RNS Number : 8893F
27 September 2024

Kendrick Resources Plc
("Kendrick" or the "Company")

Interim Results for the Six Months Ended 30 June 2024

Kendrick Resources Plc the Scandinavian focused new age mineral exploration and development company with nickel and vanadium projects in Norway, Sweden and Finland, announces its unaudited interim results for the six months ended 30 June 2024.

OPERATIONAL, FINANCIAL CORPORATE and STRATEGY REVIEWS

Operational Review

During the period the Company's exploration activities focussed on its Espedalen nickel project in Norway, the Swedish Nickel Projects and its Airijoki vanadium project in Sweden. The Espedalen and Airijoki assets are the Company's two most advanced projects.

Technical review of Projects: Following Admission to the Main Market of the London Stock Exchange in May 2022 and having acquired its projects in Sweden, Finland and exercised its option in relation to its Norwegian projects, the Group commenced technical reviews and / or programmes on its portfolio. The primary metal in the Swedish and Finnish projects is vanadium and nickel for the Norwegian projects. Since their acquisition the group commenced technical reviews of its Swedish Nickel Projects.

Summary of Projects:
The Projects are a portfolio of early to advanced stage exploration projects covering a combined area of 658 km2 in Scandinavia. The most advanced of these Projects are the Airijoki and Koitelainen vanadium projects in Sweden and Finland respectively and the Espedalen nickel copper project in Norway. The other projects are:

- Sweden – the Njuggtraskliden and Mjovattnet exploration ("Swedish **Nickel Projects**")
- Sweden – the Kullberget, Simesvallen and Sumåssjön exploration projects in Sweden (collectively the "**Central Sweden Project**")

The Airijoki vanadium copper project in Sweden comprising seven contiguous exploration permits covering 39.41 km^2 is supported by an Inferred Mineral Resource comprising 44.3 Mt at an in-situ grade of 0.4% V_2O_5, containing 5.9 Mt of magnetite averaging 1.7% V_2O_5 (in magnetite concentrate) for 100,800 t of contained V_2O_5 based on a 13.3% mass recovery of magnetite concentrate and a 0.7% V_2O_5 cut-off grade, on a 100% equity basis (and net attributable basis).

The Koitelainen vanadium copper project in Finland comprising a single granted exploration licence covering 13.72 km2 with an Inferred Mineral Resource has been defined at the Koitelainen Vosa

Prospect comprising 116.4Mt, containing 5.8 million tonnes of magnetite @ 2.3% V2O5 (in magnetite concentrate), for 131,000 tonnes of V2O5 based on 5.0% Mass Recovery of magnetite concentrate and a cut-off of 0.5% V. The Inferred Mineral Resource was estimated in accordance with JORC (2012), utilising data from 3,784m of drilling from 27 historical drill holes.

The Espedalen nickel-copper project in Norway comprising 16 contiguous exploration permits covering a combined area of 139.89 km2 and currently contains the following two nickel deposits with associated Mineral Resource estimates together with other prospects and was the subject of a successful drill programme during 2023:

- Stormyra deposit comprising 1.16Mt @ 1% Ni, 0.42% Cu & 0.04% Co and classified as Inferred in accordance with JORC (2012)

- Dalen deposit comprising 7.8Mt @ 0.3% Ni, 0.12% Cu & 0.02% Co and classified as Inferred in accordance with JORC (2012)

Norway Projects:
Our review has led us to identify significant opportunities with the nickel projects in Norway. Our thorough review of historic exploration data combined with nickel price forecasting results in Kendrick being extremely well positioned with our Norwegian nickel assets. Our priority Norwegian nickel target, the Espedalen Project (1.16Mt @ 1% Ni, 0.42% Cu & 0.04% Co) and more specifically the Stormyra prospect was drilled in March 2023 with 19 holes completed for a total of 1,650 metres of drilling over an initial 1,200m of strike length. The results of the programme were announced on 20 April 2023, 4 May 2023 and 24 May 2023 including several drill intercept highlights:

- Hole ES2302 – 6.85% Ni Eq. over 1.25m from 38.20m
- Hole ES2303 - 2.64% Ni Eq. over 3.75m from 44.45m
    - incl. 9.28% Ni Eq. over 0.75m from 47.45m
    - and 1.53% Ni Eq. over 5.80m from 51.80m
    - incl. 5.33% Ni Eq. over 0.9m from 56.7m
- Hole ES2305 – 1.30% Ni Eq. over 4.60m from 76.70m
    - incl. 2.59% Ni Eq. over 2.10m from 79.20m
- Hole ES2306 – 0.71% Ni Eq. over 10.6m from 96.50m
    - Incl. 2.18% Ni Eq. over 1.70m from 99.20m
        - and 1.03% Ni Eq. over 2.65m from 104.45m
        - Hole ESP2308 - 3.39% Ni Eq. over 11.60m from 52.40m including 5.80% Ni Eq over 4.9m from 59.1m
- Hole ESP2307 – 2.59% Ni Eq. over 3.65m from 37.80m including 4.85% Ni Eq. over 1.80m from 38.50m
- Hole ESP2312 – 2.29% Ni Eq. over 4.15m from 92.35m
- Hole ESP2313 – 1.98% Ni Eq. over 3.55m from 79.60m including 3.86% Ni Eq. over 1.70m from 79.60m
- Hole ESP2317 – 2.18% Ni Eq. over 3.50m from 61.50m
- Hole ESP2318 – 0.41% Ni Eq. over 9.20m from 31.50m incl. 1.15% Ni Eq. over 0.90m from 35.20m
- Hole ESP2319 – 2.43% Ni Eq. over 2.10m from 53.60m incl. 5.53% Ni Eq. over 0.65m from 54.35m and 1.33% Ni Eq. over 2.70m from 62.20m

