

Registered number: 09663756



JANGADA MINES PLC

**HALF YEAR UNAUDITED FINANCIAL INFORMATION
FOR THE SIX MONTHS ENDED 31 DECEMBER 2019**

COMPANY INFORMATION

Directors	Brian McMaster – Executive Chairman Luis Azevedo – Non-Executive Director Louis Castro – Independent Non-Executive Director Nick von Schirnding - Independent Non-Executive Director
Company Secretary	Clive Hopewell
Registered Office	20 North Audley Street London W1K 6WE United Kingdom
Registered number:	09663756
Auditors	Crowe U.K. LLP St Bride's House 10 Salisbury Square London EC4Y 8EH United Kingdom
Legal advisers as to English law	Bird & Bird LLP 12 New Fetter Lane London EC4A 1JP United Kingdom
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Stock Exchange	London Stock Exchange - AIM Stock Code - JAN
Website	www.janqadamines.com

Jangada Mines Plc ('Jangada' or the 'Company')

Unaudited Interim Results to 31 December 2019

Jangada Mines plc, a natural resources company, is pleased to announce its unaudited Interim Results for the six-month period ended 31 December 2019.

Chairman's Statement

We began 2020 with our focus firmly on continuing to realise value at our 100% owned Pitombeiras Vanadium Project ('Pitombeiras' or 'the Project'), located in the state of Ceará, Brazil. During the period under review, we established the strong mineral potential of the asset as drilling, magnetic data and rock chip geochemistry enabled us to estimate a JORC (2012) Exploration Target of between 40Mt to 60Mt at 0.3% to 0.6% vanadium oxide (V_2O_5), 40% to 55% iron oxide (Fe_2O_3) and 8% to 10% titanium dioxide (TiO_2). Our current focus is now on establishing a JORC compliant Mineral Resource estimate.

We commenced a 2,500m drill programme in January 2020 to test the three most prospective magnetic anomalies at the Pitombeiras North, Pitombeiras South and Goela targets over a 3km NE-SW structural trend. Drilling is scheduled to be completed in Q2 2020. Results received to date are very encouraging with three drill holes at Pitombeiras North all intersecting vanadium titanomagnetite ('VTM') mineralisation. These include 38.00 meters at 0.558% V_2O_5 , 11.31% TiO_2 and 38.40% Fe_2O_3 , and 32.18 meters at 0.547%, 10.79% TiO_2 and 37.22% Fe_2O_3 , including 13.25 meters at 0.740% V_2O_5 , 14.63% TiO_2 and 48.9% Fe_2O_3 . However, as announced at 27 March 2020, given the prevailing environment and impact of COVID-19, and considering in particular the health and safety risks of keeping our team at site at these times of uncertainty, we have elected to reduce the programme to a total of approximately 1,350 metres. It is expected that this will not have a material impact on our immediate plans because, by completing the planned holes (albeit to a shallower depth) we will have tested the boundaries of the anomaly as required and we will have sufficient data to continue with a preliminary economic assessment ('PEA') and JORC resource estimate. We look forward to sharing further results from this drilling in due course.

The confirmation of VTM mineralisation is a significant achievement as VTM type deposits are the principal sources of vanadium globally. Further boosting this commercial potential, initial Davis Tube Recovery ('DTR') test work completed at Pitombeiras in September 2019 demonstrated that the mineralisation responds very well to magnetic separation with mass recovery of 59% and 62% and concentrate grades increasing to greater than 1.2% V_2O_5 , including 95% Fe_2O_3 . The titanium dioxide was concentrated on a non-magnetic fraction reaching grades around 33% TiO_2 and the results also established that the magnetic recoveries produced a low silicon dioxide and low aluminium oxide product. This confirms that we are able to produce a product of potentially economic grades.

