) options are granted for no consideration and vested options are exercisable for a period of five years after the grant date: 1 December 2019.
- (b) expiry date: 30 November 2024.
- (c) share price at grant date: 1.75 pence.
- (d) expected price volatility of the company's shares: 50%.
- (e) risk-free interest rate: 1.0%.

20. Subsidiary

The details of the subsidiaries of the Company, which have been included in these consolidated financial statements are:

Name	Country of incorporation	Proportion of ownership interest
VTF Mineração Ltda.	Brazil	99.99%

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

21. Related party transactions

During the period the Company entered into the following transactions with related parties.

	18 months ended 31 December 2020 \$'000	Year ended 30 June 2019 \$'000
Garrison Capital Partners Limited:		
Purchases made on Company's behalf and administrative fees expensed during the year	95	114
Interest charge included within Company and Group borrowings	3	4
Brian McMaster:		
Rent paid by the Company to Countrywide Residential Letting, in respect to premises leased in the name of Brian McMaster on behalf of; the Group that were made available at no cost to officers and staff of the Group.	80	15
Nicholas Von Schirnding:		
Investment in Fodere Titanium Limited of which Nicolas Von Schirnding is the Chairman	600	-
Lauren McMaster:		
Consultancy services	-	15
FFA Legal Ltda:		
Legal and accountancy services expensed during year	135	79
Harvest Minerals Limited:		
Employment services reimbursed	-	(104)

Garrison Capital Partners Limited is a related party to the Company due to having directors in common. The balance owed as at 31 December 2020 was \$nil (2019: \$62,000) as disclosed in note 16.

Lauren McMaster is a related party to the Company due to being married to the Chairman. At the year-end the amount owed was \$nil (2019: \$8,000).

FFA Legal Ltda is a related party to the Group due to having a director in common with Group companies. At the year-end they were owed \$nil (2019: \$nil).

Directors' remuneration is disclosed within note 10.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE 18 MONTH PERIOD ENDED 31 DECEMBER 2020 (CONTINUED)**

22. Subsequent Events

a) Deferred consideration shares

On 15 February 2021, the company received the third tranche of 500,000 common shares in ValOre under the terms of the Share Purchase Agreement.

b) Share placing

On 19 February 2021, Jangada raised £1.25 million (USD\$1.75 million) via a placing of 13,888,888 new Ordinary shares of £0.0004 each in the Company at a price of £0.09 per Placing Share through Brandon Hill Capital. As part payment for Brandon Hill Capital's services in relation to the Placing, it has been issued with 694,444 warrants to subscribe for new Ordinary Shares, exercisable at the Placing Price, for a period of three years.

c) Share disposal

On 24 February 2021, the Company disposed of 2 million of its common shares in ValOre at a price of CAD\$0.30 per share, providing Jangada with gross proceeds of CAD\$600,000 (USD\$477,779). On 5 March 2021, the Company disposed of a further 3.875 million of its common shares in ValOre at a price of CAD\$0.30 per share, providing Jangada with gross proceeds of CAD\$1,162,500 (USD\$917,300). Jangada now holds a total of 10,305,000 ValOre common shares, representing 8.6 per cent of ValOre's current share capital.

23. Ultimate controlling party

The Directors consider that the Company has no single controlling party.

JANGADA MINES PLC

(the "Company")

(incorporated and registered in England and Wales under the Companies Act 2006 with registered number 09663756)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of the members of the Company will be held at the offices of Bird & Bird LLP, 12 New Fetter Lane, London EC4A 1JP, at 10.00 a.m. on 21 April 2021.

COVID-19 UPDATE

The Board considers the AGM an important opportunity to present to shareholders the Company's performance and strategic priorities. In normal circumstances, the Board values greatly the opportunity to meet shareholders in person. However, the evolving COVID-19 situation and the related Government guidelines have clearly impacted the ability of shareholders to attend the AGM.

