

Registered number: 09663756



JANGADA MINES PLC

UNAUDITED INTERIM FINANCIAL INFORMATION

FOR THE YEAR ENDED 30 JUNE 2020

COMPANY INFORMATION

Directors	Brian McMaster – Executive Chairman Luis Azevedo – Non-Executive Director Nick von Schirnding - Independent Non-Executive Director Louis Castro – Independent Non-Executive Director (resigned 15 August 2020)
Company Secretary	Clive Hopewell
Registered Office	20 North Audley Street London W1K 6WE United Kingdom
Registered number:	09663756
Auditors	Crowe U.K. LLP 55 Ludgate Hill London EC4M 7JW United Kingdom
Legal advisers as to English law	Bird & Bird LLP 12 New Fetter Lane London EC4A 1JP United Kingdom
Legal advisers as to Brazilian law	FFA Legal Av. Jornalista Ricardo Marinho, 360 Sala 113, Ed. Cosmopolitan 22631-350 Barra da Tijuca, Rio de Janeiro Brazil
Nominated & Financial Adviser	Strand Hanson Limited 26 Mount Row London W1K 3SQ United Kingdom
Broker	Brandon Hill Capital Limited 1 Tudor Street London EC4Y 0AH United Kingdom
Registrars	Computershare Investor Services Plc The Pavilions Bridgwater Road Bristol BS13 8AE United Kingdom
Stock Exchange	London Stock Exchange - AIM Stock Code - JAN
Website	www.janqadamines.com

Jangada Mines Plc / EPIC: JAN.L / Market: AIM/ Sector: Mining
Jangada Mines Plc ('Jangada' or the 'Company')
Second Unaudited Interim Results for the year ended 30 June 2020

Jangada Mines plc, a natural resources company, is pleased to announce its second unaudited Interim Results for the year ended 30 June 2020. Post period end, the Company changed its year end to 31 December. This change is driven by cost efficiencies in aligning its financial year end to that of ValOre Metals Corp ('ValOre'), in which Jangada has a current 17.68 per cent interest and representation on the ValOre board, as well as that of Jangada's Brazilian subsidiaries. In line with accounting standards, these interim results capture the 12 months ended 30 June 2020.

In line with the guidance issued by AIM Regulation in an Inside AIM notification dated 9 June 2020, and the ongoing COVID-19 related disruption to processes, the Company availed of the one month extension to 31 October 2020 by which it is required under AIM Rule 18 to publish its interim accounts for the twelve months ended 30 June 2020.

Thereafter, Jangada commits to releasing its audited financial statements and annual report for the eighteen months ended 31 December 2020 by the end of Q1 2021. From then on, the Company's financial reporting will be in line with AIM Rules 18 and 19.

Chairman's Statement

We began 2020 with our focus on continuing to realise value at our 100% owned Pitombeiras Vanadium Project ('Pitombeiras' or 'the Project'), located in the state of Ceará, Brazil and I am pleased to confirm that we have had great success in this regard.

As announced on 22 April 2020, a drilling programme at the Pitombeiras North and Goela targets was completed for a total of 1,360.80 metres and 19 drillholes. Two additional assay results were also received, being 18.00 metres at 0.49% vanadium pentoxide (V_2O_5), 10.02% titanium dioxide (TiO_2) and 49.61% ferric oxide (Fe_2O_3) and 35.66 metres at 0.56% V_2O_5 , 11.04% TiO_2 and 54.39% Fe_2O_3 . The purpose of this drilling was to evaluate the structural corridor associated with the known vanadium titanomagnetite ('VTM') mineralisation, within our licence and as a result of the consistency of returned grades, widths and continuity, the programme was deemed an overwhelming success, underpinning the significant prospectivity of Pitombeiras.

