

Company Registration Number: 02401127



BMR Group PLC

ANNUAL REPORT
29 DECEMBER 2019

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DIRECTORS AND ADVISERS

DIRECTORS

C Bird Chairman

K Thygesen Non-Executive Director

COMPANY SECRETARY

M A Borrelli

REGISTERED AND HEAD OFFICE

7/8 Kendrick Mews

London SW7 3HG

Registered No. 02401127

AUDITORS

Crowe U.K. LLP

55 Ludgate Hill

London EC4M 7JW

SOLICITORS

Druces LLP

Salisbury House

London Wall

London EC2M 5PS

REGISTRARS

Neville Registrars Limited

Neville House

18 Laurel Lane

Halesowen

West Midlands B63 3DA

WEBSITE www.bmrplc.com

CHAIRMAN'S STATEMENT

I present below the financial statements of the Company for the period ended 29 December 2019.

During the year under review, the Company focused on ensuring the realisation of the royalty relating to the Kabwe Project with Jubilee Metals Group PLC ("Jubilee") and also pursued certain acquisition opportunities for a re-listing of the Company.

The Kabwe Project

Jubilee is the sole operator of the Kabwe Project and has full control of the execution methodology. In addition, Jubilee has agreed to fund the Kabwe Project by way of debt finance without dilution to BMR's shareholding which amounted to a fixed 11%, as Jubilee's total capital investment to fully execute the Kabwe Project exceeded US\$15 million.

Jubilee announced on 23 August 2019 that it was seeking through the Kabwe Project to establish a fully integrated metal recovery and refining operational footprint in Zambia following its acquisition of the Sable Zinc Refinery which significantly reduces the implementation time lines and project capital equipment. The Kabwe Project combines access to large surface material with the adjacent multi-metal refining capability and its resource comprises an estimated 6.4 million tonnes (3.2 million JORC compliant) of surface assets containing 356,843 tonnes of zinc, 351,386 tonnes of lead and 1.26% equivalent vanadium pentoxide. This excludes further third-party sourced copper and zinc rich mined material for further refining. The adjacent Refinery is to be expanded to include a copper, zinc, vanadium and lead refining circuit based on Jubilee's extensive process development and optimisation works program.

Jubilee has stated that it is fully funded to execute the Kabwe Project which will be implemented over three phases: Phase 1, the upgrading and commissioning of the copper refining circuit with a targeted capacity of 3,000 tonnes of refined copper per annum; Phase 2, the implementation of both the zinc and vanadium refinery circuit with an initial targeted capacity of 8,000 tonnes per annum of zinc contained in a high grade zinc concentrate suitable for the market and 1,500 tonnes per annum of vanadium pentoxide; and Phase 3, the implementation of the lead refining circuit with an initial targeted capacity of 11,000 tonnes per annum of lead contained in a high-grade concentrate.

Subsequent to the year end, Jubilee acquired the balance of Enviro Mining Limited from BMR and, in September 2020, Jubilee announced that it had received notification from the Minister of Mines and Mineral Development in Zambia of the approval of its application for the renewal of Small Scale Mining Licence 7081-HQ-SML in Kabwe, Zambia (the "Licence"). The Licence is in respect to the minerals lead, zinc, copper and cobalt. The Licence renewal was approved for a period of ten years and is subject to a number of customary conditions specified by the Minister of Mines and Mineral Development.

As a consequence, BMR's interest in the Kabwe Project has converted to an 11% royalty and we are awaiting the formal royalty certificate from Jubilee.

Acquisition targets

During the year, we entered into discussions with the owners of various targets with a view to concluding the acquisition of a business within the mining sector, in association with a fund raise which we expected to form the basis of an application for the proposed re-listing of the share capital on a stock market by the end of 2019.

CHAIRMAN'S STATEMENT (Continued)

In July 2019, we signed a Letter of Intent with Revelo Resources Corp, a Canadian company listed on the TSX Venture Exchange, for the acquisition by BMR of an 80% interest in Revelo's Montezuma copper project on Northern Chile, subsequently revised to a 70% interest as a result of the intended listing date being extended to early 2020. We commenced due diligence on this project but had to withdraw from completing the acquisition as a result of the lack of support from Jubilee, our 29% shareholder.

We have reviewed a number of other targets and are currently in discussions over some mining licences which we believe represent significant potential for the Company.

Directors

I am very grateful to both Alex Borrelli, former Chairman, and Antony Gardner-Hillman, former non-executive director, who recently stepped down from the Board and I was appointed chairman. I initially joined the Board in April 2018 and worked closely with my co-directors in securing the future for BMR with the 11% royalty in the Kabwe Project through negotiations with Jubilee of which I am also chairman.

In October 2020, BMR was pleased to welcome Kjeld Thygesen as a director who has significant expertise within the mining sector with recent directorships at Ivanhoe Mines and Bullfrog Gold and he is currently on the advisory team of Ignite Capital Partners..

Working capital and other matters

We remain focused on maintaining a low overhead base while we seek an appropriate opportunity for taking BMR forward and have sufficient working capital for the Company's current requirements.

We have moved the registered office of the Company with minimal ongoing administrative costs.

We are reviewing the pursuit of potential litigation against former associates and advisers to the Company.

During 2020, we were successful in our discussions with HMRC and obtained the re-registration of the Company for VAT purposes, together with receipt of a VAT refund.

