



BRADDA HEAD

Directors' report and consolidated financial statements
For the years ended 28 February 2021 and 29 February 2020

Bradda Head Holdings Limited

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Bradda Head Holdings Limited

Management and administration

Directors	John McGoldrick – Managing Director (Resigned 31 July 2020) James Mellon – Non Executive Deputy Chairman Denham Eke – Finance Director and Company Secretary Mitch Alland – Independent Non-Executive Director (Resigned 17 November 2020) Ian Stalker – Independent Chairman (appointed 1 April 2019) Euan Jenkins – Senior Independent Non-executive Director (appointed 15 June 2019) Charles FitzRoy – CEO (Appointed 23 April 2021) Jason Macdonald – Non-Executive Director (resigned 11 July 2019) Anthony Baillieu – Non-Executive Director (resigned 16 May 2019) Alex Borrelli - Senior Independent Non-executive Director (appointed 7 June 2021)
Secretary	Denham Eke 4 th Floor Viking House Nelson Street Douglas Isle of Man IM1 2AH
Registered office	Craigmuir Chambers, Road Town Tortola, British Virgin Islands
Nominated Advisor and Joint Broker	Allenby Capital Limited 5 St. Helen's Place London EC3A 6AB
Joint Broker	Gneiss Energy Limited 12 Hay Hill Mayfair London, W1J 6DQ
Registrar	Computershare Investor Services (BVI) Limited Woodbourne Hall PO Box 3162 Road Town, Tortola British Virgin Islands
Auditors	KPMG Audit LLC Heritage Court 41 Athol Street Douglas Isle of Man IM1 1LA
Legal Advisors	Hill Dickinson LLP The Broadgate Tower 20 Primrose Street London EC2A 2EW
Depository	Computershare Investor Services PLC The Pavilions Bridgewater Road Bristol BS13 8AE

Bradda Head Holdings Limited

Directors' report

The Directors present their annual report and the consolidated financial statements for Bradda Head Holdings Limited (the "Company") for the years ended 28 February 2021 and 29 February 2020.

Principal activity

Bradda Head Holdings Limited is a lithium exploration Group focused on developing its high quality projects in the USA.

Results and transfers to reserves

The results and transfers to reserves for the year are set out on pages 9 to 14 of the consolidated financial statements.

The Company made a total comprehensive loss attributable to equity shareholders for the year after taxation of US\$ 721,562 (2020: US\$ 1,004,101; 2019: US\$ 2,217,221).

Dividend

The Directors do not propose the payment of a dividend for the year (2020: US\$ Nil; 2019: US\$ Nil).

Directors

The Directors who served during the period and to date are:

Denham Eke	
Mitchell Alland	Resigned on 17 November 2020
James Mellon	
John McGoldrick	Resigned on 31 July 2020
Ian Stalker	
Euan Jenkins	
Charles FitzRoy	Appointed 23 April 2021
Jason Macdonald	Resigned 11 July 2019
Anthony Baillieu	Resigned 16 May 2019
Alex Borrelli	Appointed 7 June 2021

By order of the Board

Denham Eke

Director

10 June 2021

Bradda Head Holdings Limited

Statement of Directors' responsibilities in respect of the Directors' report and the consolidated financial statements

The Directors are responsible for preparing the Directors' Report and the consolidated financial statements in accordance with applicable law.

The Directors are required to prepare financial statements for each financial year. They have elected to prepare the financial statements in accordance with International Financial Reporting Standards, as adopted by the EU and applicable 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 Group and of its profit or loss for that period. In preparing each of the consolidated financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards, as adopted by the EU, have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

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 Group. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Bradda Head Holdings Limited

Independent Auditor's Report to the members of Bradda Head Holdings Limited

Our opinion is unmodified

We have audited the consolidated financial statements of Bradda Head Holdings Limited (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated statements of financial position as at 28 February 2021 and 29 February 2020, the consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view, in accordance with International Financial Reporting Standards as adopted by the EU, of the financial position of the Group as at 28 February 2021 and 29 February 2020, and of the Group's financial performance and cash flows for the years then ended.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)"), and the terms of our engagement letter. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company and Group in accordance with, UK ethical requirements including FRC Ethical Standards. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Material uncertainty relating to going concern

We draw attention to note 2(b) to the consolidated financial statements which indicates that the Group is in a net current liability position as at 28 February 2021. Given the early exploration stage of the Group's projects, the Group is not yet generating any revenue and is incurring expenditure in progressing its exploration work. Accordingly, the Group incurred a loss attributable to equity shareholders of US\$721,562 for the year ended 28 February 2021 (year ended 29 February 2020: loss of US\$1,004,101). As at 28 February 2021, the Group had cash balances of US\$86,972. Further expenditure will be necessary in order for it to progress the projects to a stage where their feasibility can be assessed and where they may be able to ultimately generate revenue. Based on forecasts prepared by Directors, the Group's going concern is dependent on ability to continue to raise sufficient capital in order to achieve its longer term aims. These events and conditions, along with the other matters explained in note 2(b) constitute a material uncertainty that may cast significant doubt on the Company's and Group's ability to continue as a going concern. Our opinion is not modified in this respect.

Going concern

The directors have prepared the consolidated financial statements on the going concern basis. They have concluded, as stated above, that a material uncertainty relating to going concern exists. Based on our consolidated financial statements audit work, we consider that the directors' use of the going concern basis of accounting in the preparation of the consolidated financial statements is appropriate.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- enquiring of management as to the Group's policies and procedures to prevent and detect fraud as well as enquiring whether management have knowledge of any actual, suspected or alleged fraud;
- reading minutes of meetings of those charged with governance; and
- using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the Group is not yet generating any revenue from its exploration activities. We did not identify any additional fraud risks.

Bradda Head Holdings Limited

Independent Auditor's Report to the members of Bradda Head Holdings Limited (continued)

We performed procedures including

- Identifying journal entries and other adjustments to test based on risk criteria and comparing any identified entries to supporting documentation; and
- incorporating an element of unpredictability in our audit procedures.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the consolidated financial statements from our general sector experience and through discussion with management (as required by auditing standards), and discussed with management the policies and procedures regarding compliance with laws and regulations.

The Group is subject to laws and regulations that directly affect the consolidated financial statements including financial reporting legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Group is subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the consolidated financial statements, for instance through the imposition of litigation or impacts on the Group and the Company's ability to operate. We identified company law as being the area most likely to have such an effect. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the consolidated financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the consolidated financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remains a higher risk of non-detection of fraud, as this may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' report but does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. 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.

Bradda Head Holdings Limited

Independent Auditor's Report to the members of Bradda Head Holdings Limited (continued)

Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the consolidated financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of this report and restrictions on its use by persons other than the Company's members, as a body

This report is made solely to the Company's members, as a body, in accordance with our terms of engagement as detailed in our letter of 6 May 2021. Our audit work has been undertaken so that we might state to the 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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

