REGISTERED NUMBER: 00255647 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2023

FOR

BWA GROUP PLC

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2023

COMPANY INFORMATION
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2023

DIRECTORS:	J M V Butterfield J T Byfield (appointed 3 July 2023) J P Wearing (appointed 3 July 2023) R G Battersby (resigned 1 December 2022) M A Borrelli (resigned 23 April 2023) J Hogg (resigned 30 June 2023)
SECRETARY:	J M V Butterfield
REGISTERED OFFICE:	1 Bow Churchyard London EC4M 9DQ
REGISTERED NUMBER:	00255647 (England and Wales)
INDEPENDENT AUDITOR:	Adler Shine LLP Chartered Accountants and Statutory Auditor Aston House Cornwall Avenue London N3 1LF
SOLICITORS:	Shoosmiths LLP 1 Bow Churchyard London EC4M 9DQ
AQSE CORPORATE ADVISOR:	Allenby Capital Limited 5 St Helen’s Place London EC3A 6AB

The directors present their strategic report for the period ended 30 June 2023. The company's accounting reference date has been changed from 31 December to 30 June, therefore the current period in these financial statements covers the eighteen months to 30 June 2023. The comparative period covers the year ended 31 December 2021.

PRINCIPAL ACTIVITY
The principal activity of the company during the current and preceding period was that of an investment company, with a focus on mineral exploration.

REVIEW OF BUSINESS
The company's principal investments are in Canada and Cameroon. The Canadian interests are mining licences in the Province of Quebec held through the wholly owned subsidiary, Kings of the North Corp. BWA Resources (UK) Limited, 90% owned, owns 100% of its subsidiaries in Cameroon: BWA Resources Cameroon Limited and BWA Minerals Cameroon Limited. During the period under review there have been significant developments in the Cameroon operations.

BWA Cameroon Limited has now been granted a further three exploration licences for Heavy Mineral Sands, (primary Rutile), in Cameroon, taking its total to five. The licensed areas lie along and in the estuary of the Nyong and Sanaga rivers, covering a total licence area of 1,421 sq. kms. BWA Minerals Cameroon Limited has applied for, but not yet granted, two similar licences each covering up to 500 sq. kms each.

Over the 18 month period, activity in Cameroon has been directed towards continuing exploration work in the two, original, licence areas and preliminary work on the three new licence areas. At the start of the period, a JORC compliant Competent Persons Report on the Nkoteng 1 and Dehane licences areas stated:-

"Tecoma are encouraged by the level of grade and extent of all the target minerals throughout the Nkoteng and Dehane licences.

Geological setting including observed basement geology and depositional environment are considered highly prospective for alluvial heavy mineral sands development.

The results to date are considered positive and demonstrate the grades and thicknesses of potential economic interest over significant lateral extents, and warrant further investigation and advanced exploration work, including drill testing, mineral resource estimation leading to preliminary conceptual mining studies and economic evaluation."

Over the following 18 months to 30 June 2023, BWA has continued to work on and develop its five licence sites, which have been reported in the following announcements:

1. Positive Mineral Results for Nkoteng & Dehane Projects (1 February 2022)
2. Completion of mechanised Auger Sampling at Nkoteng 1 of 107 holes drilled, over 193 meters with 171 primary samples (29 June 2022)
3. Results of Granulometric Test-Work at Nkoteng Project (7 September 2022)
4. Grant of Licences & Access for 3 Exploration Licences (13 December 2022)
5. Reconnaissance Site Visit to Dehane 2 (6 April 2023)

The above announcements can be viewed on the company's website: http://www.bwagroupplc.com/bwa-announcements.html.

The Directors are pleased with the results to date while post period-end announced an Offer for Subscription to raise up to £900,000 to finance working capital and the provision of a Mineral Resource Estimate and Preliminary Economic Assessment for the Dehane 1 area, where investigations to date have produced encouraging results.

In Canada the two licence areas in Quebec, Winterhouse and Isoukustouc, have received care and maintenance attention only, pending settlement of litigation with St Georges Eco-Mining Corp. A proposed settlement offer has been received and is under negotiation.

REVIEW OF BUSINESS – continued

Throughout the period the directors have been mindful of their obligations under S172 of the Companies Act 2006, which sets out a number of principles the board should have regard to in promoting the success of the Company for the benefit of the shareholders. The board have complied with this requirement as follows:

Principle	Company's Actions
Have regard to the likely consequences of any decision in the long term	The board has a strategic vision and continues to evaluate potential transactions for the benefit of members
Have regard to the interests of the Company's employees	The Company does not currently have any employees
Have regard to the need to foster the Company's business relationships with suppliers, customers and others	The Company is currently in the evaluation phase of the investment process and its key relationships are currently with its suppliers. The company maintains good contacts with a very limited range of suppliers as all development work is carried out in the investee companies. It endeavours to treat all suppliers fairly
Have regard to the impact of the Company's operations on the community and on the environment	The Company's operations are currently limited as is its impact on the community and environment
Have regard to the desirability of the Company maintaining a reputation for high standards of business conduct	As a company listed on the Aquis Exchange Growth Market, it is seeking opportunities to further its principal activity. The Company and board maintain high standards when dealing with potential business opportunities
Have regard to the need to act fairly between members of the Company	The Company has a diverse shareholder base and the board ensure that no one member's interests take priority over another. The Company is in litigation with certain shareholders, including St Georges Eco-Mining Corp, in relation to the acquisition of Kings of the North Corp in Canada in 2019.

BOARD CHANGES AND FUTURE DEVELOPMENTS

During the period Richard Battersby and James Hogg retired from the board of the company. They were replaced by Jonathan Wearing and John Byfield, each of whom have experience of public company directorships as well as City and legal backgrounds. During the period Richard Battersby, James Hogg and Alex Borrelli retired from the board of the company.

With the benefits of the anticipated funds from the current £0.9m equity subscription, BWA intends to move forwards with obtaining, during Q1 & Q2 2024, a JORC Mineral Resource Estimate and a Provisional Economic Assessment, which will provide an indication of both the tonnage and value of the initial Resource at the Dehane 1, whilst at the same time undertaking some preliminary drilling to ascertain targets on Dehane 2 for future resource drilling and assessment, should the results be as anticipated.

KEY PERFORMANCE INDICATOR

The key performance indicator of the company is the valuation of its investment portfolio. At 30 June 2023 the value of the company's portfolio was £2,053,724 (31 December 2021: £1,980,034).

PRINCIPAL RISKS AND UNCERTAINTIES
The risks inherent in the company's investment activities are kept under constant review by the Board. The following risks have been identified as capable of affecting the value of the company's investments:

- Investment risk is the risk of investing cash and resources on projects which may not provide a return. The company addresses this risk by using its skills and experience as well as the knowledge of local management to invest in established ventures which contain profitable assets and/or the most promising development potential. The ongoing issues relating to the company’s investment in Kings Of The North Corp are detailed in the Business Review and note 10 of the financial statements.

- The main type of financial risk faced by the company is liquidity risk. Liquidity risk is the risk of insufficient working and investment capital. The company's aim is to finance its investment activities from cash flow but in the early stages the business will seek to raise additional funding as required.

INTERNAL FINANCIAL CONTROL AND RISK MANAGEMENT
The directors are responsible for the company's system of internal financial control and also for identifying the major business risks faced by the company. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss. In fulfilling these responsibilities, the Board has reviewed the effectiveness of the system of internal financial control. The directors have established procedures for planning, budgeting and for monitoring, on a regular basis, the performance of the company and for determining the appropriate course of action to manage any major business risks. The Board has considered the need for an internal audit function but has decided the size of the company does not justify it at present. However it will keep the decision under annual review.

FINANCIAL RISK MANAGEMENT
Information relating to the company's financial risk management is set out on page 23 of the financial statements.

POST BALANCE SHEET EVENTS
Details of these post balance sheet events are set out in Note 18 on page 35.

This report was approved by the Board of directors on 22 November 2023 and signed on its behalf by:

J. M. V. Butterfield

J M V Butterfield - Director

The directors present their report with the financial statements of the company for the period ended 30 June 2023.

DIVIDENDS
No dividends will be distributed for the period ended 30 June 2023 (year ended 31 December 2021: none).

DIRECTORS
The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

J M V Butterfield

R G Battersby resigned as a director on 1 December 2022, M A Borrelli resigned on 23 April 2023, and J Hogg resigned on 30 June 2023.