Geophysics and interpretation of drilling indicates a further extension to known mineralisation of approximately 500m along the southern limit of the current orebody which is expected to increase the mineral resource.

The drill programme over Stormyra was very successful with impressive peak intercepts having provided all the motivation the Company needs to both extend the Stormyra mineralised trend and assess with further drilling multiple other targets (some of which have been drilled and intersected Ni mineralisation) across the Espedalen project area.

On 7 February 2024 the Company announced the delineation of new nickel drill targets at Stormyra based upon positive findings from ground magnetic and electromagnetic ("EM") surveys conducted at the Company's Espedalen Nickel Complex (the "Complex").

Highlights

- Ground magnetic survey identifies two prospective areas with a magnetic signature similar to the near-surface main zone of the known mineralisation.
- The survey confirms an extra 500 metre of untested south easterly extension of the Stormyra orebody that can be drilled with the objective of increasing the existing in-house resource tonnage.
- In addition, a transient electromagnetic ("TEM") survey identified a strong conductive body at depth further to the southeast which could potentially represent deeper mineralisation reflecting the source of nickel-bearing fluids in the Complex.
- The geophysical anomalies represent viable drill targets likely to add to the existing mineral resource.
- A further 10 drill-defined anomalies remain to be thoroughly tested within the Complex.

Thanks to our local team, we have managed to build a healthy relationship with the local stakeholders and we will continue to communicate with interested and affected parties and we are sufficiently confident of the continuity of mineralisation to formally engage external engineering advice for the review of future plant design.

Swedish & Finnish Projects: The main focus for the company is its Airijoki vanadium project and the Swedish Nickel Projects at Njuggtraskliden and Mjovattnet.

In reviewing the Airijoki project we have identified significant magnetic geophysical and copper in soil anomalies and we have modelled the occurrences for future testing. The various exploration programmes have confirmed:

- Four new exploration targets identified outside the main vanadium trend.
- New targets are anomalous for copper, nickel, cobalt, gold, and palladium and are coincident with underlying airborne geophysical anomalism.
- Two of the copper, nickel, cobalt, gold, palladium targets have been prioritised for immediate follow-up once weather permits.
- Two targets have estimated minimum strike lengths of approximately 2km and 1km.
- The Airijoki licences remain highly prospective for vanadium.

Additional metallurgical test work has been undertaken and further tests will follow using fresh drill core from the most recent drill programme in 2023.

On 8 February 2024 the Company announced

New vanadium assay results from its diamond drill programme over the Airijoki Vanadium Deposit in Vittangi, Sweden. The combination of a JORC Mineral Resource, new positive assay results and access to a further 5 contiguous exploration licences expected to generate additional vanadium (and copper) targets for follow up and possible future expansion of the current vanadium resource, has initiated the next step in the development of the Company's vanadium programme.

The immediate emphasis will be to switch from further drilling to expanding the Mineral Resource, to focusing on the development and implementation of an appropriate strategy to build a sustainable vanadium business, this does not preclude future ongoing exploration. But in the meantime, we will be looking to build strategic alliances with both iron ore and vanadium miners and processors, together with an alignment with end users of vanadium, principally in the Vanadium Redox battery sphere. Operating to the highest possible standards, the Company aims to become a significant contributor to the supply of vanadium in the Scandinavian battery arena.

Highlights

- Results have been received for whole rock and vanadium magnetite concentrates produced from eight holes drilled north of the existing Airijoki vanadium JORC Mineral Resource containing 44.3 Mt @ 0.4% V_2O_5, in-situ, containing 5.9 Mt of magnetite averaging 1.7% V_2O_5.
- Seven out of eight holes drilled intersected vanadium mineralisation.
- Notable intercepts included:
    - 0.52% V_2O_5 - whole rock (1.77% V_2O_5 - magnetite concentrate) over 28.80m from 77.55m in hole AIR23-003, incl.
        - 0.72% V_2O_5 - whole rock (2.15% V_2O_5 – magnetite concentrate) over 12.00m from 89.50m
    - 0.43% V_2O_5 – whole rock (1.44% V_2O_5 – magnetite concentrate) over 19.15m from 75.85m in hole AIR23-008
    - 0.32% V_2O_5 – whole rock (1.42% V_2O_5 – magnetite concentrate) over 28.65m from 174.50m in AIR23-002
        - incl. 0.40% V_2O_5 – whole rock (1.75% V_2O_5 -magnetite concentrate) over 12 m from 186.5m
- Endorsement by the Board of the development of a strategy aimed at building a sustainable vanadium business in Scandinavia to deliver into future vanadium demand for battery production.