KPMG Audit LLC

Chartered Accountants

Heritage Court

41 Athol Street

Douglas

Isle of Man

IM1 1LA

10 June 2021

Bradda Head Holdings Limited

Consolidated Statement of Comprehensive Income

for the year ended 28 February 2021

	Notes	Year ended 28 February 2021 US\$	Year ended 29 February 2020 US\$	Year ended 28 February 2019 US\$
Unrealised (loss)/gain on investment	12	(64,753)	58,139	(7,947)
Operating expenses				
Directors' fees	4,16	(250,162)	(283,667)	(194,334)
Consultants' fees		(13,044)	(100,919)	(835,899)
Impairment of exploration assets	6,7	(70,578)	-	(350,616)
Other professional fees		(39,959)	(288,340)	(236,540)
Travel and entertainment		-	-	(4,567)
Administration expenses		(79,117)	(188,278)	(127,808)
Foreign exchange losses		(52,524)	(8,805)	(2,635)
Share based payments	14	(63,051)	(167,659)	(457,868)
Loss before finance income	4	(633,188)	(979,529)	(2,218,214)
Finance income		1	17	372
Finance costs		(88,762)	(25,822)	(1,274)
Loss before income tax		(721,949)	(1,005,334)	(2,219,116)
Income tax expense	5	-	-	-
Loss for the year		(721,949)	(1,005,334)	(2,219,116)
Other comprehensive income - foreign currency translation reserve		-	-	(139)
Total comprehensive loss for the year		(721,949)	(1,005,334)	(2,219,255)
Loss attributable to:				
Equity shareholders		(721,562)	(1,004,101)	(2,217,082)
Non-controlling interests	9	(387)	(1,233)	(2,034)
		(721,949)	(1,005,334)	(2,219,116)
Total comprehensive loss attributable to:				
Equity shareholders		(721,562)	(1,004,101)	(2,217,221)
Non-controlling interests	9	(387)	(1,233)	(2,034)
		(721,949)	(1,005,334)	(2,219,255)
Basic and diluted earnings loss per share (cents)	17	(0.011)	(0.016)	(0.041)

The notes on pages 14 to 36 form an integral part of these consolidated financial statements.

Bradda Head Holdings Limited

Consolidated Statement of Financial Position

as at 28 February 2021

	Notes	28 February 2021 US\$	29 February 2020 US\$	28 February 2019 US\$
Non-Current assets				
Investment	12	23,732	88,485	30,346
Deferred mining and exploration costs	6	1,767,274	1,741,288	1,564,585
Exploration permits and licences	7	691,465	612,595	384,484
Advances and deposits	10	49,313	49,313	49,313
Total non-current assets		2,531,784	2,491,681	2,028,728
Current assets				
Cash and cash equivalents		86,972	225,553	168,246
Trade and other receivables	10	30,362	11,927	43,867
Total current assets		117,334	237,480	212,113
Total assets		2,649,118	2,729,161	2,240,841
Equity				
Share premium	13	9,443,676	9,353,128	8,952,724
Retained deficit		(9,056,687)	(9,519,559)	(8,466,616)
Foreign currency translation reserve		186	186	186
Contributed capital	13	-	-	99,965
Equity attributable to shareholders of the Company		387,175	(166,245)	586,259
Non-controlling interests	9	-	1,371,770	1,156,502
Total equity		387,175	1,205,525	1,742,761
Non-Current liabilities				
Related party balances	16	1,547,208	1,233,372	-
Total non-current liabilities		1,547,208	1,233,372	-
Current liabilities				
Trade and other payables	11	214,735	290,264	498,080
Related party balances	16	500,000	-	-
Total current liabilities		714,735	290,264	498,080
Total equity and liabilities		2,649,118	2,729,161	2,240,841

The notes on pages 14 to 36 form an integral part of these consolidated financial statements.

These financial statements were approved by the Board of Directors on 10 June 2021 and were signed on their behalf by:

Denham Eke
Director

Bradda Head Holdings Limited

Consolidated Statement of Changes in Equity

for the year ended 28 February 2021

	Share premium US\$	Retained deficit US\$	Foreign currency translation reserve US\$	Equity attributable to shareholders of the Company US\$	Non - controlling interest US\$	Total US\$
Balance at 1 March 2020	9,353,128	(9,519,559)	186	(166,245)	1,371,770	1,205,525
Total comprehensive loss for the year						
Loss for the year	-	(721,562)	-	(721,562)	(387)	(721,949)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	(721,562)	-	(721,562)	(387)	(721,949)
Transactions with owners of the Company						
Issue of ordinary shares (note 13)	90,548	-	-	90,548	-	90,548
Equity contribution to NCI (note 9)	-	(84,276)	-	(84,276)	84,276	-
Transfer NCI to equity (note 9)	-	1,205,659	-	1,205,659	(1,455,659)	(250,000)
Equity settled share-based payments (note 14)	-	63,051	-	63,051	-	63,051
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total transactions with owners of the Company	90,548	1,184,434	-	1,274,982	(1,371,383)	(96,401)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 28 February 2021	9,443,676	(9,056,687)	186	387,175	-	387,175
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The notes on pages 14 to 36 form an integral part of these consolidated financial statements.

Bradda Head Holdings Limited

Consolidated Statement of Changes in Equity

for the year ended 28 February 2021

	Share premium US\$	Contributed capital US\$	Retained deficit US\$	Foreign currency translation reserve US\$	Equity attributable to shareholders of the Company US\$	Non - controlling interest US\$	Total US\$
Balance at 1 March 2019	8,952,724	99,965	(8,466,616)	186	586,259	1,156,502	1,742,761
Total comprehensive loss for the year							
Loss for the year	-	-	(1,004,101)	-	(1,004,101)	(1,233)	(1,005,334)
Total comprehensive income for the year	-	-	(1,004,101)	-	(1,004,101)	(1,233)	(1,005,334)
Transactions with owners of the Company							
Issue of ordinary shares (note 13)	400,404	(99,965)	-	-	300,439	-	300,439
Equity settled share-based payments (note 14)	-	-	167,659	-	167,659	-	167,659
Equity contribution to NCI (note 9)	-	-	(216,501)	-	(216,501)	216,501	-
Total transactions with owners of the Company	400,404	(99,965)	(48,842)	-	251,597	216,501	468,098
Balance at 29 February 2020	<u>9,353,128</u>	<u>-</u>	<u>(9,519,559)</u>	<u>186</u>	<u>(166,245)</u>	<u>1,371,770</u>	<u>1,205,525</u>

The notes on pages 14 to 36 form an integral part of these consolidated financial statements.

Bradda Head Holdings Limited

Consolidated Statement of Changes in Equity

for the year ended 28 February 2021 (continued)

	Share premium US\$	Contributed capital US\$	Retained deficit US\$	Foreign currency translation reserve US\$	Equity attributable to shareholders of the Company US\$	Non - controlling interest US\$	Total US\$
Balance at 1 March 2018 (Restated)	68,297,775	-	(67,911,744)	325	386,356	431,292	817,648
Total comprehensive loss for the year							
Loss for the year	-	-	(2,217,082)	-	(2,217,082)	(2,034)	(2,219,116)
Other comprehensive loss for the year	-	-	-	(139)	(139)	-	(139)
Total comprehensive income for the year	-	-	(2,217,082)	(139)	(2,217,221)	(2,034)	(2,219,255)
Transactions with owners of the Company							
Issue of ordinary shares (note 13)	2,586,535	-	-	-	2,586,535	-	2,586,535
Capital contributions received (note 13)	-	99,965	-	-	99,965	-	99,965
Transfer to retained deficit	(61,931,586)	-	61,931,586	-	-	-	-
Equity settled share-based payments (note 14)	-	-	457,868	-	457,868	-	457,868
Equity contribution to NCI (note 9)	-	-	(727,244)	-	(727,244)	727,244	-
Total transactions with owners of the Company	(59,345,051)	99,965	61,662,210	-	2,417,124	727,244	3,144,368
Balance at 28 February 2019	<u>8,952,724</u>	<u>99,965</u>	<u>(8,466,616)</u>	<u>186</u>	<u>586,259</u>	<u>1,156,502</u>	<u>1,742,761</u>

The notes on pages 14 to 36 form an integral part of these consolidated financial statements.

