

Final Results for the 12 months to 31 December 2020

18 June 2021

Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information for the purposes of Article 7 under the Market Abuse Regulation (EU) No. 596/2014 ("MAR"). With the publication of this announcement, this information is now considered to be in the public domain.

BWA Group PLC

("BWA" or "the Company")

Final Results for the 12 months to 31 December 2020

BWA Group plc [AQSE: BWAP], which has mineral exploration licences split between Canada and Cameroon at various stages of development and is quoted on London's AQSE Growth Market, is pleased to announce its final results and the publication of its audited annual report and accounts for the year to 31 December 2020 (the "Annual Report"). A copy of the Annual Report has been posted on the Company's website, <http://www.bwagroupplc.com>, and can also be viewed here:

https://mma.prnewswire.com/media/1536161/2020_signed_accounts.pdf

The Company's annual general meeting ("**AGM**") for the year ended 31 December 2020 will be held at 11.00 am on 13 July 2021 at St Jacques House, St Jacques, St Peter Port, Guernsey, GY1 1SP. Due to the current situation in relation to COVID-19, this year's AGM format will be a closed meeting and all resolutions will be taken on a poll. A copy of the notice of AGM has been posted on the Company's website. The notice of AGM, along with copies of the Annual Report for those shareholders who have requested them, is being posted to shareholders today.

Key elements from the Annual Report have been extracted and can be viewed below.

Ends –

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REVIEW OF BUSINESS

The Company's main investments are a 90% interest in BWA Resources (UK) Limited, which owns 100% of BWA Resources Cameroon Limited, the holder of two exploration licences for rutile sands in Cameroon and a 100% interest in Kings of The North Corp ("KOTN"), an exploration company with licences in Ontario and Quebec in Canada.

As the Company's investment strategy is now focussed toward early stage mining investments with effect from 1 June 2020 Mr James Hogg, a qualified geologist and managing director of Addison Mining Services Limited, has been appointed a director of the Company.

The UK Government's response to the Covid pandemic included making available "Business Bounce Back" unsecured loans to affected companies. The Company arranged a loan of £50,000 in May 2020. This loan is interest free for the first twelve months and is either repayable in May 2021 or by equal instalments from May 2021 over five or ten years at a rate of 2.5% p.a.

In December 2020 3,000,000 common shares in St Georges Eco-Mining Corp ("St Georges"), held by KOTN, were transferred to the Company at middle market price of C\$0.10 per share, equivalent to approximately £170,000 on account of monies due to the Company by KOTN.

The Cameroon activity, although impacted by the Covid pandemic has the benefit of locally based management, which has enabled the business there to develop, although at a slower rate than anticipated. A report on surface sampling at the Dehane claim, which is part of the BWA Resources investment, was issued on 15 January 2021 for work carried out in November and December 2020. This report is available on the company website (www.bwagroupplc.com). Our conclusion to that report was that the initial geochemical test results for the Dehane licence are encouraging and supportive of BWA's long-held view of the prospectivity for rutile mineralisation in the Nyong river system. These results, albeit of a limited nature, do demonstrate the presence of titanium, zircon and aluminium compounds at levels of potential economic interest within interpreted extensive depositional environments along the prospective Nyong river system contained within the licence. We become increasingly attracted by our investment in Cameroon. Accordingly, we have commissioned further testing at both Dehane and Nkoteng and will be publishing the results in due course. We await the issue of the three additional licences in Cameroon for which we have applied.

On 24 August 2020, the Company announced it had reached a conditional agreement with St Georges to sell the Company's 100% interest in Kings of the North Corp ("KOTN") back to St Georges, the original vendor. The signed agreement specified an expected completion date of 31 August 2020, but St Georges were unable to comply with the completion conditions, despite several extensions of the completion date up to 27 November 2020, On that date the Board concluded St Georges had withdrawn from the transaction and resolved to seek alternative directions for the investment.

Having further reviewed in depth the licences, agreements and options held by KOTN, the Board concluded there are significant deficiencies in the rights attaching to the licences existing in KOTN at the date of completion of the original acquisition on 1 October 2019. Accordingly, a provision of £3.3 million

has been made against the carrying value of the investment in KOTN. Having reviewed, with its legal advisers, the Board has informed St Georges and certain of its directors and former directors of claims under the warranties contained in the original purchase agreement and otherwise to recover at least the value of the investment write down and related costs.

The Company views the investments in Mineralfields Group Limited and BWA Resources UK Limited as one unit representing the interest of those companies in the activities in Cameroon and had valued them accordingly as set out in previous reports. In the absence of a sufficiently reliable estimate of fair value being able to be determined for these Cameroon investments, the directors are required under accounting standards to carry these investments separately at cost less provision for impairment. This means that a provision of £0.3 million has been required to be made against the investment in Mineralfields Group Limited. This is a technical adjustment and does not reflect the Board's view of the underlying value of the investment in BWA Resources UK Limited and Mineralfields Group Limited if valued together.

