

Registered number: 09663756



JANGADA MINES PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

COMPANY INFORMATION

Directors	Brian McMaster – Executive Chairman Luis De Azevedo – Non-Executive Director Nick von Schirnding – Non-Executive Director
Company Secretary	Clive Hopewell
Registered Office	20 North Audley Street London W1K 6WE United Kingdom
Registered number:	09663756
Auditors	Elderton Audit (UK) 1 George Yard Ground Floor London EC3V 9DF United Kingdom
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**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present the strategic report for the year ended 31 December 2021.

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, Fodere Titanium Limited and Blencowe Resources Limited

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 year 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 we are pleased to confirm that we have made great progress in this regard.

The year 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:

- 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

Post year end, using this estimate, we were delighted to deliver a Technical Report 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).

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021 (*continued*)**

As announced on 21 April 2022, the Company provided an updated technical report ('Technical Report') with the inclusion of the titanium component at its 100%-owned Pitombeiras Vanadium Titano-Magnetite ('VTM') Project ('the Project') in Ceará State, Brazil. The Technical Report was prepared by Brazilian based GE21 Consultoria Mineral ('GE21') and is compliant with National Instrument 43-101 ('NI 43-101'). The Technical Report supersedes the Preliminary Economic Assessment ('PEA') published in 2021. The financial figures include the production of Fe/V₂O₅ concentrate and TiO₂ and are summarised below:

- US\$96.5 million NPV @ 8% discount rate
- 100.3% post-tax IRR
- US\$415.2 million total gross revenue
- US\$145.9 million post-tax, undiscounted operating cash flow
- Post-tax payback period of 13 months
- US\$18.45 million CAPEX (US\$2.25 million for TiO₂)
- US\$1.26 per tonne mined average operating cost
- US\$19.39 per tonne of Fe V₂O₅ concentrate processed average operating cost
- US\$12.48 per tonne of TiO₂ processed average operating cost

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).

During the year, 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 technical reports and identification of a NI 43-101 compliant resource.

At the end of the reporting year, the Company had a 0.72% interest in ValOre's share capital.

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 an 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.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021 (*continued*)**

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.

At the end of the reporting year, the Company had a 7.91% interest in Fodere's share capital.

Blencowe Resources PLC

In December 2021, the Company participated in a capital raising by Blencowe Resources PLC (AIM: BRES) ('Blencowe') and paid £175,000 (USD 236,000) and received 3,500,000 shares at £0.05 per share and 1,750,000 warrants with an exercise price of £0.08 per share and expiry date of 12 November 2024. Blencowe holds an emerging portfolio of key battery metals projects located in northern Uganda. The directors see this investment as a medium term value proposition with strategic upside to both the graphite and nickel sulphide markets and wholly consistent with Jangada's strategy of being involved in the development of "battery metals".

COVID-19

The directors note that COVID-19 has had a significant negative impact on the global economy during 2021 with disruption felt globally. The Group has thankfully seen its inherent value significantly increase from its value in 2020 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 Profit from Continuing Operations of \$0.1 million (2020: loss of \$2.3 million). Overall, the reported Total Comprehensive Loss attributable to the Group for the reporting year was \$0.3 million (2020: profit of \$3.9 million).

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021 (*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.	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.	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.
Financial Risks:		
<ul style="list-style-type: none">Currency exchange rate fluctuations may negatively affect the Group	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.	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.
<ul style="list-style-type: none">Project capital cost performance	Higher costs might negatively affect the Group's cash flows, operating results or financial condition to a material extent.	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.

**GROUP STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021 (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>Post year end, a Technical Report has confirmed the economic viability of the Project and its potential become a profitable producer of Ferro-Vanadium concentrate (62%/65% iron ('Fe'), plus V2O5 credit).</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 YEAR ENDED 31 DECEMBER 2021 (continued)**

Description	Impact	Mitigation
HSE Risks:		
<ul style="list-style-type: none"> Accident and incidents associated with operations. 	<p>Serious accidents can result in shut down of operational sites and loss of credible operator reputation/licence.</p>	<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 YEAR ENDED 31 DECEMBER 2021 (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.	<p>We work hard to meet our regulatory obligations to retain our good standing with regulators, the Brazilian government, and the wider natural mining sector.</p> <p>Our relationship with the local and national government is a key to our success and has taken a long time to develop.</p>	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.	<p>We ensure that all our contractors are properly qualified to undertake the services for which they are engaged.</p> <p>We also ensure that our exploration activities are conducted with due care for the environment and neighbouring communities.</p> <p>We work with state and local government to support the communities in the areas where we operate.</p>	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 YEAR ENDED 31 DECEMBER 2021 (*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 year the Group made considerable advancement in developing the Pitombeiras project incurring an operating Profit from Continuing Operations of \$0.3 million (2020: loss of \$2.3 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 monitor 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 YEAR ENDED 31 DECEMBER 2021 (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:

Directors' interests as at 31 December 2021:	No. of ordinary shares held	% of share capital	No. of ordinary shares over which options are granted
Brian McMaster	55,244,467	21.4%	12,000,000
Luis De Azevedo (1)	54,066,667	20.9%	10,000,000
Nicholas von Schirnding	253,333	0.1%	4,000,000

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

	Monetary remuneration Year ended 31 December 2021 \$'000	Share Options Year ended 31 December 2021 \$'000	Total Year ended 31 December 2021 \$'000	Total 18 months ended 31 December 2020 \$'000
B K McMaster	213	256	469	246
L M F De Azevedo	103	213	316	123
L E Castro	-	-	-	55
N K von Schirnding	63	64	127	80
	379	533	912	504

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. As announced on 21 April 2022, an updated Technical Report showed robust economics inclusive of TiO₂ with NPV8% of US\$96.5 million post tax and 100.3% IRR.

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 too early to say definitively whether the project will move into the production phase in 2022.

This report was approved by the directors on 24 June 2022.



B K McMaster
Director

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021**

The directors present their report and the audited financial statements for the year ended 31 December 2021.

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 YEAR ENDED 31 DECEMBER 2021 (*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

This report covers the year ended 31 December 2021. During the 2020 period, the Company changed its accounting reference date from 30 June to 31 December. The change was made to align its financial year end to that of its Brazilian subsidiary VTF Mineração Ltda. Therefore, the comparative 18 months period ended 31 December 2020 is not directly comparable with the current 12 months year ended 31 December 2021.

The Group made an operating profit from continuing operations for the year, after taxation, amounting to \$0.1 million (2020: loss of \$2.27 million). Overall, the reported Total Comprehensive Loss attributable to the Group for the reporting year was \$0.3 million (2020: profit of \$3.94 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 limited 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 2021, the Company held cash reserves of \$3.59m.

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

- In January and February 2022, the Company disposed of 500,000 of its common shares in ValOre at an average price of CAD\$0.44 per share, providing Jangada with gross proceeds of CAD\$217,395 (USD \$172,912).
- As at the date of this report, the Company holds 500,000 common shares in ValOre, which were received in relation to the fifth tranche due under the terms of the disposal of Pedra Branca on the 25 February 2022. The Company is due to receive its final sixth tranche of 500,000 common shares in ValOre in August 2022.

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2021 (*continued*)**

The timing of the CAPEX spend is at this stage unknown due to the ongoing assessment 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 year were:

B K McMaster

L M F De Azevedo

N K Von Schirnding

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 21.

INDEPENDENT AUDITORS

Elderton Audit (UK) has indicated its willingness to be reappointed as independent auditors and a proposal for their reappointment will be made at the annual general meeting.

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 24 June 2022.



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:

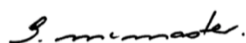
- a) the overall direction and strategy of the Company;
- b) monitoring performance;
- c) understanding risk, and
- d) reviewing controls.

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, MAR 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
24 June 2022

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.

During the reporting year 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

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 Brian McMaster and Nicholas von Schirnding. 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.

2021 Review:

During the past 12 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 Luis De Azevedo and Nicholas von Schirnding. Nicholas von Schirnding acts as Chairman.

Activities:

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

2021 Review:

During the past 12 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.

2021 Review:

During the past 12 months the Nomination Committee has not been required to meet, but rather decisions have been taken by the Board.

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 year ended 31 December 2021 which comprise Consolidated and Parent Company Statements of Financial Position as at 31 December 2021; the Consolidated Statement of comprehensive Income, the Consolidated and Parent Company Statements of Cash Flows and the Consolidated and Parent Company Statements of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards.

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 2021 and of the group's profit and the group's and parent Company's cash flows for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards; and
- 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 as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Overview of the Scope of Our Audit

A description of the generic scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeprivate. We conducted our audit in accordance with International Standards on Auditing (ISAs) (UK). Our responsibilities under those standards are further described in the 'Responsibilities for the financial statements and the audit' section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. We are independent of the Group in accordance with the Auditing Practices Board's Ethical Standards for auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards.

The Group audit team performed all the work necessary to issue the Group and parent company audit opinion, including undertaking all of the audit work on the risks of material misstatement.

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each entity within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements.

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.