In August 2023 the company acquired EV Metals AB and its two Swedish Nickel Projects Mjovattnet and Njuggtraskliden highlights of which are:

Mjovattnet Licence

- 2 drill-defined zones of mineralisation (Mjovattnet and Brannorna Prospects)
- 15km of prospective strike
- PGE value historically overlooked
- Mjovattnet in-house non-JORC compliant drill-defined resource of 0.17Mt @ 1.29% Ni, 0.19% Cu & 0.02% Co
- Open at depth
- Peak shallow drill intercepts for the Brannora Prospect include:

Hole (Brannorna)	From (m)	To (m)	Width (m)	Ni (%)
BRA-75015	65.80	77.40	11.60	0.82
BRA-07001	59.00	84.73	25.73	0.58
BRA-77024	40.30	68.00	27.70	0.64
BRA-07002	29.30	105.48	76.18	0.60

Njuggtraskliden Licence

- Historic non-JORC compliant mineral Resource of 0 575 Mt @ 0.71% Ni, 0.26% Cu & 0.04% Co
- 10km of prospective strike
- Mineralised system remains open at depth
- Drill-defined nickel sulphide mineralisation developed along more than 10km of strike extent

- Peak shallow drill intercepts at Njuggtraskliden include:

Hole	From (m)	To (m)	Width (m)	Ni (%)	Cu (%)	Pt (ppm)	Pd (ppm)	Au (ppm)
NJU07001	63.40	87.75	24.35	1.01	0.51	1.08	0.56	0.14
NJU79016	15.90	21.69	5.79	1.06	0.31	0.11	0.11	0.05
NJU79031	66.55	89.56	23.01	1.04	0.60	0.51	0.23	0.02
NJU82003E	156.75	161.62	4.87	0.65	0.31	0.15	0.88	-
NJU90006	44.00	56.30	12.30	0.90	0.79	0.30	5.34	0.24

- Swedish Geological Survey report suggests extensions to mineralisation at depth and along strike at all prospects on both licences
- Both prospects host significant massive sulphide mineralisation not typical of other nickel deposits in the region indicating scope for further accumulations of locally massive sulphide located in a nickel-rich district, analogous to the Thompson nickel Belt in Manitoba, Canada
- 100km by sea from Boliden's Kokkola nickel smelter in Finland

Financial Review
Financial highlights:

- £239K loss after tax (2023: £244K)
- Approximately £126k cash at bank at the period end (Dec 2023: £200k).
- The basic and diluted losses per share are summarised in the table below

Loss per share (pence)		2024	2023
Basic & Diluted	Note 3	(0.10)p	(0.10)p

- The net asset value as at 30 June 2024 was £4.30m (31 December 2023 £4.58m)

Fundraisings and issues of shares during the period
No shares were issued during the period. On 22 April 2024 the Company announced that it had entered into an unsecured convertible loan funding facility (the "**Facility**") for £500,000 with Sanderson Capital Partners Ltd (the "**Lender**"), a long-term shareholder in the Company. The Facility is convertible at 0.75 pence per ordinary share ("**Shares**") and can be drawn down in 4 tranches of £125,000 each ("Loan Tranches"). The Facility is a standby facility as a potential additional source of working capital for the Company in a period when the funding market for junior exploration companies is subject to market volatility.

Working Capital Facility Agreement
The Facility is for £500,000 in total, is unsecured, interest free and can be drawn down in four tranches as follows:

- £125,000 to be drawn down within 6 months of 7 May 2024 ("**Tranche One**");
- £125,000 to be drawn down within 6 months of 7 July 2024 ("**Tranche Two**");
- £125,000 to be drawn down within 6 months of 7 September 2024 ("**Tranche Three**"); and
- £125,000 to be drawn down within 6 months of 7 November 2024 ("**Tranche Four**")

Tranche One has been drawndown with £100,000 received in the period and £25,000 received post the period end. The maturity date for Tranche One is 23 August 2025.

Corporate Review
Company Board: The Board of the Company comprises Colin Bird: Executive Chairman, Martyn Churchouse: Managing Director, and Non- executive directors Kjeld Thygesen, Evan Kirby and Alex Borrelli.

Listing: On 29 July 2024, the Listing Rules were replaced by the UK Listing Rules ("UKLR") under which the existing Standard Listing category was replaced by the Equity Shares (transition) category under

Chapter 22 of the UKLR. Consequently with effect from that date the Company is admitted to Equity Shares (transition) category of the Official List under Chapter 22 of the UKLR and to trading on the London Stock Exchange's Main Market for listed securities.
Corporate Transactions : There were no corporate acquisitions or disposals during the period.