Results for the period

The Company reported a loss before taxation for the period of £9.32 million (2018: £3.95 million) after an impairment charge of £8.8 million (2018: £2.7 million) and administrative expenses of £0.52 million (2018: £1.28 million), which includes a gain on sale and fair value of investments of £96,000 (2018: loss of £882,000). Exchange translation differences on subsidiary loans outstanding were a loss of £471,000 (2018: a gain of £326,000).

Following the impairment of the Kabwe Investment and the inter company subsidiary loans Net assets at 29 December 2019 fell to £0.12 million (2018: £9.44 million) including cash and cash equivalents of £37,000 (2018: £52,000).

As Jubilee acquired EML subsequent to the year end through which the Zambian subsidiary companies are held, the Company, having relinquished control, has not secured access to the full records of these companies. As a result, financial statements for the Company only have been prepared on which the auditors have issued an adverse opinion in their audit report as a result of the Company not preparing consolidated accounts.

CHAIRMAN'S STATEMENT (Continued)

AGM and Resolutions

The resolutions for the forthcoming Annual General Meeting will be contained in a separate Notice which will be made available to shareholders and on the website www.bmrplc.com. The Directors will recommend shareholders to vote in favour of all the resolutions and a form of proxy will be despatched to all shareholders for this purpose.

Outlook

We look forward to Jubilee's full implementation and successful operation of the Kabwe Project and to the receipt in due course of royalty fees for the benefit of the Company.

We are confident that we can source an attractive acquisition opportunity for the Company within the mining sector. We remain firmly of the view that we can raise funds and achieve a re-listing and we expect to update shareholders in Q1 of 2021.

Colin Bird

Chairman

23 December 2020

STRATEGIC REPORT

The Directors present their strategic report for the period ended 29 December 2019.

PRINCIPAL ACTIVITIES

The Company's principal activity is that of mining exploration and development and currently has a royalty arrangement over future net earnings from its former tailings project located in Zambia.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

The Company's performance during the period and expected future developments are described in the Chairman's Statement on page 4.

GOING CONCERN

As disclosed in Note 3, after making enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements

KEY PERFORMANCE INDICATORS

Key performance indicators for the Company as a measure of financial control are as follows:

	<i>Period ended</i> <i>29 December 2019</i>	18 months ended 30 December 2018
	£	£
Total assets	284,350	10,147,303
Net assets	122,056	9,440,459
Cash and cash equivalents	37,396	52,310
Trade and other payables	(162,294)	(706,844)
Loss before tax for the year	(9,317,951)	(3,952,363)

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is subject to various risks similar to all exploration companies operating in overseas locations relating to political, economic, legal, industry and financial conditions, not all of which are within its control. The Company identifies and monitors the key risks and uncertainties affecting the Company and runs its business in a way that minimises the impact of such risks where possible.

The following risks factors, which are not exhaustive, are particularly relevant to the Company's current and future business activities:

Licensing and title risk

Governmental approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or government offices. The Company must comply with known standards, existing laws and regulations that may entail greater or lesser costs and delays depending on the nature of the activity to be permitted and the interpretation of the laws and regulations by the permitting authorities. New laws and regulations, amendments to existing laws and regulations, or more stringent enforcement could have a material adverse impact on the Company's result of operations and financial condition. The Company's exploration activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitation.

STRATEGIC REPORT (Continued)

There is a risk that negotiations with the relevant government in relation to the renewal or extension of a licence may not result in the renewal or grant taking effect prior to the expiry of the previous licence and there can be no assurance as to the terms of any extension, renewal or grant. This is a risk that all resource companies are subject to, particularly when their assets are in emerging markets.

The Company continually seeks to do everything within its control to ensure that the terms of each licence are met and adhered to.

Dependency on key personnel

BMR's management comprises a small team of experienced and qualified executives. The Directors believe that the loss of any key individuals in the team or the inability to attract appropriate personnel could impact BMR's performance.

Although BMR has entered into contractual arrangements to secure the services of its key personnel, the retention of these services and the future costs associated therewith cannot be guaranteed.

Royalty arrangement and the Kabwe plant

The royalty arrangement is dependent upon the exercise by Jubilee Metals Group PLC of the option to acquire Enviro Mining Limited following which BMR will have a royalty over 11% of net earnings generated by the Kabwe plant. The generation of revenues at the Kabwe plant is subject to the timely construction, and successful operation, of the plant by Jubilee.

Legal risk

The legal systems in the countries in which BMR's operations are located are different to that of the UK. This could result in risks such as: (i) potential difficulties in obtaining effective legal redress in the courts of such jurisdictions, whether in respect of a breach of law or regulation, or in an ownership dispute; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between and within various laws, regulation, decrees, orders and resolutions; and (v) relative inexperience of the judiciary and courts in such matters.

In certain jurisdictions the commitment of local business people, government officials and agencies and the judicial system to abide by legal requirements and negotiated agreements may be more uncertain. In particular, agreements in place may be susceptible to revision or cancellation and legal redress may be uncertain or delayed. There can be no assurance that joint ventures, licences, licence applications or other legal arrangements will not be adversely affected by the actions of government authorities or others and the effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured.

Liquidity and financing risk

Although the Directors consider that BMR has sufficient funding in place, there can be no guarantee that further funding will be available and on terms that are acceptable to BMR should additional costs or delays arise or Jubilee decide not to proceed. Nor can there be any guarantee that the additional funding will be available to allow BMR to obtain and develop additional projects in the necessary timeframe.

The Directors intend to review BMR's funding requirements on a regular basis, and take such action as may be necessary to either curtail expenditures and / or raise additional funds from available sources including asset sales and the issuance of debt or equity.