The Board supports fully the Government guidance on limited public gatherings and observing social distancing. **It is the Company's intention to proceed with holding the AGM on 21 April 2021 at 10.00 a.m. with the minimum quorum of shareholders present in order to conduct the business of the meeting (being two shareholders). Whilst the current guidance remains in place, no other shareholders will be permitted to physically attend the meeting in line with our Articles of Association. Any shareholder who attempts to attend the meeting in person will be refused entry.**

Instead of attending this year's AGM, shareholders are asked to exercise their votes by submitting their proxy electronically or by post, by no later than 10.00 a.m. (GMT) on 19 April 2021, being 48 hours (excluding non-working days) before the time fixed for holding the AGM. Shareholders can only appoint the "Chairman of the meeting" as proxy, as no other proxy will be permitted to attend the meeting. In addition, should a shareholder have a question that they would have raised at the meeting, we ask that they send it by e-mail to info@jangadamines.com. The Company will publish these questions (other than any questions which the Directors consider to be frivolous or vexatious, or which cannot be addressed for legal or regulatory reasons) and answers on its website as soon as practicable after the AGM.

The Board will keep these AGM arrangements under review and the Board will update shareholders via the Regulatory News Service ("RNS") as appropriate, with any such announcements also uploaded to the Company's website (<http://www.jangadamines.com/>). The Company encourages shareholders to check its website regularly for the latest information on the arrangements for the AGM.

THE RESOLUTIONS

Members will be asked to consider and, if thought fit, pass the resolutions set out below. Resolutions 1 to 7 will be proposed as ordinary resolutions and Resolution 8 will be proposed as a special resolution.

ORDINARY RESOLUTIONS

1. To receive and adopt the Company's financial statements and annual accounts for the 18 month period ended 31 December 2020 together with the Directors' report and auditors' report on these accounts.
2. To re-elect Luis Azevedo as a Director of the Company.
3. To re-elect Brian McMaster as a Director of the Company.
4. To re-elect Nicholas von Schirnding as a Director of the Company.
5. To appoint Elderton Audit (UK) as auditors of the Company in accordance with section 489 of the Companies Act 2006 (the "Act") to hold office until the conclusion of the next annual general meeting at which the accounts of the Company are laid.

6. To authorise the Directors of the Company to determine the auditors' remuneration for the coming financial year.
7. That the Directors be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Act to exercise all powers of the Company to allot equity securities (within the meaning of section 560 of the Act) up to an aggregate nominal amount of £73,728 provided that this authority shall, unless renewed, varied or revoked by the Company in general meeting, expire on the earlier of 15 months after the passing of this Resolution or at the completion of the next annual general meeting of the Company, but the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the Directors may allot equity securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this Resolution has expired. This authority is in substitution for all previous authorities conferred upon the Directors pursuant to section 551 of the Act, but without prejudice to the allotment of any equity securities already made or to be made pursuant to such authorities.

SPECIAL RESOLUTION

8. That, subject to the passing of Resolution 7 above, the Directors be and are empowered pursuant to section 570 of the Act to allot equity securities (within the meaning of section 560 of the Act) wholly for cash pursuant to the authority conferred by Resolution 7 above as if section 561 of the Act or any pre-emption provisions contained in the Company's articles of association ("**Articles**") did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:
 - a. in connection with an offer of equity securities by way of rights issue to holders of equity securities in proportion (as nearly as may be practicable) to their respective holdings of such equity securities, but subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems in or under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
 - b. otherwise than pursuant to sub-paragraph (a) above up to an aggregate nominal amount of £73,728.

Such power (unless previously revoked, varied or renewed) shall expire on the earlier of 15 months after the passing of this Resolution or the conclusion of the next annual general meeting of the Company, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred by this resolution had not expired.