Bradda Head Holdings Limited

Consolidated Statement of Cash Flows

for the year ended 28 February 2021

		Year ended 28 February 2021	Year ended 29 February 2020	Year ended 28 February 2019
	Notes	US\$	US\$	US\$
Cash flows from operating activities				
Loss before income tax		(721,949)	(1,005,334)	(2,219,116)
<i>Adjusted for non-cash and non-operating items:</i>				
Unrealised loss/(profit) on investment	12	64,753	(58,139)	7,947
Finance income		(1)	(17)	(372)
Non-cash interest expense		88,762	25,822	-
Equity settled share based payments expense	14	63,051	167,659	457,868
Impairment of deferred mining and exploration costs and licences and permits	6,7	70,578	-	350,616
Unrealised FX adjustment on convertible loan note		51,990	7,529	-
Shares issued to directors in lieu of directors fees	13	90,548	15,404	124,037
		(292,268)	(847,076)	(1,279,020)
Change in trade and other receivables		(18,436)	30,683	4,772
Change in trade and other payables		(75,530)	(156,558)	335,935
Net cash flows from operating activities		(386,234)	(972,951)	(938,313)
Cash flows from investing activities				
Amounts paid for deferred mining and exploration costs		(30,399)	(176,703)	(1,041,202)
Amounts paid for licences and permits		(145,035)	(228,112)	(145,928)
Interest received		1	17	372
Net cash flows from investing activities		(175,433)	(404,798)	(1,186,758)
Cash flows from financing activities				
Loans received		673,086	350,000	-
Convertible loan note received		-	850,021	-
Cash paid to acquire NCI	9	(250,000)	-	-
Cash received from shareholders		-	235,000	2,184,981
Net cash flows from financing activities		423,086	1,435,021	2,184,981
Effect of movements in exchange rates		-	35	139
(Decrease)/increase in cash and cash equivalents		(138,581)	57,307	60,049
Cash and cash equivalents at beginning of year		225,553	168,246	108,197
Cash and cash equivalents at end of year		86,972	225,553	168,246

The notes on pages 14 to 36 form an integral part of these consolidated financial statements.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020

1 Reporting Entity

Bradda Head Holdings Limited (the "Company") is a company domiciled in the British Virgin Islands. The address of the Company's registered office is Craigmuir Chambers, Road Town, Tortola, British Virgin Islands. The Company and its subsidiaries together are referred to as the "Group".

Bradda Head Holdings Limited is a lithium exploration Group focused on developing its projects in the USA.

These financial statements include the results and balances of the Group for the years ended 28 February 2021 and 29 February 2020.

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the EU. The consolidated financial statements were authorised for issue by the Board of Directors on 10 June 2021.

(b) Basis of measurement

Functional and Presentation Currency

The consolidated financial statements of the Group are presented in US Dollars (US\$). All financial information presented in US Dollars has been rounded to the nearest dollar.

Critical accounting estimates and judgements

The preparation of the consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Significant estimates and assumptions include those related to recoverability of mineral properties and determination as to whether costs are expensed or deferred.

The Company is in the process of exploring its mineral properties and has not yet determined whether the properties contain economically recoverable mineral reserves. Including whether a commercially feasible means of extraction from clay deposits is established. The recoverability of carrying amounts for mineral properties is dependent upon the discovery of economically recoverable mineral reserves, the ability of the Company to obtain the financing necessary to complete exploration and development, and the success of future development of the properties. It is also dependent on all claims being properly legally established.

Judgment is required in applying the Company's accounting policy for exploration and evaluation assets in determining whether it is likely that costs incurred will be recovered through successful exploration and development or sale of the asset under review when assessing impairment. Furthermore, the assessment as to whether economically recoverable reserves exist is itself an estimation process. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of expenditures is unlikely, the amount capitalized is written off to profit and loss in the period when the new information becomes available. In situations where indicators of impairment are present for the Company's exploration and evaluation assets, estimates of recoverable amount must be determined as the higher of the estimated value in use or the estimated fair value less costs to sell. Refer to notes 3 and 7.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

2 Basis of preparation (continued)

Going concern

The Group is in a net current liability position of US\$548,088 as at 28 February 2021 and had net liabilities US\$166,245 attributable to shareholders of the Company as at 29 February 2020. Given the early exploration stage of the Group's projects, the Group is not yet generating any revenue and is incurring expenditure in progressing its exploration work. Accordingly, the Group incurred a loss attributable to equity shareholders of US\$721,562 for the year ended 28 February 2021 (year ended 29 February 2020: loss of US\$1,004,101). As at 28 February 2021, the Group had cash balances of US\$86,972 (2020: US\$ 225,553)

Further expenditure will be necessary in order for the Group to progress the projects to a stage where their feasibility can be assessed and where they may potentially be able to ultimately generate revenue, if economically viable. Continued operations of the Group and further progressing its exploration and evaluation activities is dependent on the Company's ability to obtain additional financing and generate profitable operations in the future.

The Company is in the process of listing on the London AIM market, which is planned for completion during Q3 2021. During May 2021, the Company completed a private fundraise, raising proceeds of US\$ 1,028,199. These funds will be used for general operating purposes until the IPO process and fundraise is completed.

Detailed working capital forecasts have been prepared covering two scenarios – successful completion of the IPO and raising the target funds, and on the basis of an unsuccessful IPO with no funds being raised. Following the successful completion of the IPO and raising of the target funds, the Group expects to have sufficient cash resources to be able to complete its planned exploration programmes, and meet any operational expenditures as they fall due, for a period of at least 12 months from the date of signing the financial statements. Adjustments can be made to the Group's exploration expenditure, based on results of its exploration activities and cash resource levels.

In the event of an unsuccessful IPO and no (or insufficient) funds being raised, the Group will cease all planned exploration activities, reduce its overhead expenditures to the bare minimum required, and only incur the costs needed to maintain the exploration licences and permits in good standing. On this basis, cash resources will be preserved and sufficient cash resources will be available to meet any operational expenditures as they fall due, for a period of at least 12 months from the date of signing the financial statements.

Based on forecasts prepared by Directors, the Group's going concern is dependent on its ability to continue to raise sufficient capital in order to achieve its longer term aims. The directors believe it remains appropriate to prepare the financial statements on a going concern basis. However, these circumstances indicate the existence of a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern and, therefore, that the Group may be unable to realise their assets and discharge their liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities for the period ended 28 February 2021 and 29 February 2020.

Basis of consolidation

The consolidated financial statements for the year ended 28 February 2021 incorporate the financial information of the Company and entities controlled by the Company (its "subsidiaries"). The results of subsidiaries acquired during the year are included in the consolidated statement of comprehensive income from the date on which control is obtained, and up to the date control is lost.

Business combination

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed,

Bradda Head Holdings Limited

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forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020
(continued)

3 Significant accounting policies (continued)

Business combination (continued)

and equity instruments issued by the Group in exchange for control of the acquiree plus any costs directly attributable to the business combination.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations', which are recognised and measured at fair value less costs to sell.

Non-controlling interest

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets which are generally at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is adjusted for the non-controlling interests' share of

subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Foreign currency transactions

Transactions in foreign currencies are translated into functional currency based on the exchange rates prevailing at the transaction dates. Foreign currency denominated monetary assets and liabilities are translated into functional currency at the exchange rate prevailing at the reporting date. Gains or losses arising from foreign currency transactions are recognized in the consolidated statement of comprehensive income.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined or if measured at historical cost are translated using the exchange rate at the date of transaction.

Consolidation of foreign operations

The assets and liabilities of foreign operations are translated to US Dollars at exchange rates at the reporting date while income and expenses are translated at exchange rates at date of transactions although if not practically available, the average rate for the period is used.

Deferred mine exploration costs

The Group deems that all expenditure incurred in the country of the project, directly relating to exploratory activities, in addition to the acquisition costs of an existing, granted exploration permit or license, is capitalisable as deferred mine costs once a license or permit has been obtained for exploratory activities. Pre-license costs are expensed in the period in which they are incurred. License costs paid in connection with a right to explore in an existing exploration area are capitalised.