J T Byfield and J P Wearing were appointed as directors on 3 July 2023.

At 30 June 2023, the beneficial interests of the current directors and the former directors who served during the period in the issued share capital of the company were as follows:

	30 June 2023	31 December 2021
Ordinary 0.5p shares		
J M V Butterfield	55,518,739	50,419,739
J P Wearing	36,540,000	20,290,000
J T Byfield	5,440,000	5,440,000
R G Battersby	98,337,890	91,676,314
M A Borrelli	32,586,561	29,616,561
J Hogg	4,875,001	1,925,001

Details of options held by the Directors are set out in note 20.

SUBSTANTIAL SHAREHOLDINGS
Other than the interests of the directors disclosed above and save as disclosed below, the directors are not aware of any other individual interest or group of interests held by persons acting together which, at 21 November 2023, exceeds 3% of the company's issued share capital.

	Number	%
Ordinary 0.5p shares		
G+O Energy Investments	57,000,000	11.16
D M Cass	49,782,022	9.75
G Svarasson	32,049,000	6.28
J Harvey	23,278,121	4.56
Vilhjalmur Thor Vilhjalmsson	20,859,200	4.08
C Tremblay	16,403,200	3.21

GOING CONCERN
These financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

At 30 June 2023, the company had net current assets of £321,820 and net assets of £2,341,374. The loss for the year was £53,202.

The directors have reviewed cash flow forecasts under various scenarios, which show the Company to have sufficient resources to remain a going concern, taking into account the following:

- the directors have received an irrevocable undertaking from a shareholder to subscribe for £150,000 of shares in the proposed offer for Subscription and a director has agreed to convert £300,000 of loans into equity as part of the Subscription which is due to complete shortly;
- in the event that the Subscription proceeds do not exceed £600,000 in total, the other directors have agreed to convert their loans to equity as part of the Subscription rather than have them repaid in cash. In addition, in this scenario, the directors have agreed to waive the right to receive their fees in cash for a period of at least 12 months from the date of approval of the accounts; and
- the investment in the exploration activities are capable of being adjusted both as to scope and timing to meet, in part, the funding available to the Company.

The directors have a reasonable expectation that the Company will have adequate resources to continue in business for the foreseeable future and are of the opinion that it is appropriate for the accounts to be prepared on the going concern basis.

CORPORATE GOVERNANCE
The company's ordinary shares are admitted to trading on the Aquis Stock Exchange Growth Market, on which it is required to follow the disclosure and corporate governance requirements of this market, and is therefore not subject to the provisions of the UK Corporate Governance Code or the disclosure requirements of the FCA Listing Rules or Disclosure Guidance & Transparency Rules.

The company has established governance procedures and policies that the Board consider appropriate to the nature and size of the company as the company's projects develop. The Board has established an Audit Committee chaired by James Butterfield together with Jonathan Wearing and a Remuneration Committee chaired by John Byfield together with James Butterfield.

FUTURE DEVELOPMENTS
Information on these issues is included in the Strategic Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.
- state whether applicable UK Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, have been followed subject to any material departures disclosed and explained in the financial statements.

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 company's website.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

DIRECTORS' INDEMNITY INSURANCE
The Company maintains indemnity insurance for its directors and officers, which thereby provides an indemnity for its directors, which is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006. The indemnity was in force throughout the last financial period and at the date of approval of the financial statements.

STREAMLINED ENERGY AND CARBON REPORTING (SECR)
The company is exempt from reporting under the SECR regulations on the basis that it qualifies as a low UK energy user.

AUDITORS
Adler Shine LLP were appointed as auditors on 9 August 2023 and have expressed their willingness to remain in office as auditors of the company.

This report was approved by the Board of directors on 22 November 2023 and signed on its behalf by

J. M. V. Butterfield

J M V Butterfield - Director

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 30 June 2023 and of the Company's losses for the period then ended;
- the financial statements have been properly prepared in accordance with UK Generally Accepted Accounting Practice (FRS102) in conformity with the requirements of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of BWA Group Plc for the period ended 30 June 2023 which comprise the income statement, statement of other comprehensive income, the balance sheet, the statements of changes in equity, the cash flow statement and 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 United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

A critical evaluation of the Directors' assessment of the Company's ability to continue as a going concern, covering the period of at least 12 months from the date of approval of the financial statements by;

- Evaluating the process the Directors followed to make their assessment, including confirming the assessment and underlying projections were prepared by appropriate individuals with sufficient knowledge of the detailed figures as well as an understanding of the Company's markets, strategies and risks. Understanding, challenging and corroborating the key assumptions included in their cash flow forecasts, our knowledge of the business and industry, and other areas of the audit.

- Searching through enquiry with the Directors, review of board minutes and review of external resources for any key future events that may have been omitted from cash flow forecasts and assessing the impact these could have on future cash flows and cash reserves.

- Assessing stress test scenarios and challenging whether other reasonably possible scenarios could occur and including these where appropriate.

- Considering the adequacy of the disclosures relating to going concern included within the annual report against the requirements of the accounting standards and consistency of the disclosures against the forecasts and going concern assessment.

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

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

The Directors' assessment of going concern involves a number of highly subjective judgements, therefore, this was accordingly identified as a Key Audit Matter.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the financial statements as a whole to be £59,000 based on 2.5% of the Company's net assets.

We use a different level of materiality ('performance materiality') to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. Our level of performance materiality was £44,000.

Where considered appropriate performance materiality may be reduced to a lower level, such as, for related party transactions and Directors' remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of £3,000. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Aside from the going concern key audit matter identified above, we identified the following areas as the key audit matters relevant to our audit of the financial statements.

Key audit matter		**How the scope of our audit addressed the key audit matter**
Non-consolidation of investments in subsidiaries	The Company holds majority investments in a number of entities which would normally be classified as subsidiaries in accordance with FRS 102. Management have instead applied the exemption under section 9.9b of FRS 102 for subsidiaries held exclusively with a view to subsequent resale and have not consolidated these entities on the basis that they are managed as part of a portfolio of investments. These investments are instead measured in the financial statements at fair value through the profit and loss unless a reliable estimate of fair value cannot be made, in which case they are valued at cost less impairment.	We held discussions with the directors to ensure there had been no change in the Company's approach to the development of the investments, including the intention to sell. We considered whether management assertion that the Company was not actively involved in operational or strategic decisions at the subsidiary level remained reasonable. **Key observations**: We concluded that the principal activity of the entity was to manage a portfolio of investments and concluded that management are justified in their approach of not consolidating the subsidiary undertakings and applying the exemptions available in FRS 102.

Key audit matters - continued

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation of investments	The Company holds its investments in its subsidiaries at fair value in accordance with FRS 102 section 9.9C. Investments in Subsidiary Undertakings were considered to be a key audit matter due to the size of the balance and because the valuation at the year-end involves judgement.	We considered the ownership and existence of investments. We considered the ownership of the mining licences held by the company's non-consolidated subsidiaries. We challenged management in respect of those investments held at cost, why fair value could not be reliably estimated. We reviewed in respect of investments held at cost less impairment whether there were any potential indicators of impairment and where impairment was necessary, adequate provision had been made. We ensured that the disclosures in the financial statements with regard to measurement were accurate and adequate. **Key observations:** Based on the procedures we performed, we concluded that investments are appropriately valued and disclosures in respect of the measurement is adequate.
Ongoing legal dispute with St George Eco-Mining	Following the acquisition of KOTN from St Georges in 2019, there has been an ongoing legal dispute regarding the transaction and the fact that certain exploratory licences had not been renewed in a timely manner. As the legal case progresses, there is a risk that is an undisclosed contingent asset or liability, or unrecognised provision.	We requested an update directly from the lawyers representing the Company. We assessed management's assessment in light of the information obtained. Based on the documentation provided, we concluded on whether any further disclosure or provision was required. **Key observations:** We concluded that no provision nor further disclosures were required in the financial statements.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors' report	In our opinion, based on the work undertaken in the course of the audit: • the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and • the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements. In the 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.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: • adequate accounting records have not been, 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 Directors

As explained more fully in the Directors' responsibilities statement, 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 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.