Final drilling results were announced in June and July 2020, with results including:

- Pitombeiras North Target:
 - 25.25 metres at 0.56% V_2O_5 , 10.81% TiO_2 and 54.01% Fe_2O_3 , including 7.00 metres at 0.73% V_2O_5 , 14.14% TiO_2 and 68.91% Fe_2O_3 on drillhole DD20PI2
- Goela Target:
 - 27.75 metres at 0.65% V_2O_5 , 12.95% TiO_2 and 63.69% Fe_2O_3 , including 9.50 metres at 0.77% V_2O_5 , 15.19% TiO_2 and 72.44% Fe_2O_3 on drillhole DD20PI24

Based on the results of the 2020 and 2019 drill work, in August 2020, the Company reported its initial National Instrument 43-101 compliant resource estimate for the Pitombeiras Project. This comprised a total Resource estimate of 5.70Mt million tonnes at an average grade of 0.51% V_2O_5 , 10.09% TiO_2 and 50.42% of Fe_2O_3 for a contained resource of 28,990

tonnes V₂O₅, with a breakdown as follows:

- Indicated Resource estimate of 1.47 million tonnes 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 4.23 million tonnes at an average of 0.51% V₂O₅, 10.17% TiO₂ and 50.64% of Fe₂O₃ for a contained resource of 21,693 tonnes V₂O₅

Given the strength of the results from the drilling programme and the significant further upside identified as the resource remains open in all directions and only two out of eight known targets were drilled, Jangada announced its intention to conduct a further 2,000 metre drilling programme as infill and step out drilling for the Pitombeiras North and Goela targets, whilst also targeting the Pitombeiras South target. This programme is designed to upgrade the confidence of the current resource base as well as to expand its overall size, with the objective of delineating a further approximate 10Mt of resource. Results from this programme will be released as they become available.

Alongside the current drilling programme work continues to advance on other key development aspects, and in September 2020 the Company announced it had commissioned GE21 Consultoria Mineral ('GE21') to produce a Preliminary Economic Assessment report (the 'PEA') on the Pitombeiras Project. The decision to appoint GE21 was based upon a further review of results achieved to date that the Company considered to support a fast track approach to production. As part of the planning for production, additional metallurgical tests commenced in September 2020 with the objective being that by the time the drilling programme is complete, and expanded mineral resources estimated, the metallurgical tests will be readily available for the preparation of the PEA.

Financials

During August 2020, the Company sold 7,000,000 ValOre common shares for total gross proceeds of CAD\$1,750,000 and also received the second tranche of 500,000 deferred consideration ValOre common shares.

The Company currently holds a 17.68% interest in ValOre, with the remaining 2,000,000 ValOre common shares due to Jangada payable in six-monthly instalments of 500,000 shares each. The consideration will support the Company's working capital requirements, allowing us to substantially progress the development of Pitombeiras. As at 30 September 2020, the Company had cash reserves of US\$912,441.

Impact of COVID-19

On 31 January 2020, the World Health Organisation ('WHO') announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China ('COVID-19 outbreak') and the risks to the international community as the virus spread globally beyond its point of origin. Because of the rapid increase in exposure globally, on 11 March 2020, the WHO classified the COVID-19 outbreak as a pandemic.

The full impact of the COVID-19 outbreak continues to evolve at the date of this report. Management is actively monitoring the global situation and its impact on the Company's financial condition, liquidity, operations, suppliers, industry, and workforce for the upcoming financial year and beyond.

Outlook

We are focussed on unlocking the value of Pitombeiras for the benefit of all stakeholders. To this end, we have a clear development path thanks to a defined exploration programme, which is naturally being conducted in a COVID compliant

way. The ramp up of activity at Pitombeiras is timely given the favourable market dynamics that are placing increasing demand on clean energy materials such as vanadium and we look forward to sharing more exploration results in due course.

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

Brian McMaster
Executive Chairman
30 OCTOBER 2020

JANGADA MINES PLC

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE TWELVE MONTHS ENDED 30 JUNE 2020

	Notes	Unaudited Twelve months to 30 June 2020 \$'000	Audited Year ended 30 June 2019 \$'000
Administration expenses		(1,121)	(1,590)
Operating Profit / (Loss) from continuing operations		(1,121)	(1,590)
Finance expense		(2)	(4)
Share of losses from associates		(546)	-
Profit / (Loss) before tax		(1,669)	(1,594)
Tax expense	5	-	-
Profit / (Loss) from continuing operations		(1,669)	(1,594)
Discontinued operations			
Profit / (loss) from discontinued operations	7	6,104	(88)
Financial profit / (loss) for the year		4,435	(1,682)
Other comprehensive income:			
Items that will or may be classified to profit or loss:			
Currency translation differences arising on translation of foreign operations		(88)	3
Exchange differences reclassified on disposal of foreign operations		-	-
Currency translation differences arising on translation of equity investments		-	-
Total comprehensive Profit / (Loss) attributable to owners of the parent		4,347	(1,679)
Earnings / (Loss) per share from loss from continuing operations attributable to the ordinary equity holders of the Company during the period		Cents	Cents
- Basic (cents)	6	(0.70)	(0.71)
- Diluted (cents)	6	(0.70)	(0.71)
Earnings / (Loss) per share attributable to the ordinary equity holders of the Company during the period		Cents	Cents
- Basic (cents)	6	1.85	(0.75)
- Diluted (cents)	6	1.85	(0.75)