Governmental approvals, licences and permits

Governmental approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or government offices. BMR must comply with known standards and existing laws and regulations, any of which may entail greater or lesser costs and delays depending on the nature of the activity to be permitted and the interpretation of the laws and regulations by the permitting authorities. Delays in granting such approvals, licences and permits, new laws and regulations, amendments to existing laws and regulations, or more stringent enforcement could have a material adverse impact on BMR's result of operations and financial condition. BMR's activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitation.

There is a risk that negotiations with the relevant government in relation to the renewal or extension of a licence may not result in the renewal or grant taking effect prior to the expiry of the previous licence and there can be no assurance as to the terms of any extension, renewal or grant.

Operational risk

BMR may be affected by risks arising from mechanical accidents, occupational health hazards, processing problems and technical or power failures, which occur relatively frequently in Kabwe. Although BMR has secured a generator to reduce the impact of power failures, the impact of any of these events could lead to disruptions in business operations, loss of reputation and financial losses. BMR seeks to manage these risks by ensuring compliance with relevant standards such as health and safety standards, recruitment of appropriately qualified and experienced personnel, and appropriate training of staff and contractors.

STRATEGIC REPORT (Continued)

Liability and insurance

The nature of BMR's business means that BMR may be exposed to potentially substantial liability for damages. There can be no assurance that necessary insurance cover will be available to BMR at an acceptable cost, if at all, nor that, in the event of any claim, the level of insurance carried by BMR now or in the future will be adequate.

BMR's operations are also subject to environmental and safety laws and regulations, including those governing the use of hazardous materials. The cost of compliance with these and similar future regulations could be substantial and the risk of accidental contamination or injury from hazardous materials with which it works cannot be eliminated. If an accident or contamination were to occur, BMR would likely incur significant costs associated with civil damages and penalties or criminal fines and in complying with environmental laws and regulations. BMR's insurance may not be adequate to cover the damages, penalties and fines that could result from an accident or contamination and BMR may not be able to obtain adequate insurance at an acceptable cost or at all.

Currency risk

The Company expects to present its financial information in Sterling although part or all of its business may be conducted in other currencies. As a result, it will be subject to foreign currency exchange risk due to exchange rate movements which will affect BMR's transaction costs and the translation of its results.

Economic, political, judicial, administrative, taxation or other regulatory factors

BMR may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, in the areas in which BMR will operate.

Taxation

Any change in BMR's tax status or the tax applicable to holding Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the investments or assets held by the Company, affect BMR's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. Statements in this document concerning the taxation of BMR and its investors are based upon current tax law and practice which may be subject to change.

Approved by the Board of Directors and signed on behalf of the Board.

C Bird
Chairman

23 December 2020

DIRECTORS' REPORT

The Directors present their report together with the audited financial statements, for the period ended 29 December 2019.

RESULTS AND DIVIDENDS

The results for the period are set out in the Statement of Comprehensive Income on page 18. The Directors do not recommend the payment of a dividend on the ordinary shares (2018: nil).

DIRECTORS AND THEIR INTERESTS

The names of the Directors who served throughout the period and subsequent to the year end, except where shown otherwise, are as follows:

C Bird

K Thygesen (appointed 23 October 2020)

M A Borrelli (resigned 8 October 2020)

A R Gardner-Hillman (resigned 27 October 2020)

The interests (as defined in the Companies Act) of the Directors holding office during the period to date in the share capital are shown below:

	Ordinary shares of 1p 29 December 2019	Ordinary shares of 1p 30 December 2018
M A Borrelli	2,483,332	2,483,332
A R Gardner-Hillman	-	-
C Bird	506,250	506,250

Other than as set out above, none of the Directors at 29 December 2019 held any interest in shares of the Company during the year. All of the interests reported are beneficial.

Colin Bird is non-executive chairman of Jubilee Metals Group PLC which has an interest of 29.0% in the Company.

Details of the Directors' share options are provided in Note 15.

DIRECTORS' REPORT (Continued)

EXECUTIVE DIRECTOR***Colin Bird***

Mr Bird is a chartered engineer, is a Fellow of the Institute of Materials, Minerals and Mining and holds both a UK and South African Mine Managers Certificate. The formative part of his career was spent in the UK coal mining industry and thereafter he moved to the Zambian copper belt and then to South Africa to work in a management position with Anglo Coal and BP Coal. On his return to the UK he was Technical and Operations Director of Costain Mining Limited, which involved responsibility for mining operations in the UK, Europe and Latin America. He has been involved in the management of nickel, copper, gold and many diverse mineral operations. He has founded and floated several public companies in the resource sector and served on resource company Boards in the UK, Canada and South Africa. He is non-executive chairman of Jubilee Metals Group PLC which has an interest of 29.0% in the Company.

NON-EXECUTIVE DIRECTOR***Kjeld Thygesen***

Kjeld is a graduate of the University of Natal in South Africa and has 30 years' experience as a resources analyst and fund manager. He joined African Selection Trust in 1970, researching and managing a portfolio of South African mining companies. In 1972 he joined James Capel and Co. in London in 1972 as part of their highly rated gold and mining research team, and subsequently became manager of N M Rothschild & Sons' commodities and Natural Resources Department in 1979. In 1987 he became an executive director of N M Rothschild International Asset management Limited, before co-founding Lion Resource Management Limited, a specialist investment manager in the mining and natural resources sector, in 1989. Kjeld has been a director of Ivanhoe Mines Ltd since 2001 and served as Investment Director for Resources Investment Trust PLC from 2002 – 2006.