Extent to which the audit was capable of detecting irregularities, including fraud irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and the industry in which it operates. We determined that the most significant laws and regulations which are directly relevant to specific assertions in the financial statements are those related to the reporting framework, including UK Generally Accepted Accounting Practice, employment and taxation laws and Companies Act 2006.
- We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.
- We designed our audit procedures to detect irregularities, including fraud. Our procedures included journal entry testing, with a focus on large or unusual transactions based on our knowledge of the business; existence of revenue, enquiries with management; and focussed testing as referred to in the Key Audit Matters section above.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities is available 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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Adler Shine

Christopher Taylor FCA (Senior Statutory Auditor)
For and on behalf of Adler Shine LLP, Chartered Accountants and Statutory Auditors
Aston House
Cornwall Avenue
London

22 November 2023

Adler Shine LLP is a limited liability partnership registered in England and Wales (with registered number OC301724).

INCOME STATEMENT
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2023

	Notes	Period 1.1.22 to 30.6.23 £	Year Ended 31.12.21 £
TURNOVER		-	-
Administrative expenses		432,882	747,430
		(432,882)	(747,430)
Other operating income – management fees		480,000	240,000
(Loss)/gain on revaluation of investments	10	(586)	56,760
(Loss)/gain on disposal of investments		(23,911)	567,529
OPERATING PROFIT	6	22,621	116,859
Interest receivable and similar income		24	5,707
Interest payable and similar charges	7	(75,847)	(42,876)
(LOSS)/PROFIT BEFORE TAXATION		(53,202)	79,690
Tax on (loss)/profit	8	-	-
(LOSS)/PROFIT FOR THE FINANCIAL PERIOD		(53,202)	79,690
(Loss)/profit per share expressed in pence per share:	9		
Basic		(0.01)	0.03
Diluted		(0.01)	0.01

The notes form part of these financial statements

OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2023

	Notes	Period 1.1.22 to 30.6.23 £	Year Ended 31.12.21 £
(LOSS)/PROFIT FOR THE PERIOD		(53,202)	79,690
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE (LOSS)/PROFIT FOR THE PERIOD		(53,202)	79,690

The notes form part of these financial statements

BALANCE SHEET
30 JUNE 2023

	Notes	30.6.23 £	30.6.23 £	31.12.21 £	31.12.21 £
FIXED ASSETS					
Investments	10		2,053,724		1,980,034
CURRENT ASSETS					
Debtors	11	641,957		48,402	
Cash at bank		147,247		49,952	
		789,204		98,354	
CREDITORS					
Amounts falling due within one year	12	(467,384)		(120,809)	
NET CURRENT ASSETS/(LIABILITIES)			321,820		(22,455)
TOTAL ASSETS LESS CURRENT LIABILITIES			2,375,544		1,957,579
CREDITORS					
Amounts falling due after more than one year	13		(34,170)		(45,021)
NET ASSETS			2,341,374		1,912,558
CAPITAL AND RESERVES					
Called up share capital	16		2,483,292		1,972,239
Share premium			23,858		23,858
Other reserve			(3,306,659)		(3,243,709)
Capital redemption reserve			288,625		288,625
Equity reserve			4,338,948		4,367,983
Retained earnings			(1,486,690)		(1,496,438)
SHAREHOLDERS' FUNDS			2,341,374		1,912,558

The financial statements were approved by the Board of Directors and authorised for issue on 22 November 2023 and were signed on its behalf by:

J. M. V. Butterfield

J M V Butterfield - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2023

	Called up share capital £	Retained earnings £	Share premium £
Balance at 1 January 2021	1,526,814	(1,519,113)	15,608
Changes in equity			
Total comprehensive income	-	79,690	-
Reserves transfer	-	(57,015)	-
Issue of share capital	41,250	-	8,250
Conversion of loan notes	404,175	-	-
Balance at 31 December 2021	1,972,239	(1,496,438)	23,858
Changes in equity			
Total comprehensive income	-	(53,202)	-
Reserves transfer	-	62,950	-
Issue of share capital	250,808	-	-
Conversion of loan notes	260,245	-	-
Balance at 30 June 2023	2,483,292	(1,486,690)	23,858

	Other reserve £	Capital redemption reserve £	Equity reserve £	Total equity £
Balance at 1 January 2021	(3,300,724)	288,625	4,742,058	1,753,268
Changes in equity				
Total comprehensive loss	-	-	-	79,690
Reserves transfer	57,015	-	-	-
Issue of share capital	-	-	-	49,500
Convertible loan note interest	-	-	30,100	30,100
Conversion of loan notes	-	-	(404,175)	-
Balance at 31 December 2021	(3,243,709)	288,625	4,367,983	1,912,558
Changes in equity				
Total comprehensive income	-	-	-	(53,202)
Reserves transfer	(62,950)	-	-	-
Issue of share capital	-	-	-	250,808
Issue of convertible loan notes	-	-	200,000	200,000
Convertible loan note interest	-	-	31,210	31,210
Conversion of loan notes	-	-	(260,245)	-
Balance at 30 June 2023	(3,306,659)	288,625	4,338,948	2,341,374

Equity reserves comprise the principal and interest relating to Unsecured Convertible Loan Notes (see note 21).

Other reserve represents the net increases and decreases in the carrying value of investments held at the period end.

CASH FLOW STATEMENT
FOR THE PERIOD 1 JANUARY 2022 TO 30 JUNE 2023

	Notes	Period 1.1.22 to 30.6.23 £	Year Ended 31.12.21 £
Cash flows from operating activities			
Cash generated from operations	1	(237,643)	(366,287)
Interest paid		(1,638)	(18,644)
Net cash used in operating activities		(239,281)	(384,931)
Cash flows from investing activities			
Purchase of fixed asset investments		-	(321,785)
Proceeds from sale of fixed asset investments		81,358	1,018,595
Loans to subsidiary undertakings		(179,545)	(273,017)
Interest received		24	5,707
Net cash (used in)/from investing activities		(98,163)	429,500
Cash flows from financing activities			
New loans in period		86,000	-
Loan repayments in period		(10,724)	(41,000)
Loan note proceeds received		200,000	45,000
Proceeds from share issue		159,463	-
Net cash from financing activities		434,739	4,000
Increase in cash and cash equivalents		97,295	48,569
Cash and cash equivalents at beginning of year	2	49,952	1,383
Cash and cash equivalents at end of year	2	147,247	49,952

The notes form part of these financial statements

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	Period 1.1.22 to 30.6.23 £	Year Ended 31.12.21 £
(Loss)/profit before taxation	(53,202)	79,690
Loss/(gain) on revaluation of fixed asset investments	586	(56,760)
Loss/(gain) on disposal of fixed asset investments	23,911	(567,529)
Directors' fees settled by issue of own shares	75,808	49,500
Finance costs	75,847	42,876
Finance income	(24)	(5,707)
Bad debt provision – subsidiary loan	(50,348)	-
	72,578	(457,930)
(Increase)/decrease in trade and other debtors	(527,669)	145,095
(Decrease)/increase in trade and other creditors	217,448	(53,452)
Cash generated from operations	(237,643)	(366,287)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Period ended 30 June 2023

	30.6.23 £	1.1.22 £
Cash and cash equivalents	147,247	49,952

Year ended 31 December 2021

	31.12.21 £	1.1.21 £
Cash and cash equivalents	49,952	1,383

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.1.22 £	Cash flow £	Other non-cash changes £	At 30.6.23 £
Net cash				
Cash at bank	49,952	97,295		147,247
	49,952	97,295		147,247
Debt				
Debts falling due within 1 year	(5,165)	(86,127)	(42,999)	(134,291)
Debts falling due after 1 year	(45,021)	10,851	-	(34,170)
	(50,186)	(75,276)	(42,999)	(168,461)
Total	(234)	22,019	(42,999)	(21,214)

1. **GENERAL INFORMATION**

The principal activity of BWA Group Plc ('BWA') is that of an investment vehicle set up principally to acquire one or more businesses and to make investments. The directors are currently concentrating on investments in the mining and resources sector.

BWA is a public company limited by shares and is incorporated in England and Wales. The company's shares are quoted on the Aquis Exchange Growth Market. The address of its registered office is 1 Bow Churchyard, London, EC4M 9DQ.

2. **STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with UK Accounting Standards, including Financial Reporting Standard 102 - The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

3. **ACCOUNTING POLICIES**

Change to accounting reference date
The company's accounting reference date has been changed from 31 December to 30 June, therefore the current period in these financial statements covers the eighteen months to 30 June 2023. The comparative period covers the year ended 31 December 2021. This change was made to enable a more effective allocation of the Directors' time between the Company's operational, statutory compliance, financing, and administrative tasks.