Strategy Review
The Group is looking to build a long-term energy metals business in Scandinavia which delivers energy metals to Europe to help enable its renewable energy transformation by building a top tier energy metals production business focused on quality vanadium and nickel mineral resources in Scandinavia. The Group's short to medium term strategic objectives are to enhance the value of its mineral resource projects through exploration and technical studies conducted by the Company or in conjunction with other parties with a view to establishing these projects can be economically mined for profit. With a positive global outlook for both base and precious metals,

The Group may in the future, if such opportunity arises, acquire other mineral resource projects whose value can similarly be enhanced. Further projects may be considered where assets in strategic commodities are either: (i) geologically prospective but undervalued; (ii) where technical knowledge and experience could be applied to add or unlock upside potential; (iii) where the assets may be synergistic to the current portfolio; or (iv) where project diversification will add strategic growth opportunities within an appropriate time frame.

Outlook
There appears a new realisation that if clean energy targets are to be met then critical mining has to take place. Indeed, the southern coast of Norway is becoming known as the "Battery Coast" by industry pundits and the Board believes we have a good portfolio in the much sought after commodities at a time when Scandinavia may well undergo a mining renaissance.

Post Period Events
There have been no significant events post the period end.

INTERIM MANAGEMENT REPORT
The Directors are required to provide an Interim Management Report in accordance with the Financial Conduct Authorities ("FCA") Disclosure Guidance and Transparency Rules ("DTR"). The Directors consider the preceding Operational, Financial, Corporate and Strategy Review of this Half Yearly Financial Report provides details of the important events which have occurred during the period and their impact on the financial statements as well as the outlook for the Company for the remaining six months of the year ended 31 December 2024.

The following statement of the Principal Risks and Uncertainties, the Related Party Transactions, the Statement of Directors' Responsibilities and the Operational, Financial, Corporate and Strategy Review constitute the Interim Management Report of the Company for the six months ended 30 June 2024.

Principal Risks and Uncertainties
The principal risks that are specific to the Company were detailed under this heading in Part 1 Summary of the Company's prospectus which was published on 29 April 2022 (the "**Prospectus**") which is available on the Company's website at http://www.kendrickresources.com/. Part II Risk factors of the Prospectus provides more details of risk factors specific and material to the Group and to the Natural Resources Sector. The Strategic Report in the 2023 Annual Accounts also provided a detailed summary of the principal risks and uncertainties faced by the Company, a copy of the 2023 Annual Accounts are available on the Company's website at http://www.kendrickresources.com/.
The Board are of the opinion that these risk factors will continue to remain unchanged for the forthcoming six month period.

The principal risks and uncertainties facing the group are as follows:

- There are significant risks associated with any exploration project and the ability of the Company to explore, develop and generate operational cashflows from its projects requiring the Company to rely on fundraisings to fund its operational costs
- No assurances can be given that minerals will be discovered in economically viable quantities at the Company's projects
- Adverse foreign exchange fluctuations
- Volatility in financial markets and commodity markets

The Board has also reviewed emerging risks which may impact the forthcoming six-month period. The ongoing impact of the Ukraine war and related sanctions and escalation of conflicts in the Levant area of the Middle East may affect the macro-economic situation but not have a direct impact on the Company as it does not have assets in or do have business activities or suppliers in either Ukraine. Russia or the Levant areas of the Middle East. As a result of the Ukraine war Finland joined NATO in 2023 and Sweden have announced their intention to join NATO.

Related Party Transactions during the period

1. **Directors' Letters of Appointment and Service Agreements as disclosed in the Prospectus**

(a) Pursuant to an agreement dated 29 April 2022 the Company renewed the appointment of Colin Bird as a Director. The appointment continues unless terminated by either party giving to the other three months' notice in writing. Colin Bird is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Colin Bird is not entitled to any pension, medical or similar employee benefits. The agreement replaces all previous agreements with Colin Bird in relation to his appointment as a director of the Company.

(b) Pursuant to a consultancy agreement dated 29 April 2022, the Company has, with effect from the date of the IPO, appointed Colin Bird as a consultant to provide technical advisory services in relation to its current and future projects including, but not limited to, assessing existing geological data and studies, existing mine development studies and developing exploration programs and defining the framework of future geological and mine study reports (the "Colin Bird Services"). The appointment continues unless terminated by either party giving to the other three months' notice in writing. Colin Bird is entitled to fees of £2,500 per month for being a consultant to the Company plus reasonable and properly documents expenses incurred during the performance of the Colin Bird Services.

(c) Pursuant to an agreement dated 29 April 2022, renewed the appointment of Kjeld Thygesen as a non-executive Director. The appointment continues unless terminated by either party giving to the other three months' notice in writing. Kjeld Thygesen is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Kjeld Thygesen is not entitled to any pension, medical or similar employee benefits.

(d) Pursuant to an agreement dated 29 April 2022, Alex Borrelli was appointed as a nonexecutive Director. The appointment continues unless terminated by either party giving to the other three months' notice in writing. Alex Borrelli is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Alex Borrelli is not entitled to any pension, medical or similar employee benefits.

(e) Pursuant to an agreement dated 29 April 2022, Evan Kirby was appointed as a non-executive Director. The appointment continues unless terminated by either party giving to the other three months' notice in writing. Evan Kirby is entitled to director's fees of £18,000 per annum for being a director of the Company plus reasonable and properly documented expenses incurred during the performance of his duties. Evan Kirby is not entitled to any pension, medical or similar employee benefits.