Exploration expenditures relate to the initial search for mineral deposits with economic potential as well as expenditures incurred for the purposes of obtaining more information about existing mineral deposits. Exploration expenditures typically comprise costs that are directly attributable to:

- researching and analysing existing exploration data;
- conducting geological studies;

Bradda Head Holdings Limited

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forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020
(continued)

3 Significant accounting policies (continued)

Deferred mine exploration costs (continued)

- exploratory drilling and sampling for the purposes of obtaining core samples and the related metallurgical assay of these cores; and
- drilling to determine the volume and grade of deposits in an area known to contain mineral resources or for the purposes of converting mineral resources into proven and probable reserves.

The assessment of probability is based on the following factors: results from previous drill programmes; results from a geological study; results from a mine scoping study confirming economic viability of the resource; and preliminary estimates of the volume and grade of the deposit, and the net cash flows expected to be generated from its development. The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether future economic benefits will arise either from future exploitation, or sale, or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. Deferred mine exploration cost are capitalised to the extent that they do not exceed the estimated economically recoverable amount from mineral interests. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established.

Estimates and assumptions made may change if new information becomes available. If after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in the consolidated statement of comprehensive income in the period when the new information becomes available. Management reviews the carrying values of its deferred mine exploration costs at least annually and whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognised when the carrying value of those assets is not recoverable and exceeds their fair value.

These costs are carried forward provided that at least one of the following conditions is met:

- the period for which the entity has the right to explore in the specific area has not expired during the period or will expire in the near future, and is expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is either budgeted or planned;
- such costs are expected to be recouped in full through successful development and exploration of the area of interest or alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing, or planned for the future.

Upon reaching commercial production, these capitalised costs will be transferred from development properties to producing properties on the Consolidated Statement of Financial Position and will be amortised using the unit-of-production method over the estimated period of economically recoverable reserves.

Exploration permits

Exploration permits acquired by way of an asset acquisition or business combination are recognised if the asset is separable or arises from contractual or legal rights. On acquisition of a mineral property in the exploration stage, an estimate is prepared of the fair value attributable to the exploration potential, including mineral resources, if any, of that property. The fair value of the exploration permits is recorded as an intangible asset (acquired exploration permits) as at the date of acquisition. When an exploration stage property moves into development, any acquired exploration intangible asset balance attributable to that property is transferred to non-depreciable mining interests within property, plant and equipment. Impairment testing and the reversal of impairments are conducted in accordance with the accounting policy adopted for deferred mine exploration costs.

Mineral property expenses

Mineral property expenses are costs incurred that do not qualify for capitalisation and are therefore expensed to the profit or loss as incurred. These include payments for costs incurred prior to obtaining licenses.

Bradda Head Holdings Limited

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forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020
(continued)

3 Significant accounting policies (continued) Mineral property expenses (continued)

Impairment of tangible and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset (CGU) is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior years. A reversal of an impairment loss is recognised as income immediately.

Financial instruments

Measurement

Financial instruments are initially measured at fair value, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below:

Trade and other receivables

Trade and other receivables are stated at amortised costs using the effective interest method less impairment losses.

Cash and cash equivalents

Cash and cash equivalents are measured at amortised costs and are due on demand.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised costs using the effective interest method.

Fair value of financial instruments

The Company determines fair values using other valuation techniques in compliance with IFRS9: Financial Instruments, IFRS13: Fair Value Measurement, and based on the International Private Equity and Venture Capital Valuation Guidelines ("IPEV").

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgement depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using; quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data;

Bradda Head Holdings Limited

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forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

3 Significant accounting policies (continued)

Financial instruments (continued)

- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Various valuation techniques may be applied in determining the fair value of investments held as Level 3 in the fair value hierarchy. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, and losses on hedging instruments that are recognised in profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Share premium

Ordinary shares are classified as equity. The ordinary shares of the Company have a nil par value. As such all proceeds received for the issue of shares has been credited to share premium. Proceeds from the exercise of stock options or conversion of share purchase warrants are recorded in share premium at the amount received on exercise or conversion. Commissions paid to underwriters or agents and other related share issue costs, such as legal, accounting and printing, are charged to share premium.

Share based payments

Equity-settled share-based payments are measured at fair value at the date of grant. The fair value is calculated using the Black-Scholes option pricing model (where no fair value of the service or assets provided is evident). The fair value determined at the grant date of the equity settled share-based payment is expensed based on the vesting period and based on the Company's estimate of the number of shares that will eventually vest.

On determining fair values, terms and conditions attaching to the instruments are taken into account. Management is also required to make certain assumptions and estimates regarding such items as the life of instruments, volatility and forfeiture rates. Changes in the assumptions used to estimate fair value could result in materially different results.

Segmental reporting

The Directors are of the opinion that the Company is engaged in a single segment of business, being exploration for lithium in the USA. Information presented to the Board of Directors for the purpose of decision making is based on this single segment.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

3 Significant accounting policies (continued)

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the current period ended, and have not been applied in preparing these consolidated historical financial statements:

New/revised International Accounting Standards / International Financial Reporting Standards ("IAS/IFRS")	EU Effective date (accounting periods commencing on or after)
Amendment to IFRS 16 Leases	Not yet endorsed
Amendments to References to the Conceptual Framework in IFRS Standards	Endorsed (29 November 2019). EU effective date 1 January 2020.
Amendment to IFRS 3 Business Combinations	Endorsed (21 April 2020). EU effective date 1 January 2020.
Amendments to IAS 1 and IAS 8	Endorsed (29 November 2019). EU effective date 1 January 2020.
Amendments to IFRS 7, IFRS 9 and IAS 39	Endorsed (15 January 2020). EU effective date 1 January 2020.
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current	Not yet endorsed.

The Directors do not expect the adoption of the standards and interpretations to have a material impact on the Company's financial statements in the period of initial application.

4 Loss before finance income

Loss before finance income is stated after charging:

	28 February 2021	29 February 2020	28 February 2019
	US\$	US\$	US\$
Auditors' Fees	49,000	45,850	36,025
Directors' Fees (note 16)	250,162	283,667	194,334

5 Taxation

Income tax

The British Virgin Islands under the International Business Companies Act 2004 imposes no corporate taxes or capital gains taxes.

Zenolith USA LLC, Gray Wash LLC and Verde Grande LLC are Delaware (USA) limited liability companies that have elected to be taxed as standard corporations. To date, these companies have been loss making and therefore no corporation tax is applicable.

The maximum deferred tax asset that could be recognised at year end is approximately US\$ 209,777 (2020: US\$ 205,851; 2019: US\$ 187,561). The Group has not recognised any asset as it is not reasonably known whether the Group will recover such deferred tax assets.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

6 Deferred mine exploration costs

The schedule below details the current projects of the Group and the related exploration costs capitalised:

	USA US\$	Mexico US\$	Total US\$
Cost and net book value			
At 1 March 2018	715,878	155,812	871,690
Capitalised during the year	848,707	192,494	1,041,201
Impairment	-	(348,306)	(348,306)
At 28 February 2019	<u>1,564,585</u>	<u>-</u>	<u>1,564,585</u>
Capitalised during the year	<u>176,703</u>	<u>-</u>	<u>176,703</u>
At 29 February 2020	<u>1,741,288</u>	<u>-</u>	<u>1,741,288</u>
Capitalised during the year	30,399	-	30,399
Impairment	(4,413)	-	(4,413)
At 28 February 2021	<u>1,767,274</u>	<u>-</u>	<u>1,767,274</u>
Cost and net book value			
At 28 February 2021	1,767,274	-	1,767,274
At 29 February 2020	1,741,288	-	1,741,288
At 28 February 2019	<u>1,564,585</u>	<u>-</u>	<u>1,564,585</u>

All the deferred mining and exploration expenditure has been incurred by Zenolith USA LLC, a subsidiary of Bradda Head Limited. See notes 8 and 9.