Basis of preparation
The financial statements have been prepared under the historical cost convention as modified by the recognition of certain fixed assets measured at fair value. The principal accounting policies are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

The financial statements are prepared in pounds sterling because that is the currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

Going concern
These financial statements have been prepared on the going concern basis which assumes that the company will continue in operational existence for the foreseeable future.

At 30 June 2023, the company had net current assets of £321,820 and net assets of £2,341,374. The loss for the year was £53,202.

The directors have reviewed cash flow forecasts under various scenarios, which show the Company to have sufficient resources to remain a going concern, taking into account the following:

- the directors have received an irrevocable undertaking from a shareholder to subscribe for £150,000 of shares in the proposed offer for Subscription and a director has agreed to convert £300,000 of loans into equity as part of the Subscription which is due to complete shortly;
- in the event that the Subscription proceeds do not exceed £600,000 in total, the other directors have agreed to convert their loans to equity as part of the Subscription rather than have them repaid in cash. In addition, in this scenario, the directors have agreed to waive the right to receive their fees in cash for a period of at least 12 months from the date of approval of the accounts; and
- the investment in the exploration activities are capable of being adjusted both as to scope and timing to meet, in part, the funding available to the Company.

The directors have a reasonable expectation that the Company will have adequate resources to continue in business for the foreseeable future and are of the opinion that it is appropriate for the accounts to be prepared on the going concern basis.

Preparation of consolidated financial statements
The financial statements contain information about BWA Group plc as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 9.9(b) of FRS102 from the requirements to prepare consolidated financial statements.

continued...

3. **ACCOUNTING POLICIES – continued**

Other operating income
Other operating income represents charges made for services provided to subsidiary investments. Revenue is recognised when it can be measured reliably and it is probable that the Company will receive the consideration due.

Significant judgements and estimates
The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form a basis for making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a regular 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 revision and future periods if the revision affects both current and future periods.

The directors consider that the most significant areas of accounting estimates and judgements are as follows:

- Recoverability of investments in subsidiaries and loans to subsidiaries requires use of significant judgements and estimates which are detailed in note 10.
- The valuation of unlisted investments; The techniques used to determine the fair value of the unlisted investments are significantly affected by certain key assumptions, such as market liquidity and the investees' ability to achieve certain milestones. It is important to recognise that in that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.
- The likelihood that deferred tax assets can be realised;
- The determination that the fair value of certain unlisted investments cannot be reliably measured. Such investments are measured at cost less impairment.

Investments in subsidiaries
Investments in subsidiary undertakings are held as part of an investment portfolio and are therefore stated at fair value at the balance sheet date with all gains and losses recognised in the profit and loss account.

If fair value cannot be determined with sufficient reliability then investments are stated at cost less provision for impairment.

Loans to subsidiary undertakings included within fixed asset investments are stated at cost less provision for impairment.

Taxation
Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

continued...

3. **ACCOUNTING POLICIES - continued**

Share-based payments
The company provides share-based payment arrangements to the directors.

Equity-settled arrangements are measured at fair value of the equity instruments (excluding the effect on non-market based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the income statement.

The company has no cash-settled arrangements.

Financial Instruments
The following policies for financial instruments have been applied in the preparation of the company's financial statements. 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.

Investments
Investments are stated at their fair value at the balance sheet date with all gains and losses recognised in the profit and loss account.

Investments which are listed on a stock market such as AIM or similar markets are valued at their closing bid-price. Where listed investments are subject to restrictions on sale or the marketability of the holding is limited then a discount to the listed market price may be applied.

Valuation methods used for unlisted shares are at fair value in accordance with the International Private Equity and Venture Capital Valuation Guidelines. In estimating fair value a valuation methodology is applied that is appropriate in light of the nature, facts and circumstances of the Investment and its materiality in the context of the total investment portfolio. The methodologies used include:

Price of recent investment
Net assets
Discounted cash flows or earnings of the underlying business
Discounted cash flows from the investment

For investments in start-up or early-stage businesses, the "Price of Recent Investment" methodology is the most appropriate for a limited period following the date of investment. Thereafter the fair value is measured using the most appropriate methodology. If fair value cannot be reliably measured then the investment is measured at cost less impairment.

Loans to subsidiary undertakings included within fixed asset investments are stated at cost less provision for impairment.

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3. **ACCOUNTING POLICIES – continued**

Financial Instruments - continued

Loans receivable, trade and other receivables
Loans, trade and other receivables, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand, deposits with maturities of three months or less from inception, and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents.

Impairment of financial assets
Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit and loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit and loss.

Derecognition of financial assets
Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Financial liabilities
Financial liabilities, including trade and other payables, bank loans, and other loans are initially recognised at fair value unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities, including debt instruments, are subsequently carried at amortised cost using the effective interest method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Derecognition of financial liabilities
Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

continued...

3. **ACCOUNTING POLICIES - continued**

Financial instruments - continued

Equity
Equity comprises the following:

'Share capital' represents the nominal value of equity shares.

‘Share premium account’ represents the excess of consideration received for shares over the nominal value of the shares issued.

'Capital redemption reserve' represents amounts transferred from issued share capital on a purchase or redemption of own shares.

'Other reserve' represents increases and decreases in the fair value of investments held at the period end. It also represents impairments of investments held at cost where fair value cannot be reliably measured.

'Profit and loss reserve' represents retained earnings.

'Equity reserve' represents the equity element of the Unsecured Convertible Loan Notes.

Borrowings
Interest-bearing loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption, are accounted for on an accrual basis and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise and recognised in profit and loss over the term of the borrowing using the effective interest rate method.

Compound financial instruments
Compound financial instruments, containing both a liability and equity component, are classified in their respective area of the balance sheet.

Compound financial instruments issued by the company consist of Unsecured Convertible Loan Notes. The entire principal amount has been classified as equity on the basis that the liability component is immaterial.

Financial risk management
The directors review and agree policies for managing the risks arising from the company's financial instruments and these are summarised below.

Liquidity risk
The company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably.

Credit risk
The directors mitigate this risk by only offering credit to companies and individuals known to them and that have the resources to repay the balance if necessary.

The directors are responsible for managing and analysing the credit risk for each new transaction before terms of business are offered. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored.

For cash and cash equivalents, the company uses only recognised banks with high credit ratings.

Market risk
The company does not consider itself to be subject to significant market risk.

Borrowing facilities and interest rate risk
The company had borrowings in the form of convertible loan notes, shareholder/director loans and a bank loan at 30 June 2023 and at 31 December 2021. The notes, shareholder/director loans and bank loan carry a fixed rate of interest and therefore the company does not consider itself to be subject to significant interest rate risk.

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3. **ACCOUNTING POLICIES - continued**

Capital risk management
The Board's principal objective when managing the capital of the company is to safeguard its ability to continue as a going concern, with the intention of providing future returns for shareholders.

The Board manages the capital structure of the company by making changes based on the economic conditions and the future outlook. Total equity, as defined on the balance sheet, is used as a key indicator of capital used in the business.

continued...

4. SEGMENTAL INFORMATION

The company has one reportable segment being investment activities, the results of which are disclosed in the income statement. The company's investment operations are located in the UK, however the company's investments are located as noted below. Income comprises management fees charged by the company to Kings Of The North Corp and BWA Resources Cameroon Limited.

Geographical location of investments and sources of income
In terms of the trading portfolio the global location of the investments are as follows:

	30.6.23	31.12.21
	£	£
UK	303	889
Canada	1,418,000	1,523,269
Cameroon	635,420	455,875
Norway	1	1
	2,053,724	1,980,034

Income relating to investment activities originated from Canada (period ended 30 June 2023: £180,000; year ended 31 December 2021: £120,000) and Cameroon (period ended 30 June 2023: £300,000; year ended 31 December 2021: £120,000). Income from management fees accounting for 10% or more of income originated from Kings Of The North Corp (period ended 30 June 2023: £180,000; year ended 31 December 2021: £120,000) and BWA Resources Cameroon Limited (period ended 30 June 2023: £300,000; year ended 31 December 2021: £120,000).

5. EMPLOYEES AND DIRECTORS

Remuneration in respect of the directors during the year was as follows:

	Period 1.1.22 to 30.6.23	Year Ended 31.12.21
	£	£
Directors' fees	166,187	108,000

There were no other directors' emoluments, staff costs, social security or other pension costs for the period ended 30 June 2023 nor for the year ended 31 December 2021.