(f) The Company entered into a licence agreement dated 1 February 2022 with Lion Mining Finance Limited (a company controlled by Colin Bird, a director of the Company). Pursuant to this agreement, the Company has been granted a licence to use the premises at 7-8 Kendrick Mews, London, SW7 for a period of 12 months with effect from 1 December 2021 for a licence fee of £1,000 per month. In addition, Lion Mining Finance Limited provides basic administrative and support services as required by the Company from time to time.

3. Related Party transactions described in the annual report to 31 December 2023

Other than disclosed above there have been no changes in the related parties transactions described in the annual report for the year ended 31 December 2023 that could have a material effect on the financial position or performance of the Company in the first six months of the current financial year

Responsibility Statement

The Directors, whose names and functions are set out in this report under the heading Company Board, are responsible for preparing the Unaudited Interim Condensed Consolidated Financial Statements in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority ('DTR') and with International Accounting Standard 34 on Interim Financial reporting (IAS34). The Directors confirm that, to the best of their knowledge, this Unaudited Interim Condensed Consolidated Report, which has been prepared in accordance with IAS34, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the interim management report includes a fair review of the information required by DTR 4.2.7 R and by DTR 4.2.8 R, namely:

- an indication of key events occurred during the period and their impact on the Unaudited Interim Condensed Consolidated Financial Statements and a description of the principal risks and uncertainties for the second half of the financial year; and
- material related party transactions that have taken place during the period and that have materially affected the financial position or the performance of the business during that period."

For and on behalf of the Board of Directors

Colin Bird
Executive Chairman
27 September 2024

Kendrick Resources Plc: Chairman	Tel: +44 2039 616 086 Colin Bird
Novum Securities Financial Adviser Joint Broker	Tel: +44 7399 9400 David Coffman / George Duxberry Jon Bellis
Shard Capital Partners LLP Joint Broker	Tel: +44 207 186 9952 Damon Heath / Isabella Pierre

or visit https://www.kendrickresources.com/

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014 as it forms part of UK Domestic Law by virtue of the European Union (Withdrawal) Act 2018 ("UK MAR").

Group Statement of Profit and Loss
For the six months ended 30 June 2024

	Notes	**Unaudited Six months ended 30 June 2024 £**	Unaudited Six months ended 30 June 2023 £
Income			
Realised loss on sale of investments		**-**	**-**
Unrealised (loss)/gain on investments		**-**	**-**
Total income		**-**	**-**
Operating expenses		**(238,676)**	**(243,534)**
Group operating loss		**(238,676)**	**(243,534)**
Interest costs		**(191)**	**-**
Loss before taxation		**(238,867)**	**(243,534)**
Taxation		**-**	**-**
Loss for the period		**(238,867)**	**(243,534)**
Loss per share (pence)			
Basic & Diluted	3	**(0.10)p**	(0.10)p

Group Statement of Other Comprehensive Income
For the six months ended 30 June 2024

	Unaudited Six months ended 30 June 2024 £	Unaudited Six months ended 30 June 2023 £
Other comprehensive income:		
Loss for the period	**(238,867)**	**(243,534)**
Items that may be reclassified to profit or loss:		
Foreign currency reserve movement	**(40,445)**	**-**
Total comprehensive loss for the period	**(279,312)**	**(243,534)**

GROUP STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Share capital	Share Premium	Share based Payment reserve	Merger reserve	Translation Reserve	Accumulated losses	Total equity
	£	**£**	£	**£**	**£**	**£**	**£**
Unaudited – six months ended 30 June 2024							
Balance at 29 December 2023	**22,999,551**	**31,845,128**	**100,258**	**1,824,000**	**(27,035)**	**(52,163,903)**	**4,577,999**
Current period loss	-	-	-	-		(238,867)	(238,867)
Other comprehensive income							
Translation reserve	-	-	-	-	(40,445)	-	(40,445)
Total comprehensive loss for the period	-	-	-	-	(40,445)	(238,867)	(279,312)
Balance at 30 June 2024	**22,999,551**	**31.845,128**	**100,258**	**1,824,000**	**(67,480)**	**(52,402,770)**	**4,298,687**
Unaudited – six months ended 30 June 2023							
Balance at 29 December 2022	**22,998,307**	**31,810,107**	**-**	**1,824,000**		**(51,064,741)**	**(5,567, 673)**
Current period loss	-	-	-	-		(243,534)	(243,534)
Total comprehensive loss for the period	-	-	-			(243,534)	(243,534)
Exercise of option over Norwegian projects	**1,244**	**35,021**	**-**	**-**		-	**36,265**
Balance at 30 June 2023	**22,999,551**	**31.845,128**	**-**	**1,824,000**		**(51,308,275)**	**5,360,404**