Of course, resource quality is not the only factor to be considered when assessing the commercial potential of an asset; the ability to access and export is critical too. In November 2019, C. Steinweg Handelsveem Latin America S.A. was commissioned to prepare an initial analysis of the most favourable logistical routes for vanadium product from Pitombeiras on the basis of an estimated production of 300kt of V_2O_5 concentrate in 2020, increasing to 600kt of V_2O_5 concentrate in 2022. The study identified three possible routes to market: two to Main Chinese Ports ('MCP') and one to Brazil-based Companhia Siderurgica de Pecém ('CSP') refinery. These were based on shipping from both the Pecém and Fortaleza

seaports in Ceará state, which are within the Ceará Free Trade Zone, an industrial free trade area for exporting companies, which provides tax and exchange benefits and simplified administrative procedures that positively impact selling margins and bring additional competitive advantages to Jangada.

Total indicative costs (ground and ocean costs) to transport ore from Pitombeiras to MCP using the Fortaleza seaport have been estimated at US\$84.64/wet metric tonne (wmt). Using the Pecem seaport as an alternative route, the total indicative costs have been estimated at US\$90.02/wmt. Total indicative costs considering CSP as a final destination have been estimated at US\$36.00/wmt, which only involves ground transportation using trucks as CSP is located close to Pecém. These findings prove that the Project is well located to reach overseas markets on a competitive cost basis and will form part of a Preliminary Economic Assessment ('PEA'), which we are in the process of preparing.

Testament to our confidence in the growing importance of this resource and also of Pitombeiras' potential, in November 2019, we extended the Project's footprint having identified a new target, Goela, which is currently being targeted as one of our priority drill targets. Following this, in February 2020 we added an additional 864 hectares to include additional tenements known as Mocidade, which have prospective airborne magnetic anomalies similar to the Pitombeiras VTM targets. The total Project area is now 1,958 hectares.

Detailed geological mapping and rock chip sampling will be undertaken at Mocidade as part of our approved multi-phase exploration programme across the full licence area. Alongside this and the current drilling, we will also undertake a ground magnetic survey, a detailed topographic survey and test soil geochemistry in order to support the definition of a JORC resource. We also intend to complete metallurgical test work on three bulk samples (200 kg/sample) in order to define the best process for ore beneficiation.

As a result of Pitombeiras' significant value potential, we took the strategic decision to firmly focus our attention and resources on its rapid development. Accordingly, we divested our interest in Pedra Branca Brasil Mineracao Ltda, the entity that holds the Pedra Branca Project in Brazil ('Pedra Branca') to TSX-V listed Valore Metals Corp. ('ValOre') whilst retaining a strategic upside exposure through a significant shareholding in ValOre. We look forward to following ValOre's exploration efforts as it continues to unlock the Project's resource potential.

Financials

ValOre purchased Pedra Branca in August 2019 for CAD\$3,000,000 alongside the issue of 25,000,000 ValOre common shares to Jangada. In February 2020, the final CAD\$1,000,000 of cash consideration was received together with the first tranche of 500,000 deferred consideration ValOre common shares. The Company currently holds a 24.9% interest in ValOre, with the remaining 2,500,000 ValOre common shares due to Jangada payable in six-monthly instalments of 500,000 shares each. The consideration will 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.

Outlook

We are now focussed on unlocking the inherent value of Pitombeiras for the benefit of all stakeholders. To this end, we have a clear development path thanks to a defined exploration programme. The ramp up of activity at Pitombeiras is undoubtedly timely given the favourable market dynamics that are placing increasing demand on clean energy materials such as vanadium. We look forward to sharing more exploration results in due course.

Finally, I would like to take this opportunity to thank shareholders for their continuing support and our team for their consistent hard work. As an active investor in the Company myself, my interests are firmly aligned with shareholders and I truly believe the growth prospects of Jangada are excellent.

A handwritten signature in black ink, appearing to read "B. McMaster".