We have determined the matters described below as key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p>Exploration and Evaluation Assets</p> <p><i>Refer to accounting policy Note 2 and Note 12 disclosures in relation to Exploration and Evaluation Assets (\$1,019,000) as at 31 December 2021.</i></p> <p>The Company has incurred significant exploration and evaluation expenditures which have been capitalised. As the carrying value of exploration and evaluation expenditures represents a significant asset of the company, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, the asset was required to be assessed for impairment.</p>	<p>We carried out the following work in accordance with the guidance set out in IFRS 6 Exploration for and Evaluation of Mineral Resources:</p> <ul style="list-style-type: none"> - We obtained evidence that the Group has valid rights to explore in the areas represented by the capitalised exploration and evaluation expenditures by obtaining independent searches of a sample of the Group's tenement holdings; - We enquired with management and reviewed budgets to ensure that substantive expenditure on further exploration for and evaluation of the mineral resources in the Group's areas of interest were planned; - We enquired with management, reviewed announcements made and reviewed minutes of directors' meetings to ensure that the Group had not decided to discontinue activities in any of its areas of interest; - We enquired with management to ensure that the Group had not decided to proceed with development of a specific area of interest, to ensure the classification as exploration was appropriate. <p>Key Observations: Based on our procedures, no material misstatements have been identified in respect of this key audit matter.</p>
<p>Investments</p> <p>Refer to accounting policy Note 2 and Note 13 for the accounting policy and disclosures in relation to the Investments (\$1,331,000) as at 31 December 2021.</p> <p>The group has equity investments in ValOre Metals Corp, Fodere Titanium Limited and Blencowe Resources Plc which are classified at fair value through profit and loss.</p> <p>The Company has estimated the fair value of these equity investments to be \$1.3 million as at 31 December 2021 adopting market approach using quoted market prices in active market and recent comparable transaction.</p> <p>The group also has reported \$1,743,000 as profit on disposal of ValOre Metals Corp's shares and \$211,000 as impairment of investment in Fodere Titanium Limited in consolidated statement of comprehensive income.</p> <p>The investments are a key audit matter as both carrying value of investments and profit on disposal of investments are material items in the consolidated financial statements. Moreover, where observable market data is not available, the valuation is subject to a higher level of judgement.</p>	<p>We carried out the following procedures to verify the valuation and presentation of investment in the financial statements at 31 December 2021:</p> <ul style="list-style-type: none"> - We ensured that investment are classified in accordance with IFRS 9. - We assessed the appropriateness of the management's valuation methodology and reasonableness of assumptions. - We verified key variable used in the valuation model with observable external data; - We ensured that fair value has been determined in accordance with the requirements of IFRS 9 and IFRS 13; - We verified the investments disposed off with board minutes and supporting evidence and recalculated the profit raised from the disposal of investment. - We assessed the appropriateness of presentation in the consolidated financial statements. <p>Key Observations: Based on our procedures, no material misstatements have been identified in respect of this key audit matter.</p>

Our Application of Materiality

We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group financial statements as a whole to be \$132,000, which represents 2% of the Group's total assets as at 31 December 2021. We believe that total assets provide us with the most relevant performance measure to the stakeholders of the entity and therefore have determined materiality based on this number

Performance materiality

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment and to drive the extent of our testing, performance materiality was 75% of our planning materiality for the audit of the Group financial statements.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Board that we would report all audit differences in excess of \$6,600, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the parent company's ability to continue as a going concern

Our evaluation of the Directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included:

- checking the mathematical accuracy of management's cash flow forecast and confirming the opening cash position;
- challenging and evaluating management's underlying cash flow projections; and
- reviewing the completeness and appropriateness of management's going concern disclosures in the financial statements

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

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

Other Matter

The financial statements of Jangada Mines PLC for the year ended 31 December 2020, were audited by another auditor who expressed an unmodified opinion on those statements on 26 March 2021.

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 Auditors' 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the 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 the light of the knowledge and understanding of the group and the parent company and its 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 in relation to which 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 and the part of the directors' remuneration report to be audited 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.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are those that relate to the reporting framework (such as UK adopted International Accounting Standards and the Companies Act 2006) and relevant tax compliance regulations in the jurisdictions in which the Group operates.
- We understood how Jangada PLC is complying with those frameworks by making inquiries of management, internal audit, those responsible for legal and compliance procedures and the company secretary. We corroborated our enquiries through our review of Board minutes and papers provided to the Audit Committee, observations in Audit Committee meetings, as well as consideration of the results of our audit procedures across the Group.
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur by meeting the finance and operational management from various parts of the business to understand where it considered there was susceptibility to fraud. We also considered performance targets and their propensity to influence on efforts made by management to manage earnings. We considered the programmes and controls that the Group has established to address risks identified, other than otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing manual journals and were designed to provide reasonable assurance that the financial statements were free from fraud or error.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on manual consolidation journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of legal counsel, Group management, internal audit, business area management at all full and specific scope management; and focused testing. In addition, we completed procedures to conclude on the compliance of the disclosures in the annual report and accounts with all applicable requirements.
- Any instances of non-compliance with laws and regulations were communicated by/to components and considered in our audit approach, if applicable.