GROUP BALANCE SHEET
As at 30 June 2024

	Notes	**Unaudited 30 June 2024 £**	Audited 29 December 2023 £
ASSETS			
Non-current assets			
Property, plant and equipment		**-**	-
Exploration and evaluation assets	6	**4,838,248**	4,756,879
Total non-current assets		**4,838,248**	4,756,879
Current assets			
Current asset investment		**1,798**	1,798
Trade and other receivables		**64,087**	48,040
Cash and cash equivalents		**125,872**	199,992
Total current assets		**191,757**	249,830
TOTAL ASSETS		**5,030,005**	5,006,709
LIABILITIES			
Current liabilities			
Trade and other payables		**631,318**	428,710
		631,318	428,710
Non-current liabilities			
Borrowings	8	**100,000**	-
		100,000	-
Total liabilities		**731,318**	**428,710**
NET ASSETS/(LIABILITIES)		**4,298,687**	**4,577,999**
EQUITY			
Share capital	9	**22,999,551**	22,999,551
Share Premium		**31,845,128**	31,845,128
Share based payment reserve		**100,258**	100,258
Merger reserve		**1,824,000**	1,824,000
Translation reserve		**(67,480)**	(27,035)
Retained earnings		**(52,402,770)**	(52,163,903)
Total equity		**4,298,687**	**4,577,999**

Group Statement of Cash Flows
For the six months ended 30 June 2024

	Notes	**Unaudited Six months ended 30 June 2024 £**	Unaudited Six months ended 30 June 2023 £
Cash flows from operating activities			
Loss before tax		**(238,867)**	(243,534)
Adjustments for:			
Depreciation of property, plant and equipment		**-**	-
Loss on sale of investments		**-**	-
Unrealised loss on investments		**-**	-
(Increase)/Decrease in receivables		**(16,048)**	20,402
Increase/(Decrease) in payables		**202,609**	(125,063)
Net cash inflow from operating activities		**(52,306)**	(348,195)
Cash flows from/(used) in investing activities			
Proceeds of sale of Investment shares		**-**	-
Investment in Nordic Projects and related transaction costs		**-**	-
Purchase of Exploration and Evaluation assets		**(81,369)**	(714,937)
		(81,369)	(714,937)
Cash flows from financing activities			
Proceeds from Issue of shares, net of issue costs		**-**	-
Proceeds form Long term loan		**100,000**	-
Shares issued to acquire options		**-**	36,265
		100,000	36,265
Increase/(Decrease) in cash		**(33,675)**	(1,026,867)
Effect of foreign exchange rate changes		**(40,445)**	
Cash and cash equivalents at beginning of period		**199,902**	1,817,706
Cash and cash equivalents at end of period		**125,872**	790,839

Notes to the interim financial information
For the six months ended 30 June 2024

1. General information

This financial information is for Kendrick Resources Plc ("the Company") and its subsidiary undertakings. The principal activity of Kendrick Resources Plc (the 'Company') and its subsidiaries (together the 'Group') is the development of natural resources exploration projects in Scandinavia. The Company is a public limited company and was listed on to the Official List (Standard Segment) and commenced trading on the Main Market for listed securities of the London Stock Exchange on 6 May 2022. The 'Company is incorporated and domiciled in the United Kingdom with company registration number 02401127. The address of the registered office is 7/8 Kendrick Mews, London SW7 3HG.

2. Basis of preparation

The unaudited interim financial information set out above, which incorporates the financial information of the Company and its subsidiary undertakings (the "**Group**"), has been prepared using the historical cost convention and in accordance with International Financial Reporting Standards ("**IFRS**").

These interim results for the six months ended 30 June 2024 are unaudited and do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial statements for the year ended 31 December 2023 were audited and the auditors' report on those financial statements was unqualified and contained a material uncertainty pertaining to going concern.

The same accounting policies, presentation and methods of computation have been followed in these unaudited interim financial statements as those which were applied in the preparation of the company's annual financial statements for the year ended 31 December 2023.

The interim consolidated financial information incorporates the financial statements of Kendrick Resources Plc and its subsidiaries.

Going concern basis of accounting

The Group made a loss from all operations for the six months ended 30 June 2023 after tax of £239,000 (2023: £244,000), had negative cash flows from operations and is currently not generating revenues. On 22 April 2024 the Company announced it had entered into an unsecured convertible loan funding facility (the "**Facility**") for £500,000 with Sanderson Capital Partners Ltd (the "**Lender**"), a long term shareholder in the Company. The Facility is convertible at 0.75 pence per ordinary share ("**Shares**") and can be drawn down in 4 tranches of £125,000 each ("**Loan Tranches**"). The Facility is a standby facility as a potential additional source of working capital for the Group in a period when the funding market for junior exploration companies is subject to market volatility (see Note 7 for further details).

An operating loss is expected in the year subsequent to the date of these accounts and as a result the Company will need to raise funding to provide additional working capital to finance its ongoing activities. Management has successfully raised money in the past, but there is no guarantee that adequate funds will be available when needed in the future.

Based on the Board's assessment that the Company will be able to raise additional funds, as and when required, to meet its working capital and capital expenditure requirements, the Board have concluded that they have a reasonable expectation that the Group can continue in operational existence for the foreseeable future. For these reasons the financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

The management team has successfully raised funding for exploration projects in the past, but there is no guarantee that adequate funds will be available when needed in the future.

There is a material uncertainty relating to the conditions above that may cast significant doubt on the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

This financial report does not include any adjustments relating to the recoverability and classification of recorded assets amounts or liabilities that might be necessary should the entity not continue as a going concern.