JANGADA MINES PLC

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

		Unaudited 30 June 2020 \$'000	Audited 30 June 2019 \$'000
	Notes		
Assets			
Non-current assets			
Exploration and evaluation assets	8	346	41
Property, plant and equipment		1	-
Investments	9	100	-
Investments in associates	10	3,551	-
		3,998	41
Current assets			
Other receivables	11	508	15
Cash and cash equivalents		267	117
Assets held for sale		-	782
		775	914
Total assets		4,773	955
Liabilities			
Current liabilities			
Trade payables		24	41
Loans and borrowings		56	62
Accruals and other payables		20	698
Liabilities associated with assets held for sale		-	22
Total liabilities		100	823
Issued capital and reserves attributable to owners of the parent			
Share capital	12	126	123
Share premium		4,389	4,202
Translation reserve		(78)	10
Retained earnings		236	(4,203)
Total equity		4,673	132
Total equity & liabilities		4,773	955

JANGADA MINES PLC

CONDENSED UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE TWELVE MONTHS ENDED 30 JUNE 2020

	Share capital \$'000	Share premium \$'000	Translation reserve \$'000	Retained earnings \$'000	Total equity attributable to owners \$'000
Balance as at 1 July 2019	123	4,202	10	(4,203)	132
Total comprehensive loss for the year	-	-	-	4,435	4,435
Profit / (Loss) for the year	-	-	-	4,435	4,435
Other comprehensive loss	-	-	(88)	-	(88)
Total comprehensive profit / (loss) for the year	-	-	(88)	4,435	4,347
Transactions with owners in their capacity as owners					
Shares issued	3	187	-	-	190
Share options issued	-	-	-	4	4
Total transactions with owners	3	187	-	4	194
Balance at 30 June 2020	126	4,389	(78)	236	4,673
Balance as at 1 July 2018	102	2,844	7	(2,690)	263
Total comprehensive loss for the year	-	-	-	(1,682)	(1,682)
Loss for the half-year	-	-	-	(1,682)	(1,682)
Other comprehensive loss	-	-	3	-	3
Total comprehensive loss for the year	-	-	3	(1,682)	(1,682)
Transactions with owners in their capacity as owners					
Shares issued	21	1,358	-	-	1,379
Shares options issued	-	-	-	169	169
Total transactions with owner	21	1,358	-	169	1,548
Balance at 30 June 2019	123	4,202	10	(4,203)	132

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CONDENSED UNAUDITED CONSOLIDATED CASH FLOW STATEMENT FOR THE TWELVE MONTHS ENDED 30 JUNE 2020

	Unaudited 30 June 2020 \$'000	Audited 30 June 2019 \$'000
Cash flows from operating activities		
Profit / (Loss) before Tax from continuing operations	(1,669)	(1,594)
Profit / (Loss) before Tax from discontinued operations	6,104	(88)
	4,435	(1,682)
Add back: depreciation	2	2
Non-cash shares received on disposal of subsidiary	(4,097)	-
Non-cash currency translation differences arising on translation of equity investments	(88)	-
Non-cash share option charge	4	169
Non-cash shares issued in lieu of fees	190	96
Proceeds from disposal of subsidiary classified as investing activities	(2,079)	-
Share of losses in associate	546	-
Decrease/(increase) in other receivables	289	-
(Decrease)/increase in trade and other payables	(717)	535
Net cash outflow from operating activities	(1,515)	(880)
Investing activities		
Proceeds from disposal of subsidiary	2,079	-
Development of exploration and evaluation assets	(305)	(477)
Purchase of plant, property and equipment	(1)	-
Purchase of shares in investment	(100)	-
Net cash outflow from investing activities	1,673	(477)
Financing activities		
Share capital issue	-	1,496
Cost of issuing share capital	-	(213)
Increase/(Decrease) in related party borrowings	(6)	4
Net cash from financing activities	(6)	1,287
Net movement in cash and cash equivalents	152	(70)
Cash and cash equivalents at beginning of period	117	198
Movements in foreign exchange	(2)	2
Cash and cash equivalents reclassified as assets available for sale (discontinued operation)	-	(13)
Cash and cash equivalents at end of period	267	117