Brian McMaster
Executive Chairman
31 March 2020

JANGADA MINES PLC

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

		Unaudited Six months to 31 December 2019 \$'000	Unaudited Six months to 31 December 2018 \$'000 Restated ¹	Audited Year ended 30 June 2019 \$'000
Administration expenses		(605)	(701)	(1,590)
Operating Profit / (Loss) from continuing operations		(605)	(701)	(1,590)
Finance expense		(2)	-	(4)
Share of losses from associates		(266)	-	-
Profit / (Loss) before tax		(873)	(701)	(1,594)
Tax expense	5	-	-	-
Profit / (Loss) from continuing operations		(873)	(701)	(1,594)
Discontinued operations				
Profit / (loss) from discontinued operations	7	6,277	(43)	(88)
Financial profit / (loss) for the year		5,404	(744)	(1,682)
Other comprehensive income:				
Items that will or may be classified to profit or loss:				
Currency translation differences arising on translation of foreign operations		(31)	(32)	3
Exchange differences reclassified on disposal of foreign operations		259	-	-
Currency translation differences arising on translation of equity investments		(360)	-	-
Total comprehensive Profit / (Loss) attributable to owners of the parent		5,272	(776)	(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	Cents
- Basic (cents)	6	(0.37)	(0.33)	(0.71)
- Diluted (cents)	6	(0.37)	(0.33)	(0.71)
Earnings / (Loss) per share attributable to the ordinary equity holders of the Company during the period		Cents	Cents	Cents
- Basic (cents)	6	2.27	(0.35)	(0.75)
- Diluted (cents)	6	2.27	(0.35)	(0.75)

1. The company has labelled the comparative information with the heading 'restated' to highlight the presentation of the discontinued operations and the currency exchange treatment on the 31 December 2018 information resulting in an immaterial adjustment to the income statement and the company's share capital, that is not the same as the prior year's financial information presented.

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CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019

	Notes	Unaudited 31 December 2019 \$'000	Unaudited 31 December 2018 \$'000 Restated ¹	Audited 30 June 2019 \$'000
Assets				
Non-current assets				
Exploration and evaluation assets	8	179	563	41
Property, plant and equipment		2	3	-
Investments	9	100	-	-
Investments in associates	10	3,721		
		4,002	566	41
Current assets				
Other receivables	11	1,553	44	15
Cash and cash equivalents		327	718	117
Assets held for sale		-	-	782
		1,880	762	914
Total assets		5,882	1,328	955
Liabilities				
Current liabilities				
Trade payables		39	254	41
Loans and borrowings		64	58	62
Accruals and other payables		128	68	698
Liabilities associated with assets held for sale		-	-	22
Total liabilities		231	380	823
Issued capital and reserves attributable to owners of the parent				
Share capital	12	178	122	123
Share premium		4,389	4,164	4,202
Translation reserve		(381)	(25)	10
Retained earnings		1,465	(3,313)	(4,203)
Total equity		5,651	948	132
Total equity & liabilities		5,882	1,328	955

1. The company has labelled the comparative information with the heading 'restated' to highlight the currency exchange treatment on the 31 December 2018 information resulting in an immaterial adjustment to the share capital and share premium balances, that is not the same as the prior year's financial information presented.

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CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

	Share capital \$'000	Share premium \$'000	Translation reserve \$'000	Retained earnings \$'000	Total equity attributable to owners \$'000
Balance as at 1 July 2019	123	4,202	10	(4,203)	132
Total comprehensive loss for the half-year					
Profit / (Loss) for the half-year	-	-	-	5,404	5,404
Other comprehensive loss	-	-	(391)	259	(132)
Total comprehensive profit / (loss) for the half-year	-	-	(391)	5,653	5,262
Transactions with owners in their capacity as owners					
Shares issued	55	187	-	-	242
Share options issued	-	-	-	5	5
Total transactions with owners	55	187	-	5	246
Balance at 31 December 2019	178	4,389	(381)	1,465	5,651
Balance as at 1 July 2018	102	2,844	7	(2,690)	263
Total comprehensive loss for the half-year					
Loss for the half-year	-	-	-	(744)	(744)
Other comprehensive loss	-	-	(32)	-	(32)
Total comprehensive loss for the half-year	-	-	(32)	(744)	(776)
Transactions with owners in their capacity as owners					
Shares issued (Restated)	20	1,320	-	-	1,340
Shares options issued	-	-	-	121	121
Total transactions with owner	20	1,320	-	121	1,461
Restated Balance at 31 December 2018	122	4,164	(25)	(3,313)	948
Total comprehensive loss for the half-year					
Loss for the half-year	-	-	-	(938)	(938)
Other comprehensive income	-	-	35	-	35
Total comprehensive loss for the half-year	-	-	35	(938)	(903)
Transactions with owners in their capacity as owners					
Shares issued	1	38	-	-	39
Shares options issued	-	-	-	48	48
Total transactions with owners	1	38	-	48	87
Balance at 30 June 2019	123	4,202	10	(4,203)	132