Deferred mine exploration costs ("DMEC") represent intangible assets. Refer to note 7 for details on explorations permits and licences held.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

6 Deferred mine exploration costs (continued)

The recoverability of the carrying amounts of exploration and evaluation assets is dependant on the successful development and commercial exploitation or sale of the respective area of interest, as well as maintaining the assets in good standing. The Group assessed the DMEC relating to areas for which licenses and permits are held, for impairment as at 28 February 2021 and 29 February 2020. Upon review, it was identified that certain projects showed signs of impairment, and thus an impairment charge of US\$ 4,413 was recognised during the year ended 28 February 2021.

The Board reviewed the rest of the projects held and concluded that no facts and circumstances have been identified which suggest the recoverable amount of these assets would not exceed the carrying amount and, as such, no impairment was recognised. Other than highlighted above, there have been no indications of any additional impairment since the last review.

7 Exploration permits and licences

The schedule below details the current projects of the Group and the related exploration permit and licence costs capitalised:

	USA US\$	Mexico US\$	Total US\$
Cost and net book value			
At 1 March 2018	240,866	-	240,866
Capitalised during the year	143,618	2,310	145,928
Impairment	-	(2,310)	(2,310)
	<hr/>	<hr/>	<hr/>
At 29 February 2019	384,484	-	384,484
	<hr/>	<hr/>	<hr/>
Capitalised during the year	228,111	-	228,111
	<hr/>	<hr/>	<hr/>
At 29 February 2020	612,595	-	612,595
	<hr/>	<hr/>	<hr/>
Capitalised during the year	145,035	-	145,035
Impairment	(66,165)	-	(66,165)
	<hr/>	<hr/>	<hr/>
At 28 February 2021	691,465	-	691,465
	<hr/>	<hr/>	<hr/>
Cost and net book value			
At 28 February 2021	691,465	-	691,465
At 29 February 2020	612,595	-	612,595
At 28 February 2019	384,484	-	384,484
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The licences and permits are held through indirect subsidiaries of the Company. See notes 8 and 9.

The Group assessed the carrying amount of the licences and permits held for impairment as at 28 February 2021 and 29 February 2020. Upon review, it was identified that certain projects showed signs of impairment, and thus an impairment charge of US\$ 66,165 was recognised during the year ended 28 February 2021.

The Board reviewed the rest of the projects held and concluded that no facts and circumstances have been identified which suggest the recoverable amount of these assets would not exceed the carrying amount and, as such, no impairment was recognised. Other than highlighted above, there have been no indications of any additional impairment since the last review.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

7 Exploration permits and licences (continued)

During March 2017, Bradda Head entered into a Farm-In Agreement (the "Farm-In") with Zenith Minerals Limited (the Farm-In was updated during February 2018). The terms of the Farm-In entitle Bradda Head to an interest in both the USA and Mexican lithium projects as follows:

- An initial 55% interest following the payment of US\$ 500,000. This was completed during July 2017 and the 55% interest earned (which was subject to the completion of a US\$ 5 million expenditure programme before 28 February 2021); and
- An option to earn a 70% interest, following completion of a prefeasibility study on two tenements within a five year period starting 1 March 2021. During this period, Zenith Minerals Limited was free carried by Bradda Head.

On 11 January 2021, the Company and Zenith mutually terminated the Farm-In Agreement. From this date, Bradda Head holds a 100% interest in Zenolith USA LLC. See note 9 for further details.

USA

The USA exploration permits and licences are held by Zenolith (USA) LLC ("Zenolith"), Gray Wash LLC and Verde Grande LLC, subsidiaries of Bradda Head (see note 8). Zenolith holds licences and permits over land in the states of Nevada and Arizona, USA, which provide Zenolith with exclusive rights to explore for lithium. Gray Wash and Verde Grande hold licences over land in the state of Arizona.

8 Investment in subsidiary undertakings

As at 28 February 2021, the Group had the following subsidiaries:

Name of company	Place of incorporation	Ownership interest	Principal activity
Bradda Head Limited*	BVI	100%	Holding company of entities below
Zenolith (USA) LLC	USA	100%	Holds USA lithium licences and permits
Verde Grande LLC	USA	100%	Holds USA lithium licences and permits
Gray Wash LLC	USA	100%	Holds USA lithium licences and permits
Minera Salmuera, S.A. de C.V.	Mexico	100%	In process of being liquidated

* Held directly by the Company. All other holdings are indirectly held through Bradda Head Limited

As at 29 February 2020, the Group had the following subsidiaries:

Name of company	Place of incorporation	Ownership interest	Principal activity
Bradda Head Limited*	BVI	100%	Holding company of entities below
Zenolith (USA) LLC	USA	55%	Holds USA lithium licences and permits
Verde Grande LLC	USA	100%	Holds USA lithium licences and permits
Gray Wash LLC	USA	100%	Holds USA lithium licences and permits
Minera Salmuera, S.A. de C.V. **	Mexico	100%	In process of being liquidated

* Held directly by the Company. All other holdings are indirectly held through Bradda Head Limited

** Subject to the Farm-In, the effective interest is 55%

As at 28 February 2019, the Group had the following subsidiaries:

Name of company	Place of incorporation	Ownership interest	Principal activity
Bradda Head Limited*	BVI	100%	Holding company of entities below
Zenolith (USA) LLC	USA	55%	Holds USA lithium licences and permits
Verde Grande LLC	USA	100%	Holds USA lithium licences and permits
Minera Salmuera, S.A. de C.V. **	Mexico	100%	Holds Mexican lithium licences and permits

* Held directly by the Company. All other holdings are indirectly held through Bradda Head Limited

** Subject to the Farm-In, the effective interest is 55%

The consolidated financial statements include the results of the subsidiaries from the date that control is obtained to 28 February 2021, and up to the date that control ceases.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

9 Non-controlling interests

The non-controlling interests ("NCI") of US\$ Nil (2020: US\$ 1,371,770, 2019: US\$ 1,156,502) relates to net assets attributable to the shares not held by the Group at 28 February 2021 and 29 February 2020 in the following sub-subsidiaries:

Name of subsidiary	28 February 2021 US\$	29 February 2020 US\$	28 February 2019 US\$
Zenolith (USA) LLC	-	1,373,080	1,156,579
Minera Salmuera, S.A. de C.V.	-	(1,310)	(77)
	<u>-</u>	<u>1,371,770</u>	<u>1,156,502</u>

On 11 January 2021, the Company and Zenith mutually terminated the Farm-In Agreement. From this date, Bradda Head holds a 100% interest in Zenolith USA LLC. The terms of the transaction included:

- US\$ 250,000 cash payment;
- Issuance of 11,741,540 ordinary shares in the Company; and
- Zenith to hold anti-dilution protection, to maintain a 15% in the Company, for a period ending on the earlier of 24 months from the date of the transaction, or the business day immediately after the Company completes an initial public offering.

The effect of the transaction is that the Company acquired the previous 45% in Zenolith, held by non-controlling interests. Following this, there is no NCI to be recognised by the Company. The balance of NCI prior to the transaction has been transferred within equity. The cash consideration of US\$ 250,000 has been recorded as a deduction in equity. The following table summarises the information relating to each of the Group's indirect subsidiaries that has material NCI, prior to intra-group eliminations.