JANGADA MINES PLC

NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE TWELVE MONTHS ENDED 30 JUNE 2020

1. General Information

The Company is a public limited company limited by shares, incorporated in England and Wales on 30 June 2015 with the registration number 09663756 and with its registered office at 20 North Audley Street, London W1K 6WE. The Company's principal activities are the exploration and development of mining assets in Brazil.

2. Accounting Policies

Basis of preparation

During the period, the Company changed its Accounting Reference Date to 31 December. The second interim unaudited financial information for the year ended 30 June 2020 has been prepared in accordance with IAS 34 Interim Financial Reporting. The results for the year ended 30 June 2020 are unaudited.

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

The Board have conducted a review of forecast earnings and cash over the next twelve months, considering various scenarios and sensitivities given the COVID-19 situation and uncertainty around the future economic environment. The Board have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the interim financial statements.

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

Changes in accounting principles and adoption of new and revised standards

In the year ended 30 June 2020, the Directors have reviewed all the new and revised Standards. The only relevant new standard that is effective for this year's financial statements is *IFRS 16 "Leases"*, but this does not have a material impact on the financial statements.

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

Going concern

As disclosed in the 30 June 2019 financial statements, there exists a material uncertainty, which may cast doubt about the Company's ability to continue as a going concern. Given the proceeds from the sale of the Pedra Branca project and based on the Company's planned expenditure on the Pitombeiras vanadium deposit and the Company's working capital requirements, the Directors have a reasonable expectation that the Company will have adequate resources to meet its capital requirements for the foreseeable future. For that reason, the Directors have concluded that the financial statements should be prepared on a going concern basis.

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

Financial assets

All of the Company'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.

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

Financial liabilities

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

JANGADA MINES PLC

NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE TWELVE MONTHS ENDED 30 JUNE 2020 (CONTINUED)

2. Accounting Policies (continued)

Exploration and evaluation assets

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

Costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the Statements of Profit or Loss and Other Comprehensive Income. Only material expenditures incurred after the acquisition of a license interest are capitalised. Historically, the expenditures related to exploration and evaluation have not been material, as the Company is active in areas where there are minimal and immaterial exploration and evaluation costs and therefore the costs in previous years have been expensed.

Interests in associates

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

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

3. Critical accounting estimates and judgements

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

Judgements

As discussed in Note 2 there exists a material uncertainty which may cast significant doubt about the Company and Company's ability to continue as a going concern. Given the proceeds from the sale of the Pedra Branca project and based on the Company's planned expenditure on the Pitombeiras vanadium deposit and the Company's working capital requirements, the Directors have a reasonable expectation that the Company will have adequate resources to meet its capital requirements for the foreseeable future.

The Directors have considered the criteria of IFRS 6 regarding the impairment of exploration and evaluation assets and have decided based on this assessment that there is no basis to impair the carrying value of its exploration assets for the Pitombeiras project (2020: \$346,000, 2019: \$41,000) at this time.

Estimates and assumptions

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

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

4. Segment information

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

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

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NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE TWELVE MONTHS ENDED 30 JUNE 2020 (CONTINUED)

5. Tax expense

	Twelve months ended 30 June 2020		Year ended 30 June 2019	
	Continuing operations \$'000	Discontinued operations \$'000	Continuing operations \$'000	Discontinued operations \$'000
Profit / (Loss) on ordinary activities before tax	(1,669)	6,104	(1,594)	(88)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	(317)	1,160	(303)	(17)
Effects of:				
Recognition of previously unrecognised tax losses	317	-	-	-
Unrelieved tax losses for the period carried forward	-	(1,160)	303	17
Total tax charge for the period on continuing operations	-	-	-	-

Factors that may affect future tax charges

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

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NOTES TO THE UNAUDITED FINANCIAL INFORMATION FOR THE TWELVE MONTHS ENDED 30 JUNE 2020 (CONTINUED)