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CONDENSED UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

	Unaudited 31 December 2019 \$'000	Unaudited 31 December 2018 \$'000	Audited 30 June 2019 \$'000
Cash flows from operating activities			
Profit / (Loss) before Tax from continuing operations	(873)	(701)	(1,594)
Profit / (Loss) before Tax from discontinued operations	6,277	(43)	(88)
	<u>5,404</u>	<u>(744)</u>	<u>(1,682)</u>
Add back: depreciation	-	1	2
Non-cash shares received on disposal of subsidiary	(3,987)	-	-
Non-cash currency translation differences arising on translation of equity investments	(360)	-	-
Non cash exchange differences reclassified on disposal of foreign operations	(259)	-	-
Non-cash share option charge	187	121	169
Non-cash shares issued in lieu of fees	4	-	96
Share of losses in associate	266	-	-
Decrease/(increase) in other receivables	(1,529)	(22)	-
(Decrease)/increase in trade and other payables	(557)	95	535
Net cash outflow from operating activities	<u>(830)</u>	<u>(549)</u>	<u>(880)</u>
Investing activities			
Development of exploration and evaluation assets	(179)	(239)	(477)
Purchase of plant, property and equipment	(2)	-	-
Purchase of shares in investment	(100)	-	-
Net cash outflow from investing activities	<u>(281)</u>	<u>(239)</u>	<u>(477)</u>
Financing activities			
Share capital issue	55	1,496	1,496
Cost of issuing share capital	-	(156)	(213)
Cash proceeds received on disposal of subsidiary	1,326	-	-
Increase in related party borrowings	2	-	4
Net cash from financing activities	<u>1,383</u>	<u>1,340</u>	<u>1,287</u>
Net movement in cash and cash equivalents	<u>271</u>	<u>552</u>	<u>(70)</u>
Cash and cash equivalents at beginning of period	<u>117</u>	<u>198</u>	<u>198</u>
Movements in foreign exchange	(61)	(32)	2
Cash and cash equivalents reclassified as assets available for sale (discontinued operation)	-	-	(13)
Cash and cash equivalents at end of period	<u><u>327</u></u>	<u><u>718</u></u>	<u><u>117</u></u>

JANGADA MINES PLC

NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019

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 Company's principal activities are the exploration and development of mining assets in Brazil.

2. Accounting Policies

Basis of preparation

The interim unaudited financial information for the period ended 31 December 2019 has been prepared in accordance with IAS 34 Interim Financial Reporting. The results for the period ended 31 December 2019 are unaudited.

The condensed unaudited consolidated financial information for the period ended 31 December 2019 has been prepared on a basis consistent with, and on the basis of, the accounting policies set out in the financial information in the Company's published results for the year to 30 June 2019. The unaudited interim financial statements of the Company have been prepared on the basis of the accounting policies, presentation, methods of computation and estimation techniques expected to be adopted in the financial information by the Company in preparing its annual report for the year ended 30 June 2020.

The consolidated financial information is presented in United States Dollars (\$), which is also the functional currency of the Company and Group. Amounts are rounded to the nearest thousand (\$'000), unless otherwise stated.

Changes in accounting principles and adoption of new and revised standards

In the period ended 31 December 2019, 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.

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

Going concern

As disclosed in the 30 June 2019 financial statements, there exists 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 Company's planned expenditure on the Pitombeiras vanadium deposit and the Company's working capital requirements, the Directors have a reasonable expectation that the Company 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.

The financial statements do not include the adjustment that would result if the Group and Company were unable to continue as a going concern.

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.

Financial liabilities

Financial liabilities include the other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method.