Kjeld resides in London and brings a wealth of experience in the natural resources sector as a fund manager, advisor and investor.

ISSUES OF SHARES, OPTIONS AND WARRANTS

There were no issues of ordinary shares and no share options were granted during the year.

DIRECTORS' INDEMNITIES

The Company has obtained third party indemnity provisions for the benefit of its Directors and Officers.

FINANCIAL INSTRUMENT

An explanation of the Company's financial risk management objectives, policies and strategies is set out in note 16.

DIRECTORS' REPORT (Continued)

EVENTS AFTER THE REPORTING DATE

Events after the reporting date have been disclosed in Note 28 to the Financial Statements.

STATEMENT AS TO THE DISCLOSURE OF INFORMATION TO THE AUDITORS

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

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

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AUDITORS

Crowe U.K. LLP have expressed their willingness to continue in office as auditors.

A resolution proposing the re-appointment of the auditors Crowe U.K. LLP will be put to shareholders at the Annual General Meeting.

Approved by the Board of Directors and signed on behalf of the Board.

C Bird
Chairman

23 December 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. The Directors prepare financial statements in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union ('EU')

The financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position of the Company and the financial performance of the Company. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU;
- prepare the Strategic Report and Directors' report which comply with the requirements of the Companies Act 2006; and
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the BMR Group PLC website www.bmrplc.com.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BMR GROUP PLC

Adverse opinion on financial statements

We have audited the financial statements of BMR Group plc (the "Company") for the period ended 29 December 2019, which comprise:

- the statement of comprehensive income for the period ended 29 December 2019;
- the statements of financial position as at 29 December 2019;
- the statements of cash flows for the period then ended;
- the statements of changes in equity for the period then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

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

As set out below the financial statements are incomplete as consolidated accounts have not been presented, therefore our opinion, the financial statements:

- do not give a true and fair view of the group's affairs as at 29 December 2019 and of the profit or loss for the period then ended;
- do not comply with the relevant provisions of the Companies Act 2006; and
- have not been properly prepared in accordance with IFRSs as adopted by the European Union.

In our opinion, the Company's financial statements do give a true and fair view of the Company's affairs as at 29 December 2019 and of the loss for the period then ended.

Basis for adverse opinion on financial statements

As explained in Note 3 to the financial statements, the Company has not prepared consolidated financial statements for the period up to the loss of control as the director considers that this would lead to undue delay to the Company. This is not in accordance with International Financial Reporting Standard 10 Consolidated Financial Statements which requires consolidated financial statements to be prepared for a group of this size and nature.

Material uncertainty related to going concern

We draw attention to the adequacy of the disclosure made in note 3 to the financial statements concerning the ability of the Company to continue as a going concern. The financial statements have been prepared on the going concern basis, which rely on the financial support from a director. These conditions, along with the other matters explained in note 3 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BMR GROUP PLC

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

Except for the effect of the matters described in the basis for adverse opinion section of our report, in our opinion based on the work undertaken in the course of our audit

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

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of the directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BMR GROUP PLC

group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Use of our report

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

Leo Malkin
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor
55 Ludgate Hill
London EC4M 7JW

23 December 2020

STATEMENT OF COMPREHENSIVE INCOME
Period ended 29 December 2019

	Notes	Period to 29 December 2019 £	18 months to 30 December 2018 £
Administrative expenses		(515,371)	(1,281,807)
Impairment charge		(8,802,580)	(2,700,000)
Reversal of share based payment charge		-	38,730
Operating loss	5	(9,317,951)	(3,943,077)
Finance expense		(452)	(9,298)
Finance income		-	12
Loss before tax		(9,318,403)	(3,952,363)
Taxation	8	-	-
Loss for the period		(9,318,403)	(3,952,363)

There was no other comprehensive income for 2019 and 2018.

The note on page 22 to 35 form part of these of financial statements.

All amounts are derived from continuing operations.

STATEMENT OF FINANCIAL POSITION

As at 29 December 2019

Company No. 02401127

	Notes	29 December 2019 £	30 December 2018 £
Assets			
Non-current assets			
Property, plant and equipment	9	20,726	25,019
Investment in subsidiaries	10	-	9,294,934
		20,726	9,319,953
Current assets			
Current asset investment	11	124,308	379,199
Trade and other receivables	12	101,920	395,841
Cash and cash equivalents		37,396	52,310
		263,624	827,350
Total assets		284,350	10,147,303
Liabilities			
Current liabilities			
Trade and other payables	13	162,294	706,844
Total liabilities		162,294	706,844
Net assets		122,056	9,440,459
Equity			
Share capital	14	22,929,743	22,929,743
Share premium	14	25,027,278	25,027,278
Share based payment reserve	15	-	45,770
Merger reserve		1,824,000	1,824,000
Accumulated losses		(49,658,965)	(40,386,332)
Total equity		122,056	9,440,459

The financial statements were approved by the Board of Directors and authorised for issue on 23 December 2020 and were signed on its behalf by