There were no employees during the period other than the four directors (2021: four directors). The directors are the key management personnel.

Share options
Details of share options awarded to directors under the terms of an Unapproved Share Option Plan are set out in note 20.

6. OPERATING PROFIT

The operating profit is stated after charging:

	Period 1.1.22 to 30.6.23	Year Ended 31.12.21
	£	£
Auditors' remuneration - audit work	25,000	20,000

continued...

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	Period 1.1.22 to 30.6.23 £	Year Ended 31.12.21 £
Convertible loan note interest	31,210	42,140
Bank loan interest	1,638	736
Other loan interest	42,999	-
	75,847	42,876

8. TAXATION

Analysis of the tax charge
No liability to UK corporation tax arose for the period ended 30 June 2023 nor for the year ended 31 December 2021.

Reconciliation of total tax charge included in profit and loss
The tax assessed for the period is the same as the standard rate of corporation tax in the UK.

	Period 1.1.22 to 30.6.23 £	Year Ended 31.12.21 £
(Loss)/profit before tax	(53,202)	79,690
Profit/(loss) multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	(10,108)	15,141
Effects of:		
Unrealised gains/losses on revaluation of investments	111	(10,784)
Loss/(profit) on sale of investments taxed as gain and offset by capital losses b/f	4,543	(107,831)
Expenses not deductible in determining taxable profit/loss	24,408	12,729
Losses to relieve in future periods	-	90,745
Losses brought forward	(18,954)	-
Total tax charge	-	-

No deferred tax asset has been recognised in the financial statements in respect of trading losses carried forward of £4,666,623 (2021 - £4,766,380) due to the uncertainty as to whether future taxable profits will arise against which the losses can be relieved.

No deferred tax asset has been recognised in respect of the capital losses carried forward of £7,425,539 (2021 - £7,463,992) due to the uncertainty as to whether future taxable gains will arise against which the losses can be relieved.

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9. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares. The company has potential ordinary shares in the form of share options and convertible loan notes. The potential ordinary shares were anti-dilutive for the period ended 30 June 2023 and have hence been excluded from the calculation. Reconciliations are set out below.

		30 June 2023	
	Earnings £	Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(53,202)	431,750,335	(0.01)
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(53,202)	431,750,335	(0.01)

		31 December 2021	
	Earnings £	Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	79,690	310,318,603	0.03
Effect of dilutive securities	-	602,277,997	(0.02)
Diluted EPS			
Adjusted earnings	79,690	912,596,600	0.01

Instruments (including contingently issuable shares) that could potentially dilute basic EPS in the future, but were not included in the calculation of diluted EPS because they are anti-dilutive for the periods presented are as follows:

	30.6.23 £	31.12.21 £
Convertible loan notes	860,082,600	873,596,600
Share options	-	39,000,000
	860,082,600	912,596,600

continued...

10. FIXED ASSET INVESTMENTS

At valuation	Investments in subsidiaries £	Loans to subsidiaries £	Other investments £	Totals £
Year ended 31 December 2021				
At 1 January 2021	1,418,009	217,244	178,695	1,813,948
Additions	-	238,622	321,785	560,407
Disposals	-	-	(451,081)	(451,081)
Fair value movement	-	-	56,760	56,760
At 31 December 2021	**1,418,009**	**455,866**	**106,159**	**1,980,034**
Period ended 30 June 2023				
At 1 January 2022	1,418,009	455,866	106,159	1,980,034
Additions	-	179,545	-	179,545
Disposals	-	-	(105,269)	(105,269)
Fair value movement	-	-	(586)	(586)
At 30 June 2023	**1,418,009**	**635,411**	**304**	**2,053,724**

The investments relating to subsidiaries are unlisted. Other investments are listed. The fair value of the investments has been determined by the Directors as follows:

Basis of valuation	**Carrying amount** **30.6.23** **£**	**31.12.21** **£**
Quoted market price in an active market	302	106,159
Cost less impairment (fair value cannot be reliably measured)	2,053,422	1,873,875
	2,053,724	1,980,034

The following information relates to investments whose carrying amount exceeds one-fifth of the company's assets at the end of the financial period:

Name	**Place of incorporation**	**Holding**	**Proportion of voting rights and shares held**	**Carrying amount** **30.6.23** **£**	**31.12.21** **£**
Kings Of The North Corp	Canada	Common shares	100.00%	1,418,000	1,418,000

The following information relates to the company's subsidiary undertakings at the end of the financial period:

BWA Resources (UK) Limited was incorporated on 6 February 2018 in England & Wales. The registered office address is 1 Bow Churchyard, London, EC4M 9DQ. BWA Group Plc owns 90% (31 December 2021: 90%) of the Ordinary shares. The latest financial statements available for this company were for the year ended 31 December 2022. Net assets at 31 December 2022 were £158,227 (31 December 2021 - £158,227) and the profit for the year was £nil (year ended 31 December 2021 - £6,658 loss). The financial statements for the six months ended 30 June 2023 are not yet available.

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10. **FIXED ASSET INVESTMENTS - continued**

Kings of the North
Kings Of The North Corp ('KOTN') is a company incorporated in Canada. The registered office address is 2075, boul. Robert-Bourassa, bureau 600, Montréal, Québec, H3A 2L1. BWA Group Plc owns 100% of the Common shares of KOTN. As KOTN is not required to publish a copy of its balance sheet in Canada, information about its capital and reserves at the end of its relevant financial years and profit or loss for those years is not presented.

The investment in Kings of the North Corp was acquired in October 2019 for a cost of £4.66 million settled by an issue of convertible loan notes and equity, of which £4.48 million related to the mining claims. The original intention had been for the company to be operated in partnership with the vendor, St Georges Eco-Mining Corp (St Georges). Unfortunately, in the event, the outbreak of the Covid-19 pandemic and other factors meant the joint venture never started and subsequent investigations by BWA revealed deficiencies in the title in three of the claim areas acquired within the company. As a result, claims for restitution have been made in Canada against the vendors of Kings of the North Corp.

In the absence of a reliable fair value estimate, for the purposes of these financial statements the investment in Kings of the North has been valued at cost less impairment, equating to the cost of the two major claim areas which remain, namely Winterhouse and Isoukustouc, where Kings of the North Corp's title has been registered with the appropriate Canadian authorities, as set out in the SRK report dated September 2019 amounting to £1.418 million. Covid during 2021 made it impossible for visits to be made to these claim areas or to carry out any work to progress the claims.

During the period ended 30 June 2023, the two licence areas in Quebec, Winterhouse and Isoukustouc, received care and maintenance attention only, pending settlement of litigation with St Georges Eco-Mining Corp. However, post period end, limited in country work has been carried out, and the activity included an electromagnetic aerial survey (shared with BWA) by a major mining group, whose licences totally surround those of KOTN's Isoukustouc licences, which has indicated several interesting targets and this has been followed up by a survey visit and report, which BWA intends to upgrade to a Canadian 43-101 Report (similar to a CPR Report).

BWA is involved in connected litigation relating to KOTN in Canada and England. This litigation arises from the same events and circumstances. In Canada, BWA is the Claimant and is seeking to enforce the terms of an agreement some years ago with St Georges Eco-Mining Corp. In England, BWA is the Defendant in relation to a claim by St George's Eco-Mining Corp to convert certain convertible loan notes ('CLNs').

With specific reference to the litigation in England, this relates to the refusal on the part of BWA to convert the CLNs. This was on the basis that a combination of the St George's Eco-Mining Corp's CLNs and those held by connected parties would have amounted, if converted, to 33% of the BWA equity which would have been in breach of the agreed CLN conditions.

The Directors believe that as a result of recent one-to-one negotiations between the parties that a negotiated settlement may be capable of being achieved, which would be ultimately beneficial to both parties, and which could involve a return of the BWA CLN's and St George's two remaining former mineral exploration licences, amongst other matters. Any return of the CLN's as part of a full settlement would lead also to the cessation of the litigation in England.

BWA Cameroon
BWA Resources Cameroon Limited ('BWA Cameroon') was incorporated on 26 March 2018 in Cameroon. The registered office address is BP6184 Yaoundé, Cameroon. BWA Resources (UK) Limited owns 100% of the Ordinary shares of BWA Cameroon.

BWA Minerals Cameroon Limited ('BWA Minerals') was incorporated on 27 September 2021 in Cameroon. The registered office address is BP7811, Yaoundé, Cameroon. BWA Resources (UK) Limited owns 100% of the Ordinary shares of BWA Minerals.