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NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (CONTINUED)

2. Accounting Policies (continued)

Exploration and evaluation assets

Exploration and evaluation assets represent the costs of pre-feasibility studies, field costs, government fees and the associated support costs at the Group's Pitombeiras project and formerly the Pedra Branca Platinum Group Metal project.

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 license interest are capitalised. Historically, the expenditures related to exploration and evaluation have not been material, as the Company is active in areas where there are minimal and immaterial exploration and evaluation costs and therefore the costs in previous years have been expensed.

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 Group's share of profit or loss and other comprehensive income of the associate.

3. Critical accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Judgements, estimates and assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Judgements

As discussed in Note 2 there exists a material uncertainty which may cast significant 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 Company's planned expenditure on the Pitombeiras vanadium deposit and the Company's working capital requirements, the Directors have a reasonable expectation that the Company will have adequate resources to meet its capital requirements for the foreseeable future.

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 for the Pitombeiras project (2019: \$179,000, 2018: \$nil) at this time.

Estimates and assumptions

In arriving at the carrying value of investments in associates, the group determines the need for impairment based on the level of geological knowledge and confidence of the mineral resources. Such decisions are taken on the basis of the exploration and research work carried out in the period utilising expert report.

The Company measures share options at fair value. For more detailed information in relation to the fair value measurement of such items, please refer to Note 13.

4. 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: mining services. All non-current assets have been generated in Brazil.

The Directors believe that the Group's operations are not subject to any significant seasonality.

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NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (CONTINUED)

5. Tax expense

	Six months ended 31 December 2019		Six months ended 31 December 2018		Year ended 30 June 2019	
	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations	Continuing operations	Discontinued operations
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Profit / (Loss) on ordinary activities before tax	(873)	6,277	(701)	(43)	(1,594)	(88)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018: 19%)	(166)	1,193	(133)	(8)	(303)	(17)
Effects of:						
Recognition of previously unrecognised tax losses	166	-	-	-	-	-
Unrelieved tax losses for the period carried forward	-	(1,193)	133	8	303	17
Total tax charge for the period on continuing operations	-	-	-	-	-	-

Factors that may affect future tax charges

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

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NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (CONTINUED)

6. Earnings per share

	Six months ended 31 December 2019			Six months ended 31 December 2018			Year ended 30 June 2019		
	Continuing operations	Discontinued operations	Total	Continuing operations (Restated)	Discontinued operations (Restated)	Total	Continuing operations	Discontinued operations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Profit / (Loss) for the year	(873)	6,277	5,404	(701)	(43)	(744)	(1,594)	(88)	(1,682)
			2019			2018			2019
Weighted average number of shares (basic)			237,655,901			213,619,678			224,270,445
Loss per share - basic (US 'cents)	(0.37)	2.64	2.27	(0.33)	(0.02)	(0.35)	(0.71)	(0.04)	(0.75)
Weighted average number of shares (diluted)			237,655,901			213,619,678			224,270,445
Loss per share - diluted (US 'cents)	(0.37)	2.64	2.27	(0.33)	(0.02)	(0.35)	(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.

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NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (CONTINUED)

7. Discontinued operations

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.

	Period ended 31 December 2019 \$'000	Period ended 31 December 2018 \$'000	Year ended 30 June 2019 \$'000
Cash Consideration	2,272	-	-
Initial Consideration Shares in the Purchaser, ValOre Metals Corp, totalling 22,000,000 common shares	3,987	-	-
Fair value of Deferred Consideration Shares in the Purchaser, totalling 3,000,000 common shares	764		
Total disposal consideration	7,023		
Less: Deficiency in assets disposed of	500		
Add: Share of loss to disposal	(22)		
Less: Write off of debts owed	(1,224)		
Gain on disposal before income tax	6,277		
Income tax expense	-		
Gain on disposal before income tax	6,277		

The Company received the final cash payment of C\$1,000,000 and 500,000 Deferred Consideration Shares on 10 February 2020. The Company is due to receive the remaining 2,500,000 ValOre common shares over the next 2.5 years (**Deferred Consideration Shares**). As at 31 December 2019 the fair value of the Deferred Consideration Shares was determined to be \$764,000.