C Bird
Chairman

STATEMENT OF CASH FLOW

for the period ended 29 December 2019

	Year to 29 December 2019 £	18 months to 30 December 2018 £
Cash flows from operating activities		
Loss before tax	(9,318,403)	(3,952,363)
Adjustments to reconcile net losses to cash utilised :		
Foreign exchange losses/(gains) on foreign subsidiary loans	10 471,231	(325,918)
Depreciation of property, plant and equipment	9 12,492	14,017
Impairments loss	10 8,802,581	2,700,000
(Gain)/Loss on disposal of investment shares	(96,221)	664,053
Loss in Fair value of investment at balance sheet date	-	218,044
Finance income	-	(10)
Share based payments	-	(38,730)
	<hr/>	<hr/>
Operating cash outflows before movements in working capital	(128,320)	(720,907)
Changes in:		
Trade and other receivables	293,921	(14,460)
Trade and other payables	(544,550)	(223,363)
	<hr/>	<hr/>
Net cash outflow from operating activities	(378,949)	(958,730)
	<hr/>	<hr/>
Investing activities		
Interest received	-	10
Loans to subsidiaries	21,122	(1,272,302)
Proceeds of sale of Investment shares	475,420	1,054,586
Purchases of property, plant and equipment	(8,199)	(26,559)
Acquisition of investments	(124,308)	-
	<hr/>	<hr/>
Net cash inflow/(outflow) from investing activities:	364,035	(244,265)
	<hr/>	<hr/>
Cash flows from financing activities		
Proceeds from issue of shares and warrants	-	1,300,000
Share issue costs	-	(55,900)
	<hr/>	<hr/>
Net cash inflow from financing activities	-	1,244,100
	<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents	(14,914)	41,105
Cash and cash equivalents at beginning of period	52,310	11,205
	<hr/>	<hr/>
Cash and cash equivalents at end of period	37,396	52,310
	<hr/>	<hr/>

STATEMENT OF CHANGES IN EQUITY

Period ended 29 December 2019

	Share capital £	Share premium £	Share based payment reserve £	Merger reserve £	Accumulated losses £	Total equity £
As at 30 June 2017	21,556,030	22,841,009	84,500	1,824,000	(36,433,969)	9,871,570
Total comprehensive loss for the period	-	-	-	-	(3,952,363)	(3,952,363)
Issue of shares	1,373,713	2,242,169	-	-	-	3,615,882
Share issue costs	-	(55,900)	-	-	-	(55,900)
Share based credit	-	-	(38,730)	-	-	(38,730)
As at 30 December 2018	22,929,743	25,027,278	45,770	1,824,000	(40,386,332)	9,440,459
Total comprehensive loss for the period	-	-	-	-	(9,318,403)	(9,318,403)
Issue of shares	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-
Share based movement	-	-	(45,770)	-	45,770	-
As at 29 December 2019	22,929,743	25,027,278	-	1,824,000	(49,658,965)	122,056

Reserves Description and purpose

Share capital - amount subscribed for share capital at nominal value

Share premium - amounts subscribed for share capital in excess of nominal value

Share based payment reserve - amount arising on the issue of warrants and share options during the period

Merger reserve - amount arising from the issue of shares for non-cash consideration

Accumulated losses - cumulative net gains and losses recognised in the consolidated income statement

NOTES TO THE FINANCIAL STATEMENTS**Period ended 29 December 2019**

1. GENERAL INFORMATION

BMR Group PLC (the ‘Company’ or “BMR”) is incorporated and domiciled in the United Kingdom. The address of the registered office is 7/8 Kendrick Mews, London SW7 3HG.

The Company’s period being reported on in these accounts is for the period to 29 December 2019. The comparative period is for the eighteen months to 30 December 2018.

2. ADOPTION OF NEW AND REVISED STANDARDS

A number of new standards and amendments to standards and interpretations have been issued but are not yet effective and in some cases have not yet been adopted by the EU.

The directors do not expect that the adoption of these standards will have a material impact on the financial statements of the Company in future periods, except that that IFRS 16 will impact the treatment of an operating leases and its presentation.

The Company did not have any lease which is material and long term. Directors do not therefore anticipate the adoption of IFRS 16 will have any impact on the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (‘IFRSs’) as issued by the International Accounting Standards Board (‘IASB’) and as adopted by the European Union (‘EU’) and those parts of the Companies Act 2006 applicable to companies reporting under IFRSs.

The principal accounting policies adopted are set out below.

The financial statements are presented in Pounds Sterling (“£”).

Presentation of Financial Statements

The company owned 3 subsidiary undertakings Enviro Mining Limited, Enviro Processing Limited and Enviro Properties Limited during the period but these were subsequently effectively disposed of in June 2020, when Jubilee Metals Group Plc (“Jubilee”) exercised their option to acquire Enviro Mining Limited and the Company effectively lost control over these entities and did not have access to the full records of these subsidiary companies.

On the basis the Company did not have access to the full records of the subsidiary it has not prepared group financial statements. The financial statements are those of the Company only, although consolidated financial statements should have been prepared.

NOTES TO THE FINANCIAL STATEMENTS (Continued)Period ended 29 December 2019

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Going concern

The operational requirements of the Company comprise maintaining a Head Office in the UK with a Board of one executive Director and one non-executive Director, and one consultant for, amongst other things, determining and implementing strategy and managing operations.

The COVID-19 outbreak has not had a significant impact to the Company's matters to date. The Directors have an appropriate response plan in place and they will continue to monitor and assess the ongoing development and respond accordingly.

The Company have sought and obtained assurances from one of the directors that he will provide ongoing financial support to enable the Company to meet its liabilities as they fall due for the foreseeable future. Having received this assurance, the directors have a reasonable expectation that the Company will be able to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements and, therefore, believe it is appropriate to prepare the financial statements on the going concern basis.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

NOTES TO THE FINANCIAL STATEMENTS (Continued)Period ended 29 December 2019

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any recognised impairment loss.