As BWA Cameroon and BWA Minerals are not required to publish a copy of their balance sheet in Cameroon, information about their capital and reserves at the end of their relevant financial years and profit or loss for those years is not presented.

continued...

10. **FIXED ASSET INVESTMENTS - continued**

BWA Cameroon - continued
BWA Resources Cameroon Limited has now been granted five exploration licences for Heavy Mineral Sands, primarily Rutile, in Cameroon, covering a total licence area of 1,421 sq kms (an increase of 125% over the previous period end) and BWA Minerals Cameroon Limited has applied for two similar licences of up to 500 sq kms each.

During the period activity in Cameroon has been directed towards continuing exploration work on the two claims which have been granted and preliminary work on the other 3 licence areas granted. At the start of the period, BWA received a JORC CPR Report (Competent Persons Report) on the Nkoteng 1 and Dehane 1 licences, which the Competent Person summarised as follows:

"Tecoma are encouraged by the level of grade and extent of all the target minerals throughout the Nkoteng and Dehane licences.

Geological setting including observed basement geology and depositional environment are considered highly prospective for alluvial heavy mineral sands development.

The results to date are considered positive and demonstrate the grades and thicknesses of potential economic interest over significant lateral extents, and warrant further investigation and advanced exploration work, including drill testing, mineral resource estimation leading to preliminary conceptual mining studies and economic evaluation."

Over the 18 months to 30 June 2023, BWA has continued to work on and develop the now 5 Cameroon licence sites, which has been announced in the following announcements:

1. Positive Mineral Results for Nkoteng & Dehane Projects (1 February 2022)
2. Completion of mechanised Auger Sampling at Nkoteng 1 of 107 holes drilled, over 193 meters with 171 primary samples (29 June 2022)
3. Results of Granulometric Test-Work at Nkoteng Project (7 September 2022)
4. Grant of Licences & Access for 3 Exploration Licences (13 December 2022)
5. Reconnaissance Site Visit to Dehane 2 (6 April 2023)

The above announcements can be viewed on the company's website: http://www.bwagroupplc.com/bwa-announcements.html.

The board is pleased with the results to date and has now announced a fund raise of up to £0.9m by way of a subscription for new Ordinary shares. The funds are for additional working capital purposes and any surplus will be utilised in Cameroon on the Dehane 1 licence over the next 8 months or so to complete JORC MRE/PEA by the end of Q2, or earlier if ground conditions allow, as well as initial exploratory work on Dehane 2 (estuarial & coastal). This will enable BWA to arrive at both a tonnage of an Initial Resource and the economic value.

The loans to subsidiaries of £635,411 include amounts loaned to BWA Resources (UK) and ultimately down to BWA Cameroon. In addition, in note 11 there are management fees and other costs of £614,039 payable by BWA Cameroon.

The recoverability of these balances is dependent on the success of the investee companies in discovering recoverable mineral resources in economic quantities and, especially in such countries of operation, such as Cameroon, a Commonwealth Country, where there exists some political and regulatory uncertainties. The future revenue flows relating to these assets is uncertain and may also be affected by relative exchange rates, potential new legislation and related environmental requirements.

The Company's ability to continue its exploration programme and development of its projects in Cameroon is also dependent on its ability to raise sufficient finance in future, which may be uncertain. The ability of the Company's investee company to continue operating within Cameroon is dependent on a stable political environment, which may also impact the investee company's legal title to assets held which would affect the valuation of such assets.

continued...

10. **FIXED ASSET INVESTMENTS - continued**

BWA Cameroon - continued
The Directors have undertaken a review to assess whether the following impairment indicators exist as at 30 June 2023 or subsequently prior to the approval of these financial statements:

1. Licences held by the investee company to explore specific areas have expired or will expire in the near future and are not expected to be renewed;
2. No further substantive exploration expenditure is planned for a specific licence;
3. Exploration and evaluation activity in a specific licence area have not led to the discovery of commercially viable quantities of mineral resources and the Board has decided to discontinue investment activities in the specific area; and
4. Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the asset is unlikely to be recovered in full from successful development or by sale.

Following their assessment, the Directors concluded that no impairment indicators exist and thus no impairment charge is necessary.

Some licences held by the investee companies were due for renewal before 30 June 2023. Renewal applications were submitted and are presently pending. The Directors expect that the renewals will be approved.

11. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.23	31.12.21
	£	£
Called up share capital not paid	15,537	-
VAT	10,150	7,543
Prepayments and accrued income	2,231	5,611
Amounts owed by group undertakings	614,039	35,248
	641,957	48,402

The called up share capital not paid amounting to £15,537 at 30 June 2023 was received in early July 2023.

Amounts owed by group undertakings are stated net of a bad debt provision of £339,652 (31 December 2021 - £390,000).

12. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	30.6.23	31.12.21
	£	£
Bank loans and overdrafts (see note 14)	5,292	5,165
Other loans (see note 14)	128,999	-
Trade creditors	272,666	41,098
Other creditors	22,827	15,541
Accrued expenses	37,600	59,005
	467,384	120,809

The Other Loans totalling £128,999 relate solely to amounts lent to the company by current and former directors.

Of Other Creditors amounting to £22,827 at 30 June 2023, an amount of £20,785 has been paid since the period end.

Of Accrued Expenses totalling £37,600 at 30 June 2023, an amount of £15,000 has been paid since the period end.

13. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.6.23	31.12.21
	£	£
Bank loans (see note 14)	34,170	45,021

continued...

14. LOANS

An analysis of the maturity of loans is given below:

	30.6.23	31.12.21
	£	£
Amounts falling due within one year or on demand:		
Bank loans	5,292	5,165
Other loans	128,999	-
	134,291	5,165
Amounts falling due between one and two years:		
Bank loans - 1-2 years	5,426	5,250
Amounts falling due between two and five years:		
Bank loans - 2-5 years	17,117	16,485
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans - more than 5 years by instalments	11,627	23,286

Bank loans relate to a loan received on 15 May 2020 under the UK Government's Bounce Back Loan Scheme. Initially, the loan was repayable by instalments over a period of 60 months starting from June 2021. New terms were agreed during the year ended 31 December 2021 resulting in the loan now being repayable over a period of 108 months from December 2021. The loan carries a fixed rate of interest of 2.5%. The interest for the first year of the loan was paid by the UK Government. Under the terms of the scheme the loan is guaranteed by the UK Government and represents an unsecured creditor of the company.

The principal amount of the other loans received during the period was £86,000. Interest and fees charged during the period totalled £42,999. An amount of £6,666 was repaid following the year end. The remaining balance of £122,333 is repayable on 31 December 2023. The Company has agreed the right to capitalise £30,000 of the outstanding balance at 0.5 pence per Ordinary share and anticipates further amounts may eventually be capitalised on the same terms.

15. FINANCIAL INSTRUMENTS

The company's financial instruments were categorised as follows:

	30.6.23	31.12.21
	£	£
Financial assets measured at fair value:		
- Cash at bank	147,247	49,952
- Investments	302	106,159
	147,549	156,111
Financial assets measured at cost less impairment:		
- Investments	2,053,422	1,873,875
Financial assets that are debt instruments measured at amortised cost:		
- Called up share capital not paid	15,537	-
- Amounts owed by group undertakings	614,039	35,248
	629,576	35,248
Financial liabilities measured at amortised cost:		
- Bank loans	39,462	50,186
- Other loans	128,999	-
- Trade creditors	272,666	41,098
- Other creditors	22,827	15,541
- Accrued expenses	37,600	59,005
	501,554	165,830

continued...

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	30.6.23 £	31.12.21 £
496,658,507	Ordinary	0.5p	2,483,292	1,972,239
(31 December 2021 – 394,447,891)				

The following 0.5p Ordinary shares were issued during the period:

- 15,161,616 were issued at 0.5p per share in settlement of directors' fees.
- 52,049,000 were issued at 0.5p per share on the conversion of Unsecured Convertible Loan Notes 2019.
- 35,000,000 were issued at 0.5p per share for cash.

The following 0.5p Ordinary shares were issued during the previous year:

- 8,250,000 were issued at 0.6p per share in settlement of directors' fees.
- 80,835,000 were issued at 0.5p per share on the conversion of the 14% Unsecured Convertible Loan Notes.