By order of the board

Clive Hopewell
Company Secretary

Date: 29 March 2021

Registered Office:
20 North Audley Street
London
United Kingdom
W1K 6WE

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING ("AGM")

The following notes remain subject to Government restrictions that may be in place at the time of the AGM arising from the COVID-19 situation. It is the Company's intention to proceed with holding the AGM on 21 April 2021 at 10.00 a.m. (British Summer Time) with the minimum quorum of shareholders present in order to conduct the business of the meeting (being two shareholders). Whilst the current guidance remains in place, no other shareholders will be permitted to physically attend the meeting. Any shareholder who attempts to attend the meeting in person will be refused entry.

Entitlement to attend and vote

- 1 Only those members registered on the Company's register of members at 10.00 a.m. on 19 April 2021 shall be entitled to vote at the AGM.

Appointment of proxies

- 2 If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the AGM and you should have received a Form of Proxy with this Notice of Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the Form of Proxy.
- 3 A proxy need not be a member of the Company. Your proxy could be the Chairman of the meeting or another person who has agreed to attend to represent you. However, given the limitations on physical participation (see COVID-19 update above) we recommend shareholders appoint the Chairman of the meeting as their proxy, as physical attendance at the meeting by others will be restricted in line with our Articles of Association and current guidance and legislation. Your proxy must vote as you instruct and must attend the meeting for your vote to be counted. Details of how to appoint the Chairman of the AGM or another person as your proxy using the Form of Proxy are set out in the notes to the Form of Proxy. If you wish your proxy to speak on your behalf at the AGM you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
- 4 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the registrar of the Company.
- 5 A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the AGM.

Appointment of proxy using hard copy form of proxy

- 6 The notes to the Form of Proxy explain how to direct your proxy, how to vote on each resolution or withhold their vote.
- 7 To appoint a proxy using the Form of Proxy, the form must be:
 - (a) completed and signed;
 - (b) sent or delivered to Computershare Investor Services plc at The Pavilions, Bridgwater Road, Bristol BS13 8AE; and
 - (c) received by Computershare Investor Services plc no later than 10.00 a.m. on 19 April 2021.
- 8 In the case of a member which is a company, the Form of Proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company.
- 9 Any power of attorney or any other authority under which the Form of Proxy is signed (or a duly certified copy of such power or authority) must be included with the Form of Proxy.

Appointment of proxy by joint members

- 10 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

- 11 To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
- 12 Where you have appointed a proxy using the hard-copy Form of Proxy and would like to change the instructions using another hard-copy Form of Proxy, please contact Computershare Investor Services plc at The Pavilions, Bridgwater Road, Bristol BS13 8AE.
- 13 If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

- 14 In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Computershare Investor Services plc at The Pavilions, Bridgwater Road, Bristol BS13 8AE. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Computershare Investor Services plc no later than 10.00 a.m. on 19 April 2021.
- 15 If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

Corporate representatives

- 16 A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

Issued shares and total voting rights

- 17 As at 29 March 2021, the Company's issued share capital comprised 256,002,032 ordinary shares of £0.0004 each. Each ordinary share carries the right to one vote at a general meeting of the Company therefore, the total number of voting rights in the Company on 29 March 2021 is 256,002,032.

Questions at the AGM

- 18 Under section 319A of the Companies Act 2006, the Company must answer any question you ask relating to the business being dealt with at the AGM unless: (a) answering the question would interfere unduly with the preparation for the AGM or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the AGM that the question be answered. Please refer to the COVID-19 update above for information about questions at the meeting.

Communication

- 19 You may not use any electronic address provided either in this Notice of Meeting or any related documents (including the letter with which this Notice of Meeting was enclosed and Form of Proxy) to communicate with the Company for any purposes other than those expressly stated.

Inspection of documents

- 20 Subject to the COVID-19 restrictions, the following will be available for inspection at the place of the meeting prior to and during the AGM:
- (a) copies of service contracts of executive directors;
 - (b) copies of letters of appointment of non-executive directors; and
 - (c) a copy of the Company's articles of association.