(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	Period ended 31 December 2018 \$'000	Year ended 30 June 2019 \$'000
<i>Financial performance from discontinued operations</i>			
Expenses	(21)	(43)	(88)
Loss before tax from discontinued operations	(21)	(43)	(88)
Tax	-	-	-
Loss for the period from discontinued operations	(21)	(43)	(88)

JANGADA MINES PLC

NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (CONTINUED)

7. Discontinued operations (continued)

(b) Financial performance and cash flow information (continued)

	Period ended 14 August 2019 \$'000	Period ended 31 December 2018 \$'000	Year ended 30 June 2019 \$'000
<i>Cash flows from discontinued operation</i>			
Net cash flows from operating activities	(9)	6	(77)
Net cash flows from investing activities	(31)	(239)	(477)
Net cash flows from financing activities	-	340	563
Net cash flow inflow / (outflow)	(40)	106	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	31 December 2018 \$'000	30 June 2019 \$'000
Assets			
Exploration and evaluation assets	754	563	761
Property, plant and equipment	2	3	2
Trade and receivables	6	6	7
Cash and cash equivalents	-	84	13
Assets held for sale	762	656	782
Liabilities			
Trade payables	23	52	11
Loans and borrowings	1,224	844	,194
Accruals and other payables	11	8	11
Liabilities directly associated with assets held for sale	1,259	904	1,216
Deficiency in assets directly associated with disposal group	(500)	(248)	(434)

8. Exploration & evaluation assets

Exploration and evaluation assets represent the costs of pre-feasibility studies, field costs, government fees and the associated support costs at the Group's Pitombeiras West vanadium deposit project.

9. Investments

	Six months ended 31 December 2019 \$'000	Six months ended 31 December 2018 \$'000	Year ended 30 June 2019 \$'000
Equity securities	100	-	-
Carrying amount of investments	100	-	-

On 3 October 2019, the Company acquired shares in the share capital of Fodere Titanium Limited for \$100,000 (2018: \$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.

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NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (CONTINUED)

10. Investments in associates

	Six months ended 31 December 2019	Six months ended 31 December 2018	Year ended 30 June 2019
	\$'000	\$'000	\$'000
Cost of investment in ValOre Metals Corp	3,987	-	-
Share of losses from continuing operations	(266)	-	-
Carrying amount of interest in associate	3,721	-	-

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 26 percent of ValOre's then enlarged share capital.

Post period end, the Company will also receive Deferred Consideration Shares in ValOre pursuant to the Share Purchase Agreement totalling 3,000,000 payable in six equal tranches of 500,000 each tranche, commencing on the date falling six months after Completion and ending on the date falling thirty-six months after Completion.

Refer to Note 7 for more information relating to the disposal of Pedra Branca.

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.

10. Other receivables

Other receivables includes deferred income totalling \$1,260,000 relating to the disposal of Pedra Branca as follows:

- final tranche of the cash consideration of \$765,000 (CAD\$1,000,000) due on, or before, 6 months after completion; and
- 3,000,000 Deferred Consideration Shares in ValOre with fair value determined to be \$495,000 at balance date.

The cash consideration and 500,000 Deferred Consideration Shares in ValOre were received on 6 February 2020. Refer to Notes 7 and 10 for more information relating to the disposal of Pedra Branca.

11. Share capital

	Six months ended 31 December 2019		Six months ended 31 December 2018 (restated)		Year ended 30 June 2019	
	Issued Number	Share Capital \$'000	Issued Number	Share Capital \$'000	Issued Number	Share Capital \$'000
At beginning of period ordinary shares of 0.04p each:	237,315,053	123	197,515,600	102	197,515,600	102
3 October 2018: shares Issued as part of placement	-	-	38,273,328	20	38,273,328	20
25 April 2019: share issue in lieu of fees	-	-	-	-	1,526,125	1
12 December 2019: share issue in lieu of fees	4,798,091	3	-	-	-	-
At end of period: ordinary shares of 0.04p each:	242,113,144	126	235,788,928	122	237,315,053	123

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.