3. Earnings per share

	Unaudited 30 June 2024 £	Unaudited 30 June 2023 £
(Loss) attributable to equity holders of the Company	**(239,951)**	(243,534)
Weighted average number of shares	**243,882,767**	241,203,794
Weighted average number of shares and warrants	**266,432,767**	249,177,275
Basic & diluted loss per ordinary share	**(0.10)p**	(0.10)p

The use of the weighted average number of shares in issue in the period recognises the variations in the number of shares throughout the period and is in accordance with IAS 33 as is the fact that the diluted earnings per share should not show a more favourable position than the basic earnings per share.

4. Investments

The company has adopted the provisions of IFRS9 and has elected to treat all available for sale investments at fair value with changes through the profit and loss.

Available-for-sale investments under IFRS9 are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IFRS 13. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. All gains and losses are taken to profit and loss.

The Company’s intention following its Listing is not to purchase any new investments and to hold its residual portfolio as realisable investments as a source of liquidity when required.

5. Acquisition of subsidiaries

5.1 Acquisition of Northern X Group (Swedish & Finnish projects)

On 6 May 2022 the Company completed the acquisition of;

(a) 100% of Northern X Finland Oy ("Northern X Finland"), which owns in Finland the Koitelainen vanadium projects which hosts a defined Mineral Resource as defined by the JORC Code (2012) and the Karhujupukka vanadium-magnetite exploration project ("**Finnish Projects**"); and

(b) 100% of Northern X Scandinavia AB ("Northern X Scandinavia") which owns in Sweden the Airijoki and vanadium project (the "Airijoki Project") which hosts a defined Mineral Resource as defined by the JORC Code (2012) and the Kramsta, Kullberget, Simesvallen and Sumåssjön exploration projects in Sweden (collectively known as the "Central Sweden Projects") (the Airijoki Project and the Central Sweden Projects are collectively the "**Swedish Projects**")

Collectively the Northern X Group

The acquisition price was as follows:

	£
Consideration	
Equity consideration	
- Ordinary shares (issued)	**2,225,000**
Cash consideration	**224,126**
	2,449,126
-	

5.2 **Acquisition of Caledonian Minerals AS (Norwegian Projects)**

On 13 May 2022 to facilitate the smooth transfer of the Norwegian Project Licences to the Company after the exercise of the EMX Option the Company acquired Caledonian Minerals AS for **£**6,186 a Norwegian company established by EMX as a clean special purpose vehicle on 8 November 2021 which at the date of acquisition had not carried out any business and had no assets or liabilities.

Consideration		**£**
Cash consideration		6,186
Total consideration		**6,186**
Fair value of assets acquired		
Exploration assets	6,186	
		6,186
		-

Further commitments under Norwegian Projects Acquisition

- beginning on 13 May 2025 and ceasing on the date upon which the Group commissions a Pre-Feasibility Study on any one of the Projects: the Group has committed to one thousand meter drilling for the Espedalen Project ("**Drilling Commitment**"); and
- upon attainment of each development milestone ((milestone 1) being the completion of a preliminary economic assessment of mineral potential and (milestone 2) the completion of a feasibility study), the Company shall pay EMX the sum of USD$500,000. If milestone 1 is not met but milestone 2 is met then an aggregate of USD$1,000,000, will become due ("**Milestone Payments"**).

Royalty Agreement: At the closing of the Norwegian Projects Acquisition the Company entered into a royalty agreement under which a 3% net smelter royalty is payable to EMX on commercial production from any of the three Norwegian Projects ("**Production Royalty**"). A 1% interest in this royalty may be bought back in stages for a total cash consideration of US$1,000,000 on or before the fifth anniversary of the closing of the Acquisition.

No provision has been made in these accounts for the further commitments under the Norwegian Projects Acquisition above in relation to;

a) the Drilling Commitment as the Group's Projects are in the exploration phase and therefore it is in the normal course to on an ongoing basis to review projects and continue work on projects that remain prospective and it can take several years to get to the stage of commissioning a Pre-Feasibility study therefore there is no certainty as to the period over which the Drilling Commitment would have to be met and whether or not it would be met by the Group's ongoing exploration activities on the Norwegian Projects;

b) Milestone Payments as the Norwegian Projects are in the exploration phase and therefore it is not certain that an economic assessment of mineral potential or a feasibility study will be completed in the next few years, or if at all; or

c) Production Royalty as the Norwegian Projects are in the exploration phase and therefore it is not certain that they will become mines producing ore on which a royalty is due in the next several years, or if at all.

5.3 **Acquisition of EV Metals (Swedish Nickel Projects)**

On 4 August 2023 the Company signed a Share Sale and Purchase Agreement with EMX Royalty Corporation (**EMX**) to acquire 100% of EV Metals AB a Swedish company that owns the Njuggtraskliden and Mjovattnet exploration licences (the "**Swedish Nickel Projects**") hosting drill-defined magmatic nickel–copper–cobalt–platinum group metal mineralisation along the Swedish "Nickel Line". The consideration paid to acquire EV Metals AB was SEK110,780 (approx. £8,200) and the issue of 15 Million 5 year options to EMX to acquire ordinary shares in the Company at 1.3 pence per Kendrick Share.