Ordinary shares carry one vote per share and each share gives equal right to dividends. These shares also give right to the distribution of the company's assets in the event of winding-up or sale.

17. RELATED PARTY DISCLOSURES

Bath Group Limited is a company in which Richard Battersby, who served as a director of the Company during the period, has a material interest as a director and shareholder. Bath Group Limited has provided the Company with loans during the period. At 30 June 2023 the balance owed by the Company was £35,000 (31 December 2021 - £nil), which is payable on 31 December 2023. The balance, which is unsecured, includes accrued interest and fees totalling £15,000 (year ended 31 December 2021 - £nil). No further interest or charges will be payable. The Company has also awarded Bath Group Limited share options for the services of Richard Battersby as a director of the Company. Details of the award are provided in Note 20. All share options lapsed during the period.

Neric Holdings Limited is also a company in which Richard Battersby has a material interest as a director and shareholder. Included in trade creditors as at 30 June 2023 is a balance of £7,696 (31 December 2021 - £1,606) due to Neric Holdings Limited in respect of director's fees and expenses relating to the services of Richard Battersby. The Company has also awarded Neric Holdings Limited share options for the services of Richard Battersby as a director of the Company. Details of the award are provided in Note 20. All share options lapsed during the period.

At 30 June 2023, Bath Group Limited held £5,000 of 14% Unsecured Convertible Loan Notes (31 December 2021 - £nil). The interest accrued on the Loan Notes as at 30 June 2023 was £765 (31 December 2021 - £nil). See note 21(i) for the terms of the loan notes.

BWA Resources (UK) Limited ('BWA Resources') is a subsidiary of the Company. At 30 June 2023 a loan balance of £313,977 (31 December 2021 - £258,977) was owed to the Company by BWA Resources. This balance, which is included within fixed asset investments and which forms part of the Company's investment in Cameroon, was unsecured, interest free and had no fixed date for repayment. At 30 June 2023, the company also held £170,000 (31 December 2021 - £170,000) in interest-free convertible loan notes issued by BWA Resources. This balance is also included within fixed asset investments. The carrying value of the Company's shareholding in BWA Resources as at 30 June 2023 was £9 (31 December 2021 - £9). This balance is included within fixed asset investments.

Included in trade creditors as at 30 June 2023 is a balance of £23,686 (31 December 2021 - £1,640) payable to James Butterfield in respect of director's fees and expenses. James Butterfield has also provided the company with loans during the period. At 30 June 2023 the balance owed by the Company was £18,000 (31 December 2021 - £nil), which is payable on 31 December 2023. The balance, which is unsecured, includes accrued interest and fees totalling £6,000 (year ended 31 December 2021 - £nil). No further interest or charges will be payable. At 30 June 2023, James Butterfield also held £2,500 of 14% Unsecured Convertible Loan Notes (31 December 2021 - £nil). The interest accrued on the Loan Notes as at 30 June 2023 was £360 (31 December 2021 - £nil). See note 21(i) for the terms of the loan notes.

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17. **RELATED PARTY DISCLOSURES - continued**

Borrelli Capital Limited is a company in which Alex Borrelli, who served as a director of the Company during the period, has a material interest as a director and shareholder. Included in trade creditors as at 30 June 2023 is a balance of £14,228 (31 December 2021 - £3,150) due to Borrelli Capital Limited in respect of director's fees and expenses relating to the services of Alex Borrelli.

Alex Borrelli provided the company with loans during the period. At 30 June 2023 the balance owed by the Company was £6,666 (31 December 2021 - £nil). The balance, which is unsecured, includes accrued interest and fees totalling £1,166 (year ended 31 December 2021 - £nil). The balance of £6,666 was settled in full after the year end. At 30 June 2023, Alex Borrelli also held £2,500 of 14% Unsecured Convertible Loan Notes (31 December 2021 - £nil). The interest accrued on the Loan Notes as at 30 June 2023 was £388 (31 December 2021 - £nil). See note 21(i) for the terms of the loan notes.

BWA Resources Cameroon Limited ('BWA Cameroon') is a subsidiary of the Company. During the period the Company charged management fees totalling £300,000 (year ended 31 December 2021 - £120,000) to BWA Cameroon. At 30 June 2023 the balance due to the Company in respect of these fees was £570,000 (31 December 2021 - £270,000) against which a bad debt provision of £nil has been made (31 December 2021 - £270,000). The Company also paid costs totalling £44,039 on behalf of BWA Cameroon during the period (year ended 31 December 2021 - £nil). The total balance of £614,039 (31 December 2021 - £nil) relating to the management fees and costs as at 30 June 2023 is included within debtors falling due within one year. The Company also provided BWA Cameroon with loans totalling £124,545 (year ended 31 December 2021 - £26,889) during the period. At 30 June 2023, loan balance included within fixed asset investments is £151,434 (31 December 2021 - £26,889). All balances due from BWA Cameroon are unsecured, interest free and have no fixed date for repayment.

Addison Mining Services Limited is a company in which James Hogg, who served as a director of the Company during the period, has a material interest as a director and shareholder. Included in trade creditors as at 30 June 2023 is a balance of £58,834 (31 December 2021 - £7,124) due to Addison Mining Services Limited in respect of consultancy fees, and director's fees and expenses relating to the services of J Hogg.

James Hogg has provided the company with loans during the period. At 30 June 2023 the balance owed by the Company was £9,333 (31 December 2021 - £nil), which is payable on 31 December 2023. The balance, which is unsecured, includes accrued interest and fees totalling £3,833 (year ended 31 December 2021 - £nil). No further interest or charges will be payable. At 30 June 2023, Addison Mining Services Limited also held £5,000 of 14% Unsecured Convertible Loan Notes (31 December 2021 - £nil). The interest accrued on the Loan Notes as at 30 June 2023 was £733 (31 December 2021 - £nil). See note 21(i) for the terms of the loan notes.

During the period, Richard Battersby received 4,161,616 0.5p Ordinary shares in settlement of fees totalling £20,808 (year ended 31 December 2021 – 2,750,000 0.5p Ordinary shares in settlement of fees totalling £16,500), James Butterfield received 5,100,000 0.5p Ordinary shares in settlement of fees totalling £25,500 (year ended 31 December 2021 - 2,750,000 0.5p Ordinary shares in settlement of fees totalling £16,500), Alex Borrelli received 2,950,000 0.5p Ordinary shares in settlement of fees totalling £14,750 (year ended 31 December 2021 – 1,375,000 0.5p Ordinary shares in settlement of fees totalling £8,250), and James Hogg received 2,950,000 0.5p Ordinary shares in settlement of fees totalling £14,750 (year ended 31 December 2021 – 1,375,000 0.5p Ordinary shares in settlement of fees totalling £8,250). At 30 June 2023, the balances of fees owed and to be settled by the issue of 0.5p Ordinary shares was nil to Richard Battersby (31 December 2021 - £4,500), £10,500 to James Butterfield (31 December 2021 - £4,500), £3,913 to Alex Borrelli (31 December 2021 - £2,250), and £6,250 (31 December 2021 - £2,250) to James Hogg.

Kings of The North Corp ('KOTN') is a subsidiary of the Company. During the period the Company charged management fees totalling £180,000 (year ended 31 December 2021 - £120,000) to KOTN. At 30 June 2023 the balance due to the Company in respect of these fees was £300,000 (31 December 2021 - £120,000) against which a bad debt provision of £300,000 (31 December 2021 - £120,000) has been made. Also, the Company provided KOTN with a loan during the period. At 30 June 2023, the loan balance due to the Company was £39,652 (31 December 2021 - £35,248) against which a bad debt provision of £39,652 (31 December 2021 - £nil) has been made. The loan balance, net of bad debt provision, of £nil (31 December 2021 - £35,248) is included within debtors falling due within one year, and is unsecured, interest free and has no fixed date for repayment. The carrying value of the Company's shareholding in KOTN as at 30 June 2023 was £1,418,000 (31 December 2021 - £1,418,000). This balance is included within fixed asset investments.