Depreciation and amortisation is charged so as to write off the cost or valuation of assets, other than land, over their estimated useful lives, using the straight-line method, on the following bases:

Motor vehicles	25%
Other	25%

The gain or loss arising on disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Investment in subsidiaries

In the Company's financial statements, investment in subsidiaries are stated at cost and reviewed for impairment if there are any indications that the carrying value may not be recoverable.

Financial instruments***Recognition of financial assets and financial liabilities***

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

De-recognition of financial assets and financial liabilities

The Company derecognises a financial asset only when the contractual rights to cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for the amount it has to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. The Company derecognises financial liabilities when the Company's obligations are discharged, cancelled or expired.

Loans and receivables

Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost less any provision for impairment.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash with three months or less remaining to maturity and are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS (Continued)**Period ended 29 December 2019**

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its receivables carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade and other receivables, the Company applies the simplified approach permitted by IFRS 9, resulting in trade and other receivables recognised and carried at amortised cost less an allowance for any uncollectible amounts based on expected credit losses.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic resource will result and that outflow can be reliably measured.

Share-based payments

The Company has applied IFRS 2 Share-based Payment for all grants of equity instruments.

The Company issues equity-settled share-based payments to its employees. Equity-settled share-based payments are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the shares that will eventually vest.

Fair value is measured using the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The inputs to the model include: the share price at the date of grant, exercise price expected volatility, risk free rate of interest.

Share capital

Financial instruments issued by the Company are treated as equity only to the extent that they do not meet the definition of a financial liability. The Company's ordinary shares are classified as equity instruments.

The Company considers its capital to be total equity. There have been no changes in what the Company considers to be capital since the previous period.

The Company is not subject to any externally imposed capital requirements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Period ended 29 December 2019

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of the assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

The following are the critical judgements and estimations that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

i) *Going concern*

As disclosed in note 3 the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing the financial statements.

5. LOSS FOR THE PERIOD (2018 18 MONTHS)

The loss for the period has been arrived at after charging / (crediting):

	2019	2018
	£	£
Depreciation of property, plant and equipment (note 9)	12,492	14,017
Impairment of investment in subsidiaries and loans to subsidiaries	8,802,580	2,700,000
Write back of VAT provision and reinstatement of VAT previously written off	(404,369)	-
Staff costs (note 7)	140,640	275,142
(Gain)/loss on sale of investment	(96,221)	665,344
Loss in Fair value of investment at balance sheet date	-	216,752
Finance charge	452	9,298
Finance income	-	(12)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Period ended 29 December 2019

6. AUDITORS' REMUNERATION

The remuneration of the auditors can be analysed as follows:

	2019 £	2018 £
Fees payable to the company's auditor for the audit of the company's financial statements	20,000	24,000
Fees payable to the company's auditor for other services:		
Other services relating to taxation work	2,750	4,275
	22,750	28,275

7. STAFF COSTS

	2019 Number	2018 Number
Directors	3	3
Consultant	1	2
Support staff	-	1
The average monthly number of employees	4	6
Their aggregate remuneration comprised:-	£	£
Fees	140,640	219,469
Wages and salaries	-	55,673
Share based (credit back)	-	(38,730)
	94,870	236,412

Included within staff costs £140,640 (2018: £219,469) relates to amounts in respect of Directors. The highest paid director's emoluments were £80,640 (2018: £118,800)

8. TAXATION

No liability to corporation tax arose for the period ended 29 December 2019 and period ended 30 December 2018, as a result of underlying losses brought forward.

Reconciliation of effective tax rate:

	2019 £	2018 £
Loss before tax	(9,318,403)	(3,952,363)
Tax credit at the standard rate of tax in the UK	1,770,497	750,949
Tax effect of non-deductible expenses	(1,654,209)	(637,532)
Changes in the rate of tax	-	-
Deferred tax not provided	(116,288)	(113,417)
Tax for the period	-	-

The standard rate of corporation tax in the UK applied during the year was 19% (2018: 19%).

At 29 December 2019, the Company are carrying forward estimated tax losses of £6.3m (2018: £5.7) in respect of various activities over the years. No deferred tax asset was recognized in respect to these accumulated tax losses as there is insufficient evidence that the amount will be recovered in future years.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Period ended 29 December 2019

9. PROPERTY PLANT AND EQUIPMENT

	Other £	Total £
COMPANY		
Cost		
At 1 July 2017	25,829	25,829
Additions	26,559	26,559
At 30 December 2018	52,388	52,388
Additions	8,199	8,199
At 29 December 2019	60,587	60,587
Accumulated depreciation		
At 1 July 2017	(13,352)	(13,352)
Charge for the period	(14,017)	(14,017)
At 30 December 2018	(27,369)	(27,369)
Charge for the period	(12,492)	(12,492)
At 29 December 2019	(39,861)	(39,861)
Carrying amount		
At 29 December 2019	20,726	20,726
At 30 December 2018	25,019	25,019

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Period ended 29 December 2019

10. INVESTMENT IN SUBSIDIARIES

	Cost of Investment £	Long Term Loans £	Total £
COMPANY			
Cost at 30 June 2017	3,676,701	6,525,793	10,202,494
Advance to subsidiary undertakings	-	1,466,522	1,466,522
Effect of forex exchange rate charges	-	325,918	325,918
Impairment loss	-	(2,700,000)	(2,700,000)
At 30 December 2018	3,676,701	5,618,233	9,294,934
Movement in subsidiary undertakings	-	(21,122)	(21,122)
Effect of forex exchange rate charges	-	(471,231)	(471,231)
Impairment loss	(3,676,701)	(5,125,880)	(8,802,581)
At 29 December 2019	-	-	-

The investment in subsidiaries and loans to subsidiaries have been fully impaired this year on the basis that they were disposed of at nil value in June 2020 subsequent to the year end.