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.



NICHOLAS HOLLENS
Senior Statutory Auditor
for and on behalf of Elderton Audit UK
Statutory Auditor, Chartered Accountants
Perth, Australia
24 June 2022

JANGADA MINES PLC

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2021**

		Year ended 31 December 2021 \$'000	18 Months Period ended 31 December 2020 \$'000
Other Income			
Gain on fair value of investment		340	-
Profit on disposal of investment		1,743	29
Directors remuneration	10	(379)	(504)
Share based payments - directors	10	(533)	-
Impairment of investments	13	(211)	-
Administration expenses		(864)	(1,076)
Operating profit/(loss) from continuing operations		96	(1,551)
Finance expense	7	(4)	(3)
Share of loss from associates	14	-	(714)
Profit/(loss) before tax		92	(2,268)
Tax expense	8	-	-
Profit/(loss) from continuing operations		92	(2,268)
Discontinued operation			
Profit from discontinued operation	6	-	6,190
Financial profit for the year		92	3,922
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		(354)	(18)
Total comprehensive profit/(loss) attributable to owners of the parent		(262)	3,942
Profit/(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	0.04	(0.94)
- Diluted (cents)	9	0.04	(0.94)
Profit per share attributable to the ordinary equity holders of the Company during the period		Cents	Cents
- Basic (cents)	9	0.04	1.63
- Diluted (cents)	9	0.04	1.63


The notes on pages 35 to 55 form part of these financial statements.

JANGADA MINES PLC

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2021**

		As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Assets			
Non-current assets			
Exploration and evaluation assets	12	1,019	550
Property, plant and equipment		4	1
Investments	13	1,331	600
Investments in associates	14	-	2,194
		2,354	3,345
Current assets			
Other receivables	15	450	554
Cash and cash equivalents		3,589	513
		4,039	1,067
Total assets		6,393	4,412
Liabilities			
Current liabilities			
Trade payables		6	36
Accruals and other payables	16	53	93
Total liabilities		59	129
Issued capital and reserves attributable to owners of the parent			
Share capital	17	135	126
Share premium	17	5,959	4,389
Translation reserve		(362)	(8)
Option reserve	18	734	-
Fair value reserve		38	38
Retained earnings		(170)	(262)
Total equity		6,334	4,283
Total equity and liabilities		6,393	4,412

The financial statements were approved and authorised for issue by the directors and were signed on 24 June 2022.



B K McMaster
Director

The notes on pages 35 to 55 form part of these financial statements.


JANGADA MINES PLC

**COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2021**

		As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Assets			
Non-current assets			
Investment in subsidiary		1,502	800
Investments	13	1,331	600
Investments in associates	14	-	2,870
		2,833	4,270
Current assets			
Group and other receivables	15	450	549
Cash and cash equivalents		3,499	447
		3,949	996
Total assets		6,782	5,266
Liabilities			
Current liabilities			
Trade payables		6	35
Accruals and other payables	16	53	76
Total liabilities		59	111
Issued capital and reserves attributable to owners of the parent			
Share capital	17	135	126
Share premium	17	5,959	4,389
Translation reserve		(880)	30
Option reserve	18	734	-
Retained earnings		775	610
Total equity		6,723	5,155
Total equity & liabilities		6,782	5,266

The profit for the year dealt with in the accounts of the parent company, Jangada Mines plc, was \$165,681 (2020: profit of \$4,518,000). 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 24 June 2022.



B K McMaster
Director

The notes on pages 35 to 55 form part of these financial statements.

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Year ended 31 December 2021 \$'000	18 Months Period ended 31 December 2020 \$'000
Cash flows from operating activities		
Profit/(Loss) before Tax from continuing operations	92	(2,268)
Profit before Tax from discontinued operations	-	6,190
Profit before Tax	92	3,922
Cash proceeds on sale of subsidiary	(1,743)	(2,259)
Non-cash share consideration received on disposal of subsidiary	(228)	(4,207)
Non-cash exchange differences	(31)	(18)
Non-cash share option charge	683	19
Non-cash shares issued in lieu of fees	(58)	190
Non-cash impairment of investments	211	-
Share of losses in associate	-	714
Increase/(decrease) in other receivables	(104)	245
Decrease/(increase) in trade and other payables	70	(632)
Net cash flows from operating activities	(1,108)	(2,026)
Investing activities		
Development of exploration and evaluation assets	(468)	(509)
Purchase of plant, property and equipment	(3)	(1)
Cash proceeds on sale of subsidiary	-	2,259
Sale of shares in investment	3,870	1,337
Purchase of shares in investments	(741)	(600)
Net cash inflows from investing activities	2,658	2,486
Financing activities		
Share capital issue	1,520	-
Exercise of options	70	-
Repayment in related party borrowings	-	(62)
Net cash flows from financing activities	1,590	(62)
Net movement in cash and cash equivalents	3,140	398
Cash and cash equivalents at beginning of period	513	117
Movements in foreign exchange	(64)	(2)
Cash and cash equivalents at end of year	3,589	513

The notes on pages 35 to 55 form part of these financial statements.

**COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Notes	Year ended 31 December 2021	18 Months Year ended 31 December 2020
Cash flows from operating activities		\$'000	\$'000
Profit before tax		165	4,518
Cash proceeds on sale of subsidiary		(1,743)	(2,259)
Non-cash share received on disposal of subsidiary		(228)	(4,207)
Non-cash exchange differences		(31)	30
Non-cash share option charge		683	19
Non-cash shares issued in lieu of fees		(58)	190
Non-cash impairment of investments		211	-
Increase/(decrease) in other receivables		(99)	(265)
Decrease/(increase) in trade and other payables		52	(628)
Net cash flows from operating activities		(1,048)	(2,602)
Investing activities			
Proceeds on sale of subsidiary		-	2,259
Sale of shares in Valore Metals Corp		3,870	1,337
Purchase of shares in investment		(741)	(600)
Net cash flow from investing activities		3,129	2,996
Financing activities			
Share capital issue		1,520	-
Cost of issuing share capital		70	-
Loans to subsidiary		-	-
Repayment of convertible loan notes		-	-
Increase in related party borrowings		(690)	(62)
Net cash from financing activities		900	(62)
Net movement in cash and cash equivalents		2,981	332
Cash and cash equivalents at beginning of period		447	117
Movements in foreign exchange		71	(2)
Cash and cash equivalents at end of year		3,499	447

The notes on pages 35 to 55 form part of these financial statements.

JANGADA MINES PLC

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital \$'000	Share premium \$'000	Translation reserve \$'000	Fair Value reserve \$'000	Option reserve \$'000	Retained earnings \$'000	Total equity \$'000
As at 1 January 2020	123	4,202	10	-	-	(4,203)	132
Comprehensive profit for the period							
Profit for the period	-	-	-	-	-	3,922	3,922
Other comprehensive income	-	-	(18)	38	-	-	20
Total comprehensive profit for the period	-	-	(18)	38	-	3,922	3,942
Transactions with owners							
Shares 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
Comprehensive loss for the year							
Profit for the year	-	-	-	-	-	92	92
Other comprehensive income	-	-	(354)	-	-	-	(354)
Total comprehensive loss for the year	-	-	(354)	-	-	92	(262)
Transactions with owners							
Share issued	8	1,732	-	-	-	-	1,740
Share issue costs charged to share premium	-	(232)	-	-	-	-	(232)
Share options exercised	1	70	-	-	-	-	71
Share options issued	-	-	-	-	734	-	734
Total transactions with owners	9	1,570	-	-	734	-	2,313
As at 31 December 2021	135	5,959	(362)	38	734	(170)	6,334

The notes on pages 35 to 55 form part of these financial statements.

JANGADA MINES PLC

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Share capital \$'000	Share Premium \$'000	Translation reserve \$'000	Option reserve \$'000	Retained earnings \$'000	Total equity attributable to owners \$'000
As at 1 January 2020	123	4,202	-	-	(3,927)	398
Comprehensive income for the period						
Profit for the period	-	-	-	-	4,518	4,518
Other comprehensive income	-	-	30	-	-	30
Total comprehensive income for the period	-	-	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
Comprehensive loss for the year						
Profit for the year	-	-	-	-	165	165
Other comprehensive income	-	-	(910)	-	-	(910)
Total comprehensive loss for the year	-	-	(910)	-	165	(745)
Transactions with owners						
Share issued	8	1,732	-	-	-	1,740
Share issue costs charged to share premium	-	(232)	-	-	-	(232)
Share options exercised	1	70	-	-	-	71
Share options issued	-	-	-	734	-	734
Total transactions with owners	9	1,570	-	734	-	2,313
As at 31 December 2021	135	5,959	(880)	734	775	6,723

The notes on pages 35 to 55 form part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

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 16 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.

The current year covers the 12 months year ended 31 December 2021. During the prior period, the Group changed its accounting reference date from 30 June to 31 December and therefore the prior period covers the 18 months period ended 31 December 2020.

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 16. 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 YEAR ENDED 31 DECEMBER 2021 (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 year ended 31 December 2021, the Directors have reviewed all the new and revised Standards issued that are relevant to the Group's operations and effective for the current reporting period.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 31 December 2021. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to the Group accounting policies.