28 February 2021

Name of subsidiary	Zenolith (USA) LLC US\$	Minera Salmuera, S.A. de C.V. US\$	Total US\$
Non-current assets	2,349,223	-	2,349,223
Current assets	10	4,113	4,123
Current liabilities	(24,634)	(5,891)	(30,525)
Foreign currency translation reserve	-	(186)	(186)
Net assets	<u>2,324,599</u>	<u>(1,964)</u>	<u>2,322,635</u>
Net assets attributable to NCI		<u>(884)</u>	<u>-</u>
Total comprehensive loss for the period		<u>859</u>	<u>859</u>
Loss allocated to NCI		<u>387</u>	<u>387</u>
<i>Reconciliation of Zenolith (USA) LLC NCI</i>			
Balance at 1 March 2019			1,373,080
Equity contribution to NCI			84,276
Balance at 28 February 2020			<u>1,457,356</u>
NCI balance at 1 March 2020			1,371,770
Increase in NCI during the year			83,889
Transfer within equity			(1,455,659)
NCI balance at 28 February 2021			<u>-</u>

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

9 Non-controlling interests (continued)

29 February 2020

Name of subsidiary	Zenolith (USA) LLC US\$	Minera Salmuera, S.A. de C.V. US\$	Total US\$
Non-current assets	2,173,789	-	2,173,789
Current assets	1,496	8,026	9,522
Current liabilities	(19,267)	(10,751)	(30,018)
Foreign currency translation reserve	-	(186)	(186)
Net assets	2,156,018	(2,911)	2,153,107
Net assets attributable to NCI		(1,310)	(1,310)
Total comprehensive loss for the period		2,739	2,739
Loss allocated to NCI		1,233	1,233
<i>Reconciliation of Zenolith (USA) LLC NCI</i>			
Balance at 1 March 2019			1,156,579
Equity contribution to NCI			216,501
Balance at 28 February 2020			1,373,080

28 February 2019

Name of subsidiary	Zenolith (USA) LLC US\$	Minera Salmuera, S.A. de C.V. US\$	Total US\$
Non-current assets	1,773,767	-	1,773,767
Current assets	783	8,026	8,809
Current liabilities	(12,553)	(8,012)	(20,565)
Foreign currency translation reserve	-	(186)	(186)
Net assets	1,761,997	(172)	1,761,825
Net assets attributable to NCI		(77)	(77)
Total comprehensive loss for the period		(4,521)	(4,521)
Loss allocated to NCI		(2,034)	(2,034)
<i>Reconciliation of Zenolith (USA) LLC NCI</i>			
Balance at 1 March 2018			429,335
Equity contribution to NCI			727,244
Balance at 28 February 2019			1,156,579

Zenolith holds the title to the USA projects, with Bradda Head Limited funding any exploration activities. Zenolith is fully reliant on funding provided by Bradda Head Limited, with Bradda Head Limited funding 100% of such expenditure. Up to 11 January 2021, Bradda Head Limited only held a 55% interest in Zenolith, with 45% being held by NCI. As such, 45% of the funding has been accounted for as an equity contribution to NCI.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

10 Trade and other receivables and advances and deposits

Non-current

	28 February 2021	29 February 2020	28 February 2019
	US\$	US\$	US\$
Advances and deposits	49,313	49,313	49,313

Current

	28 February 2021	29 February 2020	28 February 2019
	US\$	US\$	US\$
Advances and deposits	-	-	20,344
Prepayments and other debtors	30,362	11,927	23,523
	30,362	11,927	43,867

Included in other debtors is US\$ 4,100 due from Bradda Head International Limited, a related party (2020: US\$ 1,875; 2019: US\$ 3,131). See note 16.

11 Trade and other payables

	28 February 2021	29 February 2020	28 February 2019
	US\$	US\$	US\$
Accounts payable	153,878	228,846	418,818
Accrued expenses and other payables	60,857	61,418	79,262
	214,735	290,264	498,080

12 Investment

On 1 July 2011, the Company acquired, by way of private placement, a strategic investment in Crazy Horse Resources Inc. (which changed its name to Rockwealth Resources Inc ("RWR")), a copper and gold company traded on the TSX Venture Exchange, which owns the Taysan Project, an advanced copper gold porphyry deposit located 100 km south of Manila in the Philippines. As at 28 February 2021 and 29 February 2020, the Company holds 249,688 shares in RWR (2019: 249,688 shares).

This investment is classified as financial asset at fair value through profit or loss. For valuation purposes, it was revalued using the closing bid price as at the reporting period.

	28 February 2021	29 February 2020	28 February 2019
Total number of shares held	249,688	249,688	249,688
	US\$	US\$	US\$
Market value of investment at closing bid price	23,732	88,485	30,346
Total cost	(5,861,409)	(5,861,409)	(5,861,409)
Unrealised loss on investment	(5,837,677)	(5,772,924)	(5,831,063)

In line with IFRS13: Fair Value Measurement, and based on the International Private Equity and Venture Capital Valuation Guidelines ("IPEV"), the investment held is considered to be level 2 in the fair value hierarchy, due to there being a lack of an active market for the traded shares.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

12 Investment (continued)

The unrealised loss on the investment in RRC charged to the Consolidated Statement of Comprehensive Income and movement in investment fair value is as follows:

	US\$
Balance at 1 March 2018	38,293
Change in fair value	(7,947)
	<hr/>
Balance at 28 February 2019	30,346
	<hr/> <hr/>
Change in fair value	58,139
	<hr/>
Balance at 29 February 2020	88,485
	<hr/> <hr/>
Change in fair value	(64,753)
	<hr/>
Balance at 28 February 2021	23,732
	<hr/> <hr/>

13 Share premium

Authorised

The Company is authorised to issue an unlimited number of nil par value shares of a single class.

	Shares	Share capital US\$	Share premium US\$
Issued ordinary shares of US\$0.00 each			
At 01 March 2018	430,010,330	-	68,297,775
Issued for cash - pre 10:1 consolidation	66,058,208	-	1,035,000
Issued in settlement of loans (note 16)	23,726,251	-	371,691
Issued in lieu of Directors fees - pre 10:1 consolidation (note 16)	4,435,793	-	69,500
10:1 share consolidation	(471,807,524)	-	-
Issued for cash - post 10:1 consolidation	6,701,664	-	1,050,017
Issued in lieu of Directors fees - post 10:1 consolidation (note 16)	384,988	-	60,327
Transfer to retained deficit	-	-	(61,931,586)
	<hr/>	<hr/>	<hr/>
At 28 February 2019	59,509,710	-	8,952,724
	<hr/>	<hr/>	<hr/>
At 01 March 2019			
Issue for cash	2,555,551	-	400,404
	<hr/>	<hr/>	<hr/>
At 29 February 2020	62,065,261	-	9,353,128
	<hr/>	<hr/>	<hr/>
At 01 March 2020			
Issued in lieu of Directors fees (note 16)	1,233,481	-	90,548
Issued to acquire non-controlling interest (see note 9)	11,741,540	-	-
	<hr/>	<hr/>	<hr/>
At 28 February 2021	75,040,282	-	9,443,676
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Contributed capital

As at 28 February 2019, US\$ 99,965 was received from subscribers and recorded in the Contributed Capital account within equity. During March 2019, the Company completed a private funding round, raising an additional US\$ 300,439 from new and existing shareholders, with total funds raised being US\$ 400,404.

Bradda Head Holdings Limited

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forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

14 Equity settled share based payments

The cost of equity settled transactions with certain Directors of the Company and other participants ("Participants") is measured by reference to the fair value at the date on which they are granted. The fair value is determined based on the Black-Scholes option pricing model.

During the year, outstanding fees due to directors totalling US\$ 90,548 were settled by the issue of shares (2020: Nil; 2019: US\$ 129,829)

The total number of share options and warrants in issue as at the period end is set out below.