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NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (CONTINUED)

12. Share options and warrants

	Six months ended 31 December 2019		Six months ended 31 December 2018		Year ended 30 June 2019	
	Average exercise price per share option \$	Number of options and warrants	Average exercise price per share option \$	Number of options and warrants	Average exercise price per share option \$	Number of options
At 30 June		50,249,996	0.065	15,250,000	0.065	15,250,000
Warrants issued 15 October 2018	-	-	0.079	34,999,996	0.079	34,999,996
Warrants issued 12 December 2019	0.079	4,798,091	-	-	-	-
Expired and surrendered share options	0.065	(15,250,000)	-	-	-	-
Share options issued 6 December 2019	0.026	9,000,000	-	-	-	-
At 31 December		48,798,087		50,249,996		50,249,996
Vested and exercisable at 31 December	0.026	9,000,000	0.065	7,625,000	0.065	7,625,000

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 pence per share option (6.5 US cents), and an expiry date of 31 December 2019. All other options currently outstanding in the Company, which in total aggregated 7,250,000, were on the same terms and expired unexercised on 31 December 2019.

Share warrants outstanding at the end of the period have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price \$	Share warrants 31 December 2019	Share warrants 31 December 2018
15 October 2018	15 October 2020	0.079	34,999,996	34,999,996
12 December 2019	15 October 2020	0.079	4,798,091	

The warrants were valued using the Black Scholes Model with inputs noted in the above table and further inputs as follows:

Input	15 October 2018 grant	12 December 2019 grant
Consideration	Nil	Nil
Terms	Vested warrants are exercisable for a period of two years after the grant date	Vested warrants are exercisable during the period to 15 October 2020
Expiry date	15 October 2020	15 October 2020
Share price at grant date	2.58 pence	1.70 pence
Expected price volatility of the Company's shares	50%	50%
Risk-free interest rate	2.0%	2.0%

JANGADA MINES PLC

NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (CONTINUED)

13. Share options and warrants (continued)

Share options granted during the half year ended 31 December 2019 have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price \$	Share options 31 December 2019	Share options 31 December 2018
6 December 2019	31 December 2024	0.026	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: 6 December 2019.
- (b) expiry date: 31 December 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%.

14. Related Party Transactions

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

	Six months ended 31 December 2019 \$'000	Six months ended 31 December 2018 \$'000	Year ended 30 June 2019 \$'000
Garrison Capital Partners Limited:			
Purchases made on Company's behalf and administrative fees expensed during the year	55	34	114
Interest charge included within Company and Group borrowings	2	-	4
Lauren McMaster			
Consultancy services	4	-	15
FFA Legal Ltda			
Legal and accountancy services expensed	41	-	79
Harvest Minerals Limited			
Employment services reimbursed	-	(69)	(104)

Garrison Capital Partners Limited is a related party to the company due to having a director in common. At the period end, it was owed \$nil (2018: \$nil).

Lauren McMaster is a related party to the Company due to being married to the Chairman. At the period end, the amount owed was \$nil (2018: \$24,000).

FFA Legal Ltda is a related party to the Group due to having a director in common with Group companies. At the period end it was owed \$nil (2018: \$nil).

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NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE SIX MONTHS ENDED 31 DECEMBER 2019 (CONTINUED)

15. Subsequent Events

- a) On 3 February 2020, Brian McMaster and Luis Azevedo purchased 1,400,000 existing Ordinary Shares of £0.0004 each in the Company at an average price of 1.8 pence per Ordinary Share purchased. Following the purchase, the beneficial interest increased to:

	No. of ordinary shares held	% of share capital
Directors' interests:		
Brian McMaster	55,244,467	23.3%
Luis Azevedo	54,066,667	22.8%

- b) On 10 February 2020, the Company received the final payment from ValOre due under the Pedra Branca Share Purchase Agreement of CAD\$1,000,000 (US\$0.765 million as at 31 December 2019). The Company also received 500,000 Deferred Consideration Shares from ValOre, being the first instalment due under the terms of the Share Purchase Agreement. Refer to Notes 7 and 10 for information relating to the disposal of Pedra Branca.

16. Nature of Financial Information

The unaudited consolidated interim financial information presented above does not constitute statutory financial statements for the period under review.