New and amended accounting standards and interpretations have been published but are not mandatory. The Group has decided against early adoptions of these standards, and has determined the potential impact on the financial statements from the adoption of these standards and interpretations is not material to the Group.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

2. Accounting policies (continued)

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.

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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

2. Accounting policies (continued)

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, investments, 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

2. Accounting policies (continued)

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.

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 year. Therefore, no impairment to the carrying value of the Pitombeiras 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

2. Accounting policies (continued)

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 year. The taxable result for the year 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.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

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 year 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

In the prior period, 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 prior 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 Pitombeiras project (2021: \$1,019,000, 2020: \$550,000) 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 18.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (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 year 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 year, 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 18.

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).

4. Financial instruments - Risk Management

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

- Credit risk;
- Liquidity risk;
- Fair value measurement risk; and
- Foreign exchange 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 \$4,039,000 (2020: \$1,067,000). Of this amount, \$3,589,000 represents the Group's cash holdings (2020: \$513,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (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.

Fair value measurement risk

The following tables detail the Group's assets and liabilities measured or disclosed at fair value using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
As at 31 December 2021				
Assets				
Investments – At FVTPL	451	880	-	1,331
Total assets	451	880	-	1,331

	Level 1	Level 2	Level 3	Total
	\$'000	\$'000	\$'000	\$'000
As at 31 December 2020				
Assets				
Investments – At FVTPL	-	600	-	600
Total assets	-	600	-	600

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

4. Financial instruments - Risk Management (continued)

There were no transfers between levels during the financial year.

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 2021 \$'000	As at 31 December 2020 \$'000
Financial assets		
Cash and cash equivalents	3,589	513
Other receivables	450	83
Investments – At FVTPL	1,331	600
Total financial assets	5,370	1,196

	As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Financial liabilities		
Trade payables	6	36
Accruals and other payables	53	93
Total financial liabilities	59	129

	As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
US Dollar	-	-
Brazilian Real	1	17
Pound Sterling	58	112
	59	129

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

4. Financial instruments - Risk Management *(continued)*

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

	2021 \$'000	2020 \$'000
Foreign currency risk sensitivity analysis		
Brazilian Real		
Strengthened by 10%	-	2
Weakened by 10%	-	(2)
Pound Sterling		
Strengthened by 10%	351	37
Weakened by 10%	(429)	(45)

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 2021 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 year. The Company is not subject to externally imposed capital requirements.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

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.

	Year ended 31 December 2021 \$'000	18 months ended 31 December 2020 \$'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

The Company received 500,000 Deferred Consideration Shares on 1 February 2021 with a further 500,000 Deferred Consideration Shares received on 13 August 2021. As at 31 December 2021, the Company was due to receive the remaining 1,000,000 ValOre common shares over the next 12 months (Deferred Consideration Shares). As at 31 December 2021 the fair value of the Deferred Consideration Shares was determined to be \$430,000.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

7. Finance expense

	Year ended 31 December 2021 \$'000	18 months ended 31 December 2020 \$'000
Interest expense	(4)	(3)
Total finance expense	(4)	(3)

8. Tax expense

	Year ended 31 December 2021		18 months ended 31 December 2020	
	Continuing operations \$'000	Discontinued operations \$'000	Continuing operations \$'000	Discontinued operations \$'000
Profit/(Loss) on ordinary activities before tax	92	-	(2,268)	6,190
Profit/(Loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020: 19%)	17	-	(431)	1,176
Effects of:				
Unrelieved tax losses carried forward	(17)	-	431	(1,176)
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, \$5,571,000 (2020: \$4,424,000) of cumulative estimated unrelieved tax losses arose in Brazil and the United Kingdom, which could be utilised in the foreseeable future.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

9. Earnings per share

	31 December 2021			31 December 2020		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Profit/(loss) for the period	92	-	92	(2,268)	6,190	3,922
	2021			2020		
Weighted average number of shares (basic & diluted)	254,618,055			240,627,396		
Earnings/(loss) per share - basic & diluted (US 'cents)	0.04	-	0.04	(0.94)	2.57	1.63

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	Share Options ¹	Total	Total
	Year ended 31 December 2021	Year ended 31 December 2021	Year ended 31 December 2021	18 months ended 31 December 2020
	\$'000	\$'000	\$'000	\$'000
B K McMaster	213	256	469	246
L M F De Azevedo	103	213	316	123
L E Castro	-	-	-	55
N K von Schirnding	63	64	127	80
	379	533	912	504

1 – Refer to note 19 for options details.