Recipient	Grant Date	Term in years	Exercise Price	1 March 2020	Issued	Lapsed/ cancelled/expired	Expensed	28 February 2021	Expensed in the year	Fair value
			US\$						US\$	US\$
Directors and Participants	April 2018	5	0.15668	5,987,034	-	(4,380,757)	-	1,606,277	63,051	24,028
				5,987,034	-	(4,380,757)	-	1,606,277	63,051	24,028

During the year, a Director holding options resigned, resulting in his options being cancelled. The fair value of the remaining options has been adjusted accordingly.

Recipient	Grant Date	Term in years	Exercise Price	1 March 2019	Issued	Lapsed/ cancelled/expired	Expensed	29 February 2020	Expensed in the year	Fair value
			US\$						US\$	US\$
Directors and Participants	April 2018	5	0.15668	5,987,034	-	-	-	5,987,034	167,659	744,873
				5,987,034	-	-	-	5,987,034	167,659	744,873

Recipient	Grant Date	Term in years	Exercise Price	1 March 2018	Issued	Lapsed/ cancelled/expired	Expensed	28 February 2019	Expensed in the year	Fair value
			US\$						US\$	US\$
Directors and Participants	April 2018	5	0.15668	-	5,987,034	-	-	5,987,034	457,868	744,873
				-	5,987,034	-	-	5,987,034	457,868	744,873

The amount expensed in the income statement has been calculated by reference to the grant date at a fair value of the equity instrument and the estimated number of equity instruments to be issued after the vesting period. The inputs used in the measurement of the fair values at grant date of the equity-settled share-based payment plans are as follows:

Fair value at grant date	Award date and exercise price
Exercise price	US\$ 0.0424
Weight average expected volatility	US\$ 0.15668
Weighted average expected life (years)	27.45%
Expected dividends	5
Risk-free interest rate (based on comparable companies)	Nil
	1.52%

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

14 Equity settled share based payments (continued)

Share Option Scheme

Terms of the issued options are as follows:

- 4,380,757 options with a 3-year vesting period, with 1/3 vesting on issue, 1/3 vesting on the first anniversary and 1/3 vesting on the second anniversary. All un-exercised options expire after a period of 5 years from grant date. It is assumed that options are exercised within 5 years from date of grant. The applied volatility is based on historical volatility.
- 1,460,252 options with a 3-year vesting period, with 1/3 vesting on admission to a recognised stock exchange, 1/3 vesting on the first anniversary and 1/3 vesting on the second anniversary of admission. All un-exercised options expire after a period of 5 years from admission date. It is assumed that options are exercised within 5 years from date of grant. The applied volatility is based on historical volatility.
- 146,025 options have been granted that vest 100% on grant date. The full fair value of these options have been expensed to the profit and loss account.

15 Financial instruments

Financial risk management

The Company has risk management policies that systematically review the risks that could prevent the Company from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Company's objectives are achieved. The Company's risk management takes place in the context of day-to-day operations and normal business processes such as strategic planning and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Company's established business objectives.

The Company's principal financial instruments consist of cash, receivables and payables arising from its operations and activities. The main risks arising from the Company's financial instruments and the policies for managing each of these risks are summarised below.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by the Company by means of cash flow planning to ensure that future cash requirements are anticipated. All liabilities are due within one month and all cash maintained in call accounts. To date the Company has relied upon equity funding to finance operations. The carrying amount of financial assets and liabilities reported in the consolidated statement of financial position represents the maximum exposure to liquidity risk. Management is confident that adequate resources are available to meet current obligations. See note 2(b) in respect of the Board's going concern assessment, and note 18 regarding exploration commitments.

The residual undiscounted contractual maturities of financial liabilities are as follows:

28 February 2021

	Less than 1 month US\$	1-3 months US\$	3 months to 1 year US\$	1-5 years US\$	Over 5 years US\$
Related party balances	-	-	500,000	1,547,208	-
Trade and other payables	214,735	-	-	-	-
	214,735	-	500,000	1,547,208	-

29 February 2020

	Less than 1 month US\$	1-3 months US\$	3 months to 1 year US\$	1-5 years US\$	Over 5 years US\$
Related party balances	-	-	-	1,233,372	-
Trade and other payables	290,264	-	-	-	-
	290,264	-	-	1,233,372	-

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

15 Financial instruments (continued)

Financial risk management (continued)

28 February 2019

	Less than 1 month US\$	1-3 months US\$	3 months to 1 year US\$	1-5 years US\$	Over 5 years US\$
Trade and other payables	498,080	-	-	-	-
	498,080	-	-	-	-

Credit risk

Credit risk is the risk of loss associated with the counter-party's inability to fulfil its payment obligations. The Company's credit risk is primarily attributable to receivables and cash balances with the maximum exposure being the reported balance in the statement of financial position. The Company holds available cash with licensed banks which have strong history. The Company considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk. All funds are available on demand.

The receivables are actively monitored to avoid significant concentration of credit risk and the Directors consider there to be no significant concentration of credit risk.

Interest rate exposure

Interest rate risk is the risk that the Company will sustain losses through adverse movements in interest bearing assets or liabilities; however it is the Directors' opinion that the Company is not significantly exposed to interest rate risk. Any interest bearing liabilities carry fixed interest rates and are not exposed to interest rate fluctuations.

Market price risk

Equity price risk arises from financial assets at fair value through profit or loss due to uncertainties about future values of the instrument. The investment at period end represents an interest held in the share capital of RRC, a copper and gold company traded on the TSX Venture Exchange. The performance of this investment is monitored and reviewed by management on a regular basis. As at 28 February 2021, the fair value of equity security exposed to price risk was US\$ 23,731 (2020: US\$ 88,484; 2019: US\$ 30,346). A 5% increase or decrease in the fair value of this listed investment, with all other variables constant, would have increased/decreased consolidated profit or loss and equity by US\$ 1,187 (2020: US\$ 4,424; 2019: US\$ 1,517).

Foreign exchange risk

The Group was exposed to foreign currency risk on fluctuations related to financial assets and liabilities that are denominated in Pounds (GBP) and Mexican Peso (MXN). The amounts exposed to foreign currency risk are as follows (in currency balance):

		GBP	MXN
28 February 2021	Cash	2,141	-
	Accounts receivable	-	75,397
29 February 2020	Cash	152,134	-
	Accounts receivable	-	75,397
28 February 2019	Cash	1,981	75,397
	Accounts receivable	-	79,249

The impact of 10% strengthening of the GBP and MXN against the US Dollar to total comprehensive income/loss is set-out below. A 10% weakening in these currencies would have had the equal but opposite effect, on the basis that all other variables remain constant.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

15 Financial instruments (continued)

Financial risk management (continued)

	28 February 2021	29 February 2020	28 February 2019
US Dollars against:	US\$	US\$	US\$
GBP	280	19,748	259
MXN	391	391	803

There is no other impact on the Company's equity other than those already affecting the consolidated statement of comprehensive income/(loss).

Political risks

The Company's operations are subject to laws and regulations governing exploration activities. While the Company believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in laws and regulations could result in changes in legal requirements or in the terms of existing agreements applicable to the Company which could have a material adverse impact on the Company's current operations or planned implementation of its strategy.

Accounting classifications and fair value

Financial instruments comprise cash and trade and other receivables (classified as loans and receivables), accounts payable and accrued expenses (classified as trade and other payables), investments and convertible loan notes and working capital loan advances (classified as related party balances). The carrying amounts of loans and receivables and trade and other payables, reported in the consolidated statement of financial position, approximate their fair values due to the short-term nature of these accounts.

The related party balances consist of convertible loan notes, which have fixed interest rates and specified repayment terms and conditions. These have been classified as non-current. The convertible loan notes accrue interest, with the rate being charged considered to be similar to market related rates for similar type instruments. Fair value is therefore considered to approximate the carrying value of these instruments.

The working capital loan facility has a repayment term of one year, and has therefore been classified as a current asset.