The Company had investment in the following subsidiary undertakings at 29 December 2019 and 30 December 2018:

Name	Activity and operation	Country of incorporation	Ordinary Shares held Company	Ordinary shares held Company
Enviro Mining Limited 10 th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius	Holding Company	Mauritius	100%	100%
Enviro Processing Limited Plot 5209, Mine Plant Kabwe, Zambia	Tailings processing	Zambia	-	100%
Enviro Props Limited Plot 5209, Mine Plant Kabwe, Zambia	Property holding	Zambia	-	100%

The Company holding of 100% in the Zambian subsidiaries is held as to 99% by Enviro Mining Limited and 1% by a nominee on behalf of the Company.

The Company holding of 100% in the Mauritius subsidiary is held as to 95% by the Company and 5% by a nominee on behalf of the Company.

The Company held a 80% shareholding in BMR Minas Portugal, a company incorporated in Portugal as at the period end. This was disposed of at the beginning of 2019. The company was subsequently dissolved in June 2019

The Company held a 12.5% shareholding in Kabwe Operations Limited a company incorporated in Mauritius.

The Company held a 15% shareholding in Enviro Zambia Limited a company incorporated in Mauritius as at the period end and subsequently disposed of the shareholding on 24 June 2019.

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Period ended 29 December 2019
11. CURRENT ASSET INVESTMENT

	29 Dec 2019	30 Dec 2018
	£	£
Balance as at 30 December 2018	379,199	-
Additions	124,308	2,315,882
Disposals	(379,199)	(1,718,639)
Fair value through profit and loss	-	(218,044)
Balance as at 29 December 2019	<u>124,308</u>	<u>379,199</u>

The investment represents the acquisition of 24,615,385 new ordinary shares of Galileo Resources Plc resulting from the sale of Star Zinc.

12. TRADE AND OTHER RECEIVABLES

	2019	2018
	£	£
Prepayment	9,950	11,050
Amount due from related party	-	382,638
Other receivables	890	2,153
Vat receivable	91,080	-
	<u>101,920</u>	<u>395,841</u>

The fair value of trade and other receivables is not significantly different from the carrying value and none of the balances are past due.

13. TRADE AND OTHER PAYABLES

	2019	2018
	£	£
Trade and other payables	91,044	283,485
Other taxes and social security	-	3,759
Vat payable	-	374,350
Accruals	71,250	45,250
	<u>162,294</u>	<u>706,844</u>

BMR was de-registered for VAT with effect from 1 August 2015 on the basis there was no effective consideration for any services provided as no invoices had been raised by BMR and issued to its subsidiaries and that management services were not considered supplies for VAT purposes. The Company came to a settlement agreement with HMRC in October 2020 and its registration was reinstated with effect from August 2015 and as a result no provision is now required (2018 - £374,350)

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Period ended 29 December 2019
14. SHARE CAPITAL AND SHARE PREMIUM

	2019		2018	
	Number	£	Number	£
Issued equity share capital Issued and fully paid				
Ordinary shares of £0.01 each	335,710,863	3,357,109	335,710,863	3,357,109
Deferred shares of £0.009 each	1,346,853,817	12,121,684	1,346,853,817	12,121,684
Deferred shares of £0.01 each	19,579,925	195,799	19,579,925	195,799
Deferred shares of £0.04 each	181,378,766	7,255,151	181,378,766	7,255,151
		22,929,743		22,929,743

The deferred shares of £0.01 each and £0.009 each confer no rights to vote at a general meeting of the Company or to a dividend. On a winding-up the holders of the deferred shares are only entitled to the paid up value of the shares after the repayment of the capital paid on the ordinary shares and £5,000,000 on each ordinary share.

The deferred shares of £0.04 each have no rights to vote or to participate in dividends and carry limited rights on return of capital. Shares issued during the year:

	Number of shares	Nominal value	Share Premium
At 1 July 2017	198,339,565	1,983,396	22,841,009
Ordinary shares issued during the year	137,371,298	1,373,713	2,242,169
Share issue costs	-	-	(55,900)
At 30 December 2018	335,710,863	3,357,109	25,027,278
Ordinary shares issued during the period	-	-	-
Share issue costs	-	-	-
At 29 December 2019	335,710,863	3,357,109	25,027,278

Shares Issued	Number of Shares	Nominal Value	Share Premium
20 November 2017 at £0.01 each	40,000,000	400,000	400,000
12 January 2018 at £0.01 each *	72,371,298	723,713	1,592,169
19 January 2018 at £0.01 each *	25,000,000	250,000	250,000
At 30 December 2018 and 29 December 2019	137,371,298	1,373,713	2,242,169

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Period ended 29 December 2019

15. SHARE BASED PAYMENTS

Equity settled share-based payments

The Company had a share option scheme for directors, employees and consultants.

Name	Price	30 December 2018 or date of appointment Number	Cancelled or Lapsed Number	Granted during the year Number	Exercised during the year Number	29 December 2019 or date of resignation Number
SHARE OPTIONS						
M A Borrelli	6p	8,210,243	(8,210,243)	-	-	-
Consultants	6p	1,319,655	(1,319,655)	-	-	-
Total share options		9,529,898	(9,529,898)	-	-	-

Share Options

There were no share options granted in the year and cancelled share options as a result of leavers.

16. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern, while maximising the return to shareholders.

The capital resources of the Company comprises issued capital, reserves and retained earnings as disclosed in the Statement of Changes in Equity. The Company's primary objective is to provide a return to its equity shareholders through capital growth. Going forward the Company will seek to maintain a yearly ratio that balances risks and returns of an acceptable level and also to maintain a sufficient funding base to the Company to meet its working capital and strategic investment needs.

Categories of financial instruments

	2019 £	2018 £
Financial assets		
Cash and cash equivalents	37,396	52,310
Other receivables	91,970	384,791
	129,366	437,101
Financial liabilities classified as held at amortised cost		
Trade and other payables	91,044	661,594
	91,044	661,594

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Period ended 29 December 2019

16. FINANCIAL INSTRUMENTS (continued)

Fair value of financial assets and liabilities

Fair value is the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties, other than a forced or liquidation sale and excludes accrued interest. Where available, market values have been used to determine fair values.

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments which are measured at fair value by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

Management assessed that the fair values of cash and short-term deposits, other receivables, trade and other payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

Financial risk management objectives

Management provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the Company through internal risks reports which analyse exposures by degree and magnitude of risks. These risks include foreign currency risk, credit risk, liquidity risk and cash flow interest rate risk. The Company does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

As the Company has no committed borrowings, the Company is not exposed to any risks associated with fluctuations in interest rates on loans. Fluctuation in interest rates applied to cash balances held at the balance sheet date would have minimal impact on the Company.

Foreign exchange risk and foreign currency risk management

Foreign currency exposures are monitored on a monthly basis. Funds are transferred between the Sterling and US Dollar accounts in order to minimise foreign exchange risk. The Company holds the majority of its funds in Sterling.

The carrying amounts of the Company's foreign currency denominated financial assets and monetary liabilities at the reporting date are as follows:

	Financial liabilities		Financial assets	
	2019	2018	2019	2018
	£	£	£	£
Company				
US Dollars	-	-	10,244	19,156

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Period ended 29 December 2019
16. FINANCIAL INSTRUMENTS (continued)
Credit risk management

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company does not have any significant credit risk exposure on trade receivables.

The Company makes allowances for impairment of receivables where there is an identified event which, based on previous experience, is evidence of a reduction in the recoverability of cash flows.

The credit risk on liquid funds (cash) is considered to be limited because the counterparties are financial institutions with high credit ratings assigned by international credit-rating agencies.

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

Liquidity risk management

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Management monitor forecasts of the Company's liquidity reserve, comprising cash and cash equivalent, on the basis of expected cash flow. At 29 December 2019, the Company held cash and cash equivalent of £37,396 (2018: £52,310) and the directors assess the liquidity risk as part of their going concern assessment (see note 3)

The Company aim to maintain appropriate cash balances in order to meet its liabilities as they fall due.

Maturity analysis

Company 2019	Total £	On demand £	In 1 month £	Between 1 and 6 months £	Between 6 and 12 months £	Between 1 and 3 years £
Trade and other payables	162,294	-	63,893	14,795	83,606	-
Company 2018						
	Total £	On demand £	In 1 month £	Between 1 and 6 months £	Between 6 and 12 months £	Between 1 and 3 years £
Trade and other payables	706,844	108,674	34,973	34,971	528,226	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)
Period ended 29 December 2019

17. RELATED PARTY TRANSACTIONS

Transactions between the Company and its subsidiaries, which are related parties, have been in note 10.

Transactions with Jubilee Metals Group Plc (“Jubilee”)

Jubilee is a related party of the Company because it owns 29% of share capital of the Company and Colin Bird is the non-executive Chairman of Jubilee.

At the period end there was a balance owed by Jubilee to the Company of £Nil (2018: - £382,638).

Transactions with Kabwe Operations Limited (“Kabwe”)

Kabwe is a related party of the Company because the Company owns 12.5% of the share capital of Kabwe. At the reporting date, there was a balance owing by Kabwe to the Company of £2,019 (2018: £2,019).

Directors’ transactions

Transactions with the Directors are shown in the Directors’ Report.

Remuneration of key management personnel

The key management personnel of the Company are considered to be the Directors. Details of their remuneration are covered in note 7.

18. NET DEBTS RECONCILIATION

	2019	2018
Cash and cash equivalent	37,396	52,310
Net debt	37,396	52,310
Net debt as at 31 December 2018	52,310	11,205
Cash flow	(490,334)	(3,139,678)
Issue of new equity (net proceeds)	-	1,244,101
Cash flow from sale of Investment shares	475,420	1,719,930
Other non-cash movement	-	216,752
Net debt	37,396	52,310

19. EVENTS AFTER THE REPORTING DATE

On 10 June 2020 Jubilee exercised its option to acquire the balance of Enviro Mining Limited from BMR and, in September 2020, Jubilee announced that it had received notification from the Minister of Mines and Mineral Development in Zambia of the approval of its application for the renewal of Small Scale Mining Licence 7081-HQ-SML in Kabwe, Zambia (the “Licence”). The Licence is in respect to the minerals lead, zinc, copper and cobalt. The Licence renewal was approved for a period of ten years and is subject to a number of customary conditions specified by the Minister of Mines and Mineral Development.

As a consequence, BMR’s interest in the Kabwe Project has converted to an 11% royalty.