Excluding directors, there was one members of staff during the year ended 31 December 2021 (2020: nil). Excluding directors remuneration, staff costs during the year were salaries \$5,000 (2020: \$nil), social security \$1,000 (2020: \$nil), other benefits \$nil (2020: \$nil).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

11. Auditors remuneration

	Year ended 31 December 2021 \$'000	18 months ended 31 December 2020 \$'000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual accounts	34	30
Fees payable for other services:		
- Taxation	-	3

12. Exploration and evaluation assets

	As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Cost and net book value		
At beginning of year	550	41
Expenditure capitalised during the period	469	509
Cost and net book at 31 December	1,019	550

13. Investments – At FVTPL

	As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Investment in ValOre Metals Corp	215	-
Investment in Fodere Titanium Limited	1,091	600
Investment in Blencowe Resources Plc	236	-
Impairment in Investments	(211)	
Carrying amount of investments	1,331	600

During the year, the Company received the third and fourth tranches of 500,000 Deferred Consideration Shares in ValOre Metals Corp in February 2021 and August 2021. Post year end, the Company will receive the remaining Deferred Consideration Shares totalling 1,000,000 payable in two equal tranches of 500,000 each tranche. Post balance date, in February 2022, the fifth tranche of 500,000 Deferred Consideration Shares were received by the Company.

Currently, the Company has a 0.72% interest in ValOre's share capital and on 1 June 2021 both Brian McMaster and Luiz Azevedo resigned from the board of directors of ValOre. Therefore, the investment in ValOre no longer qualifies as an associate. The investment is carried at fair value with any changes recognised through profit and loss.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

13. Investments (continued)

The Company acquired shares in the share capital of Fodere Titanium Limited during the financial year for \$491,000 (2020: \$600,000). Fodere Titanium Limited is a United Kingdom registered minerals technology company which has developed innovative processes for the titanium, vanadium, iron and steel industries. Currently, the Company has a 7.91% interest in Fodere's share capital. The investment is carried at fair value with any changes recognised through profit and loss and this has resulted in the Company recognising an impairment loss in the investment of \$211,000 (2020: \$nil), which has been recognised as an expense in the statement of comprehensive income.

The Company also acquired an investment in the share capital of Blencowe Resources Plc during the year for \$236,000 (2020: \$nil). Blencowe Resources Plc is a United Kingdom registered natural resources company focused on the development of the Orom-Cross Graphite Project in Uganda. The investment is carried at fair value with any changes recognised through profit and loss.

14. Investment in associates

	As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Cost of investment in ValOre Metals Corp	2,870	4,207
Sale of shareholdings	(2,655)	-
Transfer to investments	(215)	
Share of losses from continuing operations	-	(1,337)
	-	2,870
Share of losses from continuing operations	-	(714)
Share of gains from OCI	-	38
Carrying amount of interest in associate	-	2,194

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. As at 31 December 2021 the Company held 0.72% of ValOre's share capital and therefore no longer meets the requirement to be an investment in an associate.

Refer to Note 6 for more information relating to the disposal of Pedra Branca.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

14. Investment in associates (continued)

	31 December 2021 \$'000	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)

15. Group and other receivables

	Group As at 31 December 2021 \$'000	Group As at 31 December 2020 \$'000	Company As at 31 December 2021 \$'000	Company As at 31 December 2020 \$'000
Current				
Other receivables	20	83	20	78
Accrued income	430	471	430	471
Total other receivables	450	554	450	549

Accrued income totalling \$430,000 (2020: \$471,000) relating to the disposal of Pedra Branca being 1,000,000 (2020: 2,000,000) Deferred Consideration Shares in ValOre with fair value determined to be \$430,000 (2020: \$471,000) at the balance sheet date.

16. Accruals and other payables

	Group As at 31 December 2021 \$'000	Group As at 31 December 2020 \$'000	Company As at 31 December 2021 \$'000	Company As at 31 December 2020 \$'000
Current				
Accruals	33	62	33	45
Amounts owed to Directors	20	31	20	31
Total accruals and other payables	53	93	53	76

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

17. Share capital

	31 December 2021			31 December 2020		
	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:	242,113,144	126	4,389	242,113,144	126	4,389
19 February 2021: shares issued as part of placement	13,888,888	8	1,732	-	-	-
30 March 2021: shares issued upon exercise of options	2,600,000	1	70	-	-	-
Share issue costs charged to share premium	-	-	(233)	-	-	-
At 31 December 2021: ordinary shares of 0.04p each:	258,602,032	135	5,959	242,113,144	126	4,389

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.