FUTURE DEVELOPMENTS

The directors will use their experience to identify appropriate targets, carry out due diligence and negotiate acquisitions and investments. When appropriate, the directors may consider further fundraising to provide additional resources for the company ahead of such an acquisition or investment.

EXTRACT FROM THE INDEPENDENT AUDITOR'S REPORT

Material uncertainty related to going concern

We draw attention to note 3 in the financial statements, which indicates that for the Company to continue as a going concern, it will likely need to perform additional fundraising or realise certain investment assets in the next 12 months. As stated in note 3, these events or conditions indicate that a material uncertainty exists that may cast significant doubt over the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the entity's ability to continue to adopt the going concern basis of accounting included:

- The consideration of inherent risks to the Company's operations and specifically its business model and its ongoing cash requirements.
- The evaluation of how those risks might impact on the Company's available financial resources and the need for additional fund raising.
- Where additional resources may be required the reasonableness and practicality of the assumptions made by the Directors when assessing the probability and likelihood of those resources becoming available.
- Liquidity considerations including examination of cash flow projections.
- Solvency considerations including examination of budgets and forecasts and their basis of preparation.

**BWA GROUP PLC
INCOME STATEMENT
FOR THE 12 MONTHS TO 31 DECEMBER 2020**

	Year Ended 31.12.20	Period 1.5.19 to 31.12.19
	£	£
TURNOVER	-	-
Administrative expenses	242,788	378,104
	(242,788)	(378,104)
Other operating income	240,000	60,000
Loss on revaluation of investments	(3,594,217)	(314,285)
OPERATING LOSS	(3,597,005)	(632,389)
Interest receivable and similar income	11	7
Interest payable and similar charges	(42,140)	(38,078)
LOSS BEFORE TAXATION	(3,639,134)	(670,460)
Tax on loss	-	-
LOSS FOR THE FINANCIAL YEAR/PERIOD	(3,639,134)	(670,460)
Loss per share expressed in pence per share:		
Basic	-1.24	-0.41
Diluted	-1.24	-0.41

**BWA GROUP PLC
OTHER COMPREHENSIVE INCOME
FOR THE 12 MONTHS TO 31 DECEMBER 2020**

	Notes	Year Ended 31.12.20	Period 1.5.19 to 31.12.19
		£	£
LOSS FOR THE YEAR/PERIOD		(3,639,134)	(670,460)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR/PERIOD		(3,639,134)	(670,460)

**BWA GROUP PLC (REGISTERED NUMBER: 00255647)
BALANCE SHEET
31 DECEMBER 2020**

	2020	2019
	£	£
FIXED ASSETS Investments	1,813,948	5,179,414
CURRENT ASSETS		
Debtors	204,102	144,839
Cash at bank	1,383	15,973
	205,485	160,812
CREDITORS	(221,682)	(152,554)
Amounts falling due within one year		
NET CURRENT (LIABILITIES)/ASSETS	(16,197)	8,258
TOTAL ASSETS LESS CURRENT LIABILITIES	2,091,010	5,187,672
CREDITORS	(44,483)	-
Amounts falling due within one year		
NET ASSETS	1,753,268	5,187,672
CAPITAL AND RESERVES		

Called up share capital	1,526,814	1,355,129
Share premium	15,608	12,663
Other reserve	(3,300,724)	293,493
Capital redemption reserve	288,625	288,625
Equity reserve	4,742,058	4,711,958
Retained earnings	(1,519,113)	(1,474,196)
SHAREHOLDERS' FUNDS	1,753,268	5,187,672

BWA GROUP PLC
CASH FLOW STATEMENT
FOR THE YEAR TO 31 DECEMBER 2020

	Year Ended 31.12.20	Period 1.5.19 to 31.12.19
	£	£
Cash flows from operating activities		
Cash generated from operations	(88,063)	(68,595)
Interest paid	(23,987)	(9,212)
Net cash from operating activities	(112,050)	(77,807)
Cash flows from investing activities		
Purchase of fixed asset investments	(8)	(39,029)
Loans to subsidiary undertakings	(56,543)	-
Interest received	11	7
Net cash from investing activities	(56,540)	(39,022)
Cash flows from financing activities		
New loans in period	91,000	16,500

Loan repayments in period	(46,500)	-
Loan note proceeds received	12,500	-
Convertible loan notes issued	-	101,000
Amount introduced by directors	-	3,000
Amount repaid to directors	(3,000)	-
Share issue	100,000	-
Net cash from financing activities	154,000	120,500
(Decrease)/increase in cash and cash equivalents	(14,590)	3,671
Cash and cash equivalents at beginning of year/period	15,973	12,302
Cash and cash equivalents at beginning of year/period	1,383	15,973