6. Earnings per share

	Twelve months ended 30 June 2020			Year ended 30 June 2019		
	Continuing operations	Discontinued operations	Total	Continuing operations	Discontinued operations	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Profit / (Loss) for the year	(1,669)	6,104	4,435	(1,594)	(88)	(1,682)
			Jun 2020			Jun 2019
Weighted average number of shares (basic)			239,878,417			224,270,445
Loss per share - basic (US 'cents)	(0.70)	2.54	1.85	(0.71)	(0.04)	(0.75)
Weighted average number of shares (diluted)			239,878,417			224,270,445
Loss per share - diluted (US 'cents)	(0.70)	2.54	1.85	(0.71)	(0.04)	(0.75)

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

**NOTES TO THE UNAUDITED FINANCIAL INFORMATION
FOR THE TWELVE MONTHS ENDED 30 JUNE 2020 (CONTINUED)**

7. Discontinued operations

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

Financial information relating to the discontinued operation for the period to the date of disposal is set out below.

(a) Consideration received or receivable

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

	Twelve months ended 30 June 2020 \$'000	Year ended 30 June 2019 \$'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 received in February 2020	109	-
Fair value of Deferred Consideration Shares in the Purchaser, totalling 3,000,000 common shares	495	-
Total disposal consideration	6,850	-
Less: Net liabilities of disposed subsidiary	499	-
Add: Share of loss to disposal	(21)	-
Less: Write off of debts owed	(1,224)	-
Gain on disposal before income tax	6,104	-
Income tax expense	-	-
Gain on disposal before income tax	6,104	-

The Company received the final cash payment of CAD\$1,000,000 and 500,000 Deferred Consideration Shares on 10 February 2020. As at 30 June 2020, the Company was due to receive the remaining 2,500,000 ValOre common shares over the next 2 years (**Deferred Consideration Shares**). As at 30 June 2020 the fair value of the Deferred Consideration Shares was determined to be \$495,000.

(b) Financial performance and cash flow information

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

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

**NOTES TO THE UNAUDITED FINANCIAL INFORMATION
FOR THE TWELVE MONTHS ENDED 30 JUNE 2020 (CONTINUED)**

7. Discontinued operations (continued)

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

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

(c) Net assets as at date of sale

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

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

8. Exploration & evaluation assets

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

9. Investments

	Twelve months ended 30 June 2020 \$'000	Year ended 30 June 2019 \$'000
Equity securities	100	-
Carrying amount of investments	100	-

On 3 October 2019, the Company acquired shares in the share capital of Fodere Titanium Limited for \$100,000 (2019: \$nil). Fodere Titanium Limited is a United Kingdom registered minerals technology company which has developed innovative processes for the titanium, vanadium, iron and steel industries.

**NOTES TO THE UNAUDITED FINANCIAL INFORMATION
FOR THE TWELVE MONTHS ENDED 30 JUNE 2020 (CONTINUED)**

10. Investments in associates

	Twelve months ended 30 June 2020 \$'000	Year ended 30 June 2019 \$'000
Cost of investment in ValOre Metals Corp	4,097	-
Share of losses from continuing operations	(546)	-
Carrying amount of interest in associate	3,551	-

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 30 June 2020 the Company held 24.9% of ValOre's share capital.

During the period, the Company received the first tranche of 500,000 Deferred Consideration Shares in February 2020. Post period end, the Company will receive the remaining Deferred Consideration Shares totalling 2,500,000 payable in five equal tranches of 500,000 each tranche. Post balance date, in August 2020, the second tranche of 500,000 Deferred Consideration Shares were received by the Company. Currently, the Company has a 17.68% interest in ValOre's share capital, however is still considered an associate as Brian McMaster and Luiz Azevedo are both on the board of directors of ValOre.

Refer to Note 7 for more information relating to the disposal of Pedra Branca. Refer to Note 15 for more information relating to subsequent events.

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

11. Other receivables

Other receivables includes accrued income totalling \$495,000 relating to the disposal of Pedra Branca as follows:

- (a) 2,500,000 Deferred Consideration Shares in ValOre with fair value determined to be \$495,000 at balance date.