18. Share options and warrants

	Average exercise price per share option \$	Year ended 31 December 2021 Number of options	Average exercise price per share option \$	Year ended 31 December 2020 Number of options
At the beginning of the period	-	9,000,000	0.075	50,249,996
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)
Warrants issued 19 February 2021	0.09	694,444	-	-
Surrendered share options 3 March 2021	0.02	(250,000)	-	-
Share Options exercised 30 March 2021	0.02	(2,600,000)	-	-
Share warrants issued 10 August 2021	0.08	1,000,000	-	-
Share options issued 10 August 2021	0.08	30,000,000	-	-
At the end of the period		37,844,444		9,000,000

On 17 January 2022, the Company entered into an agreement whereby an option holder agreed to surrender 3,000,000 options, with a grant date of 1 December 2019 and an expiry date of 1 December 2024 with an exercise price £0.02 per option share, for consideration of £105,000 (USD\$143,596). The amounts are payable in 15 equal monthly instalments of £7,000 (USD\$9,573). On the same date the options were cancelled by the Company.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

18. Share options and warrants (continued)

	As at 31 December 2021 \$'000	As at 31 December 2020 \$'000
Share based payments reserve		
At beginning of year	-	-
Share based payments expense	734	-
Closing balance at 31 December	734	-

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.

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

Grant date	Expiry date	Exercise price £	Share options/warrants 31 December 2021	Share options/warrants 31 December 2020
1 December 2019	30 November 2024	0.02	6,150,000	9,000,000
19 February 2021	19 February 2024	0.09	694,444	-
10 August 2021	10 August 2025	0.08	31,000,000	-

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 the 694,444 broker warrants granted for consulting services during the year included:

- (a) warrants are granted for no consideration and vested warrants are exercisable for a year of three years after the grant date: 19 February 2021.
- (b) expiry date: 19 February 2024.
- (c) share price at grant date: 9.6 pence.
- (d) expected price volatility of the company's shares: 70.24%.
- (e) risk-free interest rate: 0.70%.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

18. Share options and warrants (continued)

The model inputs for the 30,000,000 director and Brazilian employee options and 1,000,000 third party warrants granted for consulting services during the year included:

- (a) 30,000,000 options are granted and split into two Tranches, whereby 20,250,000 tranche A options have vesting conditions linked to performance and 9,750,000 Tranche B options vest immediately.
- (b) Tranche A is split further with 9,450,000 options vesting once all necessary permits required to commence production are received and then a further 10,800,000 options vest upon commencement of production at the Pitombeiras Vanadium Project.
- (c) The 9,450,000 options have a vesting period of two years from grant date and the 10,800,000 options have a vesting period of three years from the grant date.
- (d) 1,000,000 warrants are granted for no consideration and vested warrants are exercisable for a period of three years after the grant date: 10 August 2021.
- (e) expiry date: 10 August 2025.
- (f) share price at grant date: 8.0 pence.
- (g) expected price volatility of the company's shares: 70.24%.
- (h) risk-free interest rate: 0.591%.

19. 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%
Jangada Services Plc	United Kingdom	100.00%

20. Related party transactions

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

	Year ended 31 December 2021	18 months ended 31 December 2020
	\$'000	\$'000
Garrison Capital (UK) Limited:		
Purchases made on Company's behalf and administrative fees expensed during the year	20	95
Interest charge included within Company and Group borrowings	-	3
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
Nicholas Von Schirnding:		
Investment in Fodere Titanium Limited of which Nicolas Von Schirnding is the Chairman	490	600
FFA Legal Ltda:		
Legal and accountancy services expensed during year	90	135

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)**

20. Related party transactions *(continued)*

Garrison Capital Partners Limited is a related party to the Company due to having directors in common. The balance owed as at 31 December 2021 was \$nil (2020: \$nil) as disclosed in note 16.

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 (2020: \$nil).

Harvest Minerals Limited is a related party to the Group due to having directors in common with Group companies. At the year-end they held 1,250,000 options (2020: \$nil), which were acquired from various option holders on 3 March 2021 at an aggregate sum of £77,000 (USD\$107,175).

Directors' remuneration is disclosed within note 10.

21. Subsequent Events

a) Deferred consideration shares

On 25 February 2022, the company received the fifth tranche of 500,000 common shares in ValOre under the terms of the Share Purchase Agreement.

b) Share disposal

During January and February 2022, the Company disposed of 500,000 common shares in ValOre at an average 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\$0.43 per share, providing Jangada with gross proceeds of CAD\$217,000 (USD\$173,000). Jangada now holds a total of 500,000 ValOre common shares, representing 0.72 per cent of ValOre's current share capital.

c) Cancellation of options

On 17 January 2022, the Company entered into an agreement whereby an option holder agreed to surrender 3,000,000 options, with a grant date of 1 December 2019 and an expiry date of 1 December 2024 with an exercise price £0.02 per option share, for consideration of £105,000 (USD\$143,596). The amounts are payable in 15 equal monthly instalments of £7,000 (USD\$9,573). On the same date the options were cancelled by the Company.

22. Ultimate controlling party

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