18. **POST BALANCE SHEET EVENTS**

i. Following the year end the Company issued 14,023,040 0.5p Ordinary shares in settlement of directors' and other fees totalling £70,115.

ii. Post period-end the Company has announced an Offer for Subscription to raise up to £0.9m for additional working capital purposes and any surplus funds will be allocated towards the provision of a Mineral Resource Estimate and Preliminary Economic Assessment for the Dehane 1 area, where investigations to date have produced encouraging results. To date, the directors have received an irrevocable undertaking from a shareholder to subscribe for £150,000 of shares in the proposed offer for Subscription and a director has agreed to convert £300,000 of loans into equity as part of the Subscription which is due to complete shortly. In the event that the Subscription proceeds do not exceed £600,000 in total, the other directors have agreed to convert their loans to equity as part of the Subscription rather than have them repaid in cash. In addition, in this scenario, the directors have agreed to waive the right to receive their fees in cash for a period of at least 12 months from the date of approval of the accounts.

iii. Of the total amount outstanding to Trade Creditors amounting to £272,666 at 30 June 2023, a total of £156,346 has been paid since the period end and of the remaining balance £31,381 relates to directors remuneration and expenses.

19. **ULTIMATE CONTROLLING PARTY**

Significant shareholders are disclosed in the directors' report. There is no overall controlling party.

20. **SHARE-BASED PAYMENT TRANSACTIONS**

Share options
Share options have been awarded at nil cost for services provided by the directors under the terms of an Unapproved Share Option Plan as follows:

Recipient	Date of grant	At 1.1.22 No.	Lapsed	At 30.6.23 No.
J M V Butterfield	11/02/15	5,871,262	(5,871,262)	-
M A Borrelli	11/02/15	5,871,262	(5,871,262)	-
Bath Group Limited	11/02/15	5,871,262	(5,871,262)	-
J M V Butterfield	26/06/20	6,128,738	(6,128,738)	-
M A Borrelli	26/06/20	6,128,738	(6,128,738)	-
Neric Holdings Limited	26/06/20	6,128,738	(6,128,738)	-
J Hogg	26/06/20	3,000,000	(3,000,000)	-
		39,000,000	(39,000,000)	-

The options granted on 11 February 2015 were exercisable at a price of 0.65p per share and vested as to one third on the first anniversary of grant, one third on the second anniversary of grant and the remaining third on the third anniversary of grant. Under the original terms of the Plan, the options lapsed if not exercised by the fifth anniversary of the date of grant. The exercise period was extended to the eighth anniversary of the date of the grant on 11 February 2020. These options lapsed during the period ended 30 June 2023.

The options granted on 26 June 2020 were exercisable at a price of 0.5p per share and vested on the first anniversary of grant. The options lapsed if not exercised by the third anniversary of the date of grant. These options lapsed during the period ended 30 June 2023.

The company is unable to directly measure the fair value of directors' services received. Instead the fair value of the share options granted is determined using the Black-Scholes model. The model is internationally recognised as being appropriate to value employee share schemes similar to the Unapproved Share Option Plan.

The total profit and loss account charge for the period recognised in respect of share options granted to directors was £nil (year ended 31 December 2021 - £nil).

20. **SHARE-BASED PAYMENT TRANSACTIONS – continued**

Other transactions
During the period, the company issued 15,161,616 (year ended 31 December 2021 - nil) Ordinary shares of 0.5p each at par value and nil (year ended 31 December 2021 – 8,250,000) Ordinary shares of 0.5p each issued at 0.6p per share in settlement of fees totalling £75,808 (year ended 31 December 2021 - £49,500) owed to the directors.

21. **CONVERTIBLE LOAN NOTES**

(i) 14% Unsecured Convertible Loan Notes

Period Ended 30 June 2023
During the period ended 30 June 2023, the company issued 14% Unsecured Convertible Loan Notes totalling £200,000. These loan notes are convertible into 0.5p Ordinary Shares at a price of 0.6p per share, with a redemption date of 30 April 2024. All interest is accrued until the redemption date and may be converted on the same terms as the principal. The loan note holders can request conversion at any time until the redemption date and the company has a right to require conversion on the redemption date, including of the accrued interest.

The entire principal amount has been classified as equity. The rolled up interest has been credited to equity on an accruals basis.

The interest charged to the income statement during the period was £31,210.

Year Ended 31 December 2021
The company issued 14% Unsecured Convertible Loan Notes during the year ended 30 April 2018. The loan notes were to be settled in cash only in the event of a sale of the entire issued share capital of the company. If no such sale occurred by 31 December 2021, the notes were to be automatically converted into Ordinary shares of 0.5p each on the basis of one Ordinary share for each loan note (the notes were issued in denominations of 0.5p each).

Interest was payable at an annual rate of 14% per annum on the principal amount of £301,000, with 4% being paid in cash and the remaining 10% being rolled up and convertible along with the principal amount. Interest was payable half yearly in arrears on 30 June and 31 December.

The entire principal amount was classified as equity on the basis that the liability component is immaterial. The rolled up element of the interest was credited to equity on an accruals basis.

The interest charged to the profit and loss account during the year was £42,140. Of this, £12,040 was payable in cash and £30,100 was credited to equity.

On 31 December 2021, the entire loan note principal of £301,000 and rolled up interest totalling £103,175 was converted into 80,835,000 Ordinary shares of 0.5p each issued at par value.

21. **CONVERTIBLE LOAN NOTES - continued**

(ii) Unsecured Convertible Loan Notes 2019

On 1 October 2019, the company acquired 100% of the issued share capital of Kings Of The North Corp, ('KOTN') a company incorporated in Canada which holds a number of mining rights in Quebec and Ontario. The shares were acquired for a consideration of £4.66m which was settled by the issue of Unsecured Convertible Loan Notes. A further £100,000 of loan notes were issued for cash during the period ended 31 December 2019.

The principal terms of the loan notes are as follows:

- convertible by the holder into Ordinary 0.5p shares at any time up until 30 September 2022, at a share conversion price equal to the 5 days Volume Weighted Average Price per Ordinary share prior to the date of conversion and subject to a minimum conversion price of 0.5p per Ordinary share;

- following 30 September 2022, any outstanding Convertible Loan Notes will be rolled over for a subsequent 12 months on the same terms;

- Convertible Loan Notes which have not been converted by the expiry of the further 12 month period shall automatically convert to a new class of share in the Company, being Deferred Non-Voting Shares, convertible on the same terms as the Loan Note Instrument, save they carry no right to capital on winding up;

- the Convertible Loan Notes provide that, at all times no person shall be able to exercise their right to convert any Convertible Loan Notes or Deferred Non-Voting Shares if to do so would cause that person (or any person acting in concert with that person, as defined in the Takeover Code) to exceed a 29% interest in the voting rights of the Company; and

- the Convertible Loan Notes are interest free.

The loan notes are only redeemable in cash under the following circumstances:

- the company is unable to legally issue the conversion shares to the noteholders within 30 days of the conversion date; or

- in the event of the winding up or dissolution of the company; or

- an administrator, receiver or similar is appointed and such person has not been paid out or discharged within 30 days.

The entire principal amount has been classified as equity on the basis that the liability component is immaterial.

During the period, loan notes totalling £260,245 were converted into Ordinary 0.5p shares at a conversion price of 0.5p per share. There were no movements during the year ended 31 December 2021. The balance of the issued Convertible Loan Notes at 30 June 2023 was £4,107,738 (31 December 2021 - £4,367,983).

One of the principal terms of the Convertible Loan Notes detailed above was that any notes which had not been converted into Ordinary 0.5p shares by 30 September 2023 were to be automatically converted into Deferred Non-Voting Shares. As a result of ongoing litigation, and based on legal opinion provided to the Directors by the Company's solicitors, no such conversion has taken place and the Convertible Loan Notes remain outstanding.

22. CONTINGENT LIABILITIES

BWA is involved in connected litigation in Canada and England. This litigation arises from the same events and circumstances. In Canada, BWA is the Claimant and is seeking to enforce the terms of an agreement some years ago with St Georges Eco-Mining Corp. In England, BWA is the Defendant in relation to a claim by St George's Eco-Mining Corp to convert certain convertible loan notes ('CLNs').

With specific reference to the litigation in England, this relates to the refusal on the part of BWA to convert the CLNs. This was on the basis that a combination of the St George's Eco-Mining Corp's CLNs and those held by connected parties would have amounted, if converted, to 33% of the BWA equity which would have been in breach of the agreed CLN conditions.

The Directors believe that as a result of recent one-to-one negotiations between the parties that a negotiated settlement may be capable of being achieved, which would be ultimately beneficial to both parties, and which could involve a return of the BWA CLN's and St George's two remaining former mineral exploration licences, amongst other matters. Any return of the CLN's as part of a full settlement would lead also to the cessation of the litigation in England.