12. Share capital

	Twelve months ended 30 June 2020		Year ended 30 June 2019	
	Issued Number	Share Capital \$'000	Issued Number	Share Capital \$'000
At beginning of period ordinary shares of 0.04p each:	237,315,053	123	197,515,600	102
3 October 2018: shares Issued as part of placement	-	-	38,273,328	20
25 April 2019: share issue in lieu of fees	-	-	1,526,125	1
12 December 2019: share issue in lieu of fees	4,798,091	3	-	-
At end of period: ordinary shares of 0.04p each:	242,113,144	126	237,315,053	123

Ordinary shares

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

**NOTES TO THE UNAUDITED FINANCIAL INFORMATION
FOR THE TWELVE MONTHS ENDED 30 JUNE 2020 (CONTINUED)**

13. Share options and warrants

	Average exercise price per share option \$	Twelve months ended 30 June 2020 Number of options and warrants	Average exercise price per share option \$	Year ended 30 June 2019 Number of options
At 30 June		50,249,996	0.065	15,250,000
Warrants issued 15 October 2018	-	-	0.079	34,999,996
Warrants issued 12 December 2019	0.079	4,798,091	-	-
Expired and surrendered share options	0.065	(15,250,000)	-	-
Share options issued 6 December 2019	0.026	9,000,000	-	-
At 30 June		48,798,087		50,249,996
Vested and exercisable at 30 June	-	-	0.065	7,625,000

In December 2019, as part of the new award of the Director/Consultant Options, all of the individuals concerned, together with the other Directors of the Company who were not receiving new share options surrendered their existing holdings of share options, which in total aggregated 8,000,000 share options. These share options were awarded at the time of the Company's IPO on AIM in June 2017, with an exercise price of 5 pence per share option (6.5 US cents), and an expiry date of 31 December 2019. All other options currently outstanding in the Company, which in total aggregated 7,250,000, were on the same terms and expired unexercised on 31 December 2019.

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

Grant date	Expiry date	Exercise price \$	Share warrants 30 June 2020	Share warrants 30 June 2019
15 October 2018	15 October 2020	0.079	34,999,996	34,999,996
12 December 2019	15 October 2020	0.079	4,798,091	-

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

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

**NOTES TO THE UNAUDITED FINANCIAL INFORMATION
FOR THE TWELVE MONTHS ENDED 30 JUNE 2020 (CONTINUED)**

13. Share options and warrants (continued)

Share options granted during the twelve month period ended 30 June 2020 have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price \$	Share options 30 June 2020	Share options 30 June 2019
6 December 2019	31 December 2024	0.026	9,000,000	-

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

The model inputs for options granted during the period included:

- (a) options are granted for no consideration and vested options are exercisable for a period of five years after the grant date: 6 December 2019.
- (b) expiry date: 31 December 2024.
- (c) share price at grant date: 1.75 pence.
- (d) expected price volatility of the company's shares: 50%.
- (e) risk-free interest rate: 1.0%.

14. Related Party Transactions

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

	Twelve months ended 30 June 2020 \$'000	Year ended 30 June 2019 \$'000
Garrison Capital Partners Limited:		
Purchases made on Company's behalf and administrative fees expensed during the year	82	114
Interest charge included within Company and Group borrowings	3	4
Lauren McMaster		
Consultancy services	4	15
FFA Legal Ltda		
Legal and accountancy services expensed	91	79
Harvest Minerals Limited		
Employment services reimbursed	-	(104)

Garrison Capital Partners Limited is a related party to the company due to having a director in common. At the period end, it was owed \$2,000 (2019: \$62,000).

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

FFA Legal Ltda is a related party to the Company due to having a director in common with Company. At the period end it was owed \$nil (2019: \$nil).

**NOTES TO THE UNAUDITED FINANCIAL INFORMATION
FOR THE TWELVE MONTHS ENDED 30 JUNE 2020 (CONTINUED)**

15. Subsequent Events

- a) On 10 August 2020, the Company announced that it had sold 7,000,000 of its ValOre Metals Corp common shares at CAD\$0.25 per share for total gross proceeds of CAD\$1,750,000..
- b) On 14 August 2020, the Company received 500,000 Deferred Consideration Shares from ValOre, being the second instalment due under the terms of the Share Purchase Agreement.
- c) Jangada's remaining shareholding position in ValOre now stands at 16,000,000 common shares, which is equivalent to 17.68% of the total basic common ValOre shares outstanding.
- d) Refer to Notes 7 and 10 for information relating to the disposal of Pedra Branca.

16. Nature of Financial Information

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