Financial liabilities not measured at fair value

	Carrying amount, measured at amortised cost		
	28 February 2021	29 February 2020	28 February 2019
	US\$	US\$	US\$
Related party balances	2,047,208	1,233,372	-
Trade and other payables	214,735	290,264	498,080
	2,261,943	1,523,636	498,080

The fair value of investments is based on available market price data, taking into account the liquidity of the listed securities.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

16 Related party transactions and balances (continued)

The Directors hold the following number of shares in the Company as at 28 February 2021 and 29 February 2020:

	28 February 2021		29 February 2020		28 February 2019	
	Number	% of issued share capital	Number	% of issued share capital	Number	% of issued share capital
James Mellon ¹	14,263,407	18.70%	14,263,407	22.98%	13,621,822	22.89%
Denham Eke	124,307	0.16%	124,307	0.20%	124,307	0.21%
Ian Stalker	819,861	1.07%	95,736	0.15%	-	-
	15,207,575	19.93%	14,483,450	23.33%	13,746,129	23.10%

¹ James Mellon's interest comprises of 2,945,671 (2020: 2,945,671; 2019: 2,304,086) shares directly held by Galloway Limited, which is indirectly wholly owned by James Mellon, and (2020 and 2019: 11,317,736) shares held by Galloway Limited through Bradda Head International Limited. Bradda Head International Limited holds a total of 33,953,208 (2020 and 2019: 33,953,208) shares in the Company.

Burnbrae Limited

The Company and its subsidiary, Bradda Head Limited, entered into service agreements with Burnbrae Limited ("Burnbrae") for the provision of administrative and general office services. Denham Eke and James Mellon are Directors of both Burnbrae Limited and the Company. James Mellon indirectly owns Burnbrae Limited. A monthly fee of £3,500 is charged by Burnbrae, for the provision of the services.

During the year ended 28 February 2021, the Group incurred costs of US\$ 22,875 (2020: US\$ 56,046; 2019: US\$ 55,432) under these agreements, of which US\$ 30,612 was outstanding as at the year end (2020: US\$ 7,737, 2019: US\$ 21,179).

Galloway Limited

On 16 August 2019, the Company entered into a Convertible Loan Agreement ("Loan") with Galloway Limited ("Galloway"), to the value of US\$ 350,000. The Loan has a repayment date of 31 December 2019, and carries interest at a rate of 10% per annum. On 13 December 2019, the repayment date was extended to 31 December 2024. The Loan shall automatically be converted into shares in the capital of the Company on Admission at the Issue Price.

On 09 December 2019, the Company entered into a Convertible Loan Note ("CLN") agreement with Galloway, to the value of £650,000. The CLN has a maturity date of 30 April 2020, and carries interest at a rate of 5% per annum. On 1 October 2020, the repayment date was extended to 31 December 2024. The CLN is to be converted into ordinary shares of the Company on the occurrence of either (i) a sale of the entire issued share capital of the Company (ii) a listing of the Company's shares or (iii) upon completion of a fundraising of \$1,000,000 or more in a single fundraising round. The number of shares to be issued upon conversion is determined as follows:

- On a fund raising a price per share being a 20% discount to the price per share paid by the investors on the Fund Raising; or
- On a share sale, a price per Share being a 20% discount to the price per share paid on the share sale; or
- On a listing, including by way of reverse takeover, a 20% discount to the price at which the shares are proposed to be admitted to listing (or the implied price per share paid by a buyer in the case of a reverse takeover); or
- In the event there is no eligible fund raising, or share sale or no listing by the maturity date the default price, being US\$ 0.05 per share.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

16 Related party transactions and balances (continued)

On 17 February 2021, the Company entered into a Term Loan Facility ("Term Loan") with Galloway, to the value of US\$ 500,000. The loan is interest-free, and repayable on the earlier of 17 February 2022 or upon the completion of a fundraise by the Company.

Amounts due to Galloway as at 28 February 2021 totalled US\$ 2,047,208 (2020: US\$ 1,233,372; 2019: US\$ Nil).

As discussed in note 20, the Company is in the process of listing on the London AIM market. Upon completion of the listing, the intention is for all amounts due to Galloway Limited to be converted into shares in the Company, in line with the terms of the relevant agreements.

Bradda Head International Limited ("BHIL")

During the year ended 28 February 2021, BHIL and the Company had common directors (J Mellon, D Eke) and common shareholders (J Mellon, D Eke, A Baillieu, J Macdonald).

As at 28 February 2021, US\$ 4,100 was due from BHIL in respect of working capital advances (2020: US\$ 1,875; 2019: US\$ 3,131)

Edgewater Associates Limited ("Edgewater")

During the year, Directors and Officers insurance was obtained through Edgewater, which is a 100% subsidiary of Manx Financial Group ("MFG"). James Mellon and Denham Eke are Directors of both the Company and MFG.

The premium payable on the policy was US\$ 26,855 (2020: US\$ 16,593; 2019: US\$ 13,496), of which US\$ 11,076 was prepaid as at the period end (2020: US\$ 12,607; 2019: US\$ 2,813).

17 Basic and diluted loss per share

The calculation of the basic earnings per share is based on the earnings attributable to ordinary shareholders divided by the weighted average number of shares in issue during the year.

The calculation of diluted earnings per share is based on the basic earnings per share, adjusted to allow for the issue of shares, on the assumed conversion of all dilutive share options.

An adjustment for the dilutive effect of share options in the current period has not been reflected in the calculation of the diluted loss per share, as the effect would have been anti-dilutive.

	28 February 2021 US\$	29 February 2020 US\$	28 February 2019 US\$
Loss for the year	(721,949)	(1,004,101)	(2,219,116)
	No.	No.	No.
Weighted average number of ordinary shares in issue	64,842,835	61,918,229	54,188,623
Dilutive element of share options if exercised (note 14)	1,606,277	5,987,034	5,987,034
Diluted number of ordinary shares	66,449,112	67,905,263	60,175,657
Basic earnings per share (cents)	(0.011)	(0.016)	(0.041)
Diluted earnings per share (cents)	(0.011)	(0.016)	(0.041)

The earnings applied are the same for both basic and diluted earnings calculations per share as there are no dilutive effects to be applied.

Bradda Head Holdings Limited

Notes

forming part of the consolidated financial statements for the years ended 28 February 2021 and 29 February 2020 (continued)

18 Exploration commitments

The Group has certain obligations to expend minimum amounts on exploration works on mining tenements in order to retain an interest in them, which would be approximately US\$ 224,624 during the next 12 months. This includes annual fees in respect of licence renewals. These obligations may be waived from time to time, subject to approval and are expected to be filled in the normal course of exploration and development activities of the Company.

Under the terms of the Farm In (see note 7), the Group was committed to complete a US\$ 5 million expenditure programme before 28 February 2021, in order to retain its 55% interest in the lithium projects. Following the termination of the Farm-In on 11 January 2021 (see note 9), this commitment is no longer required to be met.

19 Covid-19 impact

Since the start of January 2020, the outbreak of coronavirus, which is a rapidly evolving situation, has adversely impacted global commercial activities. The rapid development and fluidity of this situation precludes any prediction as its ultimate impact, which may have a continued adverse impact on economic and market conditions and trigger a period of global economic slowdown. The Directors do not believe there is any financial impact to the Financial Statements as at 28 February 2021 and 29 February 2020 as a result of this. The Board is monitoring developments relating to coronavirus and is coordinating its operational response based on existing business continuity plans and on guidance from global health organisations, relevant governments, and general pandemic response best practices.

20 Subsequent events

During May 2021, the Company completed a private funding round, raising a total of US\$ 1,028,199 from new and existing shareholders.

The Company also commenced the process of listing on the London AIM market, with the completion date anticipated to be during Q3 2021.