Consideration	£	£
Cash consideration		8,166
Fair value of share options issued		40,500
Total consideration		**48,666**
Cost of assets acquired		
Exploration assets	46,032	
Receivables	2,630	
Cash and cash equivalents	4	
		48,666
		-

Further commitments in relation to the Swedish Nickel Projects

- On or before 13 January 2024, the Company has to pay an annual advanced royalty of US$30,000 per project to EMX which increases by US$5,000 annually per Project ceasing upon the Commencement of Commercial Production ("**Advance Royalty"**);

- On or before 13 May 2024 the Company has committed to one thousand meter drilling for each of the Swedish Nickel Projects and thereafter annually ceasing for a project on the date upon which the Company commissions a Pre-Feasibility Study on the project ("**Drilling Commitment**").

- Royalty Agreement: At the closing of the Swedish Nickel Projects Acquisition the Company entered into a royalty agreement under which a 3% net smelter royalty is payable to EMX on commercial production from any of the Swedish Nickel Projects ("**Production Royalty**"). A 1% interest in this royalty may be bought back in stages for a total cash consideration of US$1,000,000 on or before the fifth anniversary of the closing of the Acquisition.

EMX have agreed to the deferred payment of the Advance Royalty. No liability has been recognised in these financial statements for the further commitments under the Swedish Nickel Projects Acquisition above in relation to;

- the Drilling Commitment as the Company is negotiating a revision of the terms of the Drilling Commitment with EMX as part of its ongoing review of its projects and work commitments; and

- Production Royalty as the Swedish Nickel Projects are in the exploration phase and therefore it is not certain that they will become mines producing ore on which a royalty is due in the next several years, or if at all.

6. Exploration and evaluation assets

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	Swedish Projects £	Finnish Projects £	Norwegian projects £	Total £
Opening Balance 1 January 2023	1,933,522	861,644	1,137,807	3,932,973
Additions in the period	635,900	588	590,290	1,226,778
Acquisition of EV Metals	46,032	-	-	46,032
Impairment Provision	(56,033)	(150,026)	(242,845)	(448,904)
Balance 29 December 2023	**2,559,421**	**712,206**	**1,485,252**	**4,756,879**

	Swedish Project £	Finnish Projects £	Norwegian projects £	Total £
Balance 29 December 2023	2,559,421	712,206	1,485,252	4,756,879
Additions in period	33,119	5,711	42,539	81,369
Balance 30 June 2024	**2,592,540**	**717,917**	**1,527,791**	**4,838,248**

6.1. Exploration assets

Summary of Projects: The Projects are a portfolio of early to advanced stage exploration projects covering a combined area of 658 km2 in Scandinavia. The most advanced of these

Projects are the Airijoki and Koitelainen vanadium projects in Sweden and Finland respectively and the Espedalen nickel copper project in Norway. Other projects include:

- Sweden – the Njuggtraskliden and Mjovattnet exploration ("**Swedish Nickel Projects**")
- Sweden – the Kullberget, Simesvallen and Sumåssjön exploration projects in Sweden (collectively the "**Central Sweden Project**")

The Airijoki vanadium copper project in Sweden comprising seven contiguous exploration permits covering 39.41 km^2 and is supported by an Inferred Mineral Resource comprising 44.3 Mt at an in-situ grade of 0.4% V_2O_5, containing 5.9 Mt of magnetite averaging 1.7% V_2O_5 (in magnetite concentrate) for 100,800 t of contained V_2O_5 based on a 13.3% mass recovery of magnetite concentrate and a 0.7% V_2O_5 cut-off grade, on a 100% equity basis (and net attributable basis).

The Koitelainen vanadium copper project in Finland comprising a single granted exploration licence covering 13.72 km2 with an Inferred Mineral Resource has been defined at the Koitelainen Vosa Prospect comprising 116.4Mt, containing 5.8 million tonnes of magnetite @ 2.3% V2O5 (in magnetite concentrate), for 131,000 tonnes of V2O5 based on 5.0% Mass Recovery of magnetite concentrate and a cut-off of 0.5% V. The Inferred Mineral Resource was estimated in accordance with JORC (2012), utilising data from 3,784m of drilling from 27 historical drill holes.

The Espedalen nickel copper project in Norway comprising 16 contiguous exploration permits covering a combined area of 139.89 km2 and currently contains the following two nickel deposits with associated Mineral Resource estimates together with other prospects and was the subject of a successful drill programme during 2023:

- Stormyra deposit comprising 1.16Mt @ 1% Ni, 0.42% Cu & 0.04% Co and classified as Inferred in accordance with JORC (2012)
- Dalen deposit comprising 7.8Mt @ 0.3% Ni, 0.12% Cu & 0.02% Co and classified as Inferred in accordance with JORC (2012)

6.2. Exploration assets accounting policy

Exploration, evaluation and development expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full in the year in which the decision to abandon the area is made. When production commences, the accumulated costs for the relevant area of interest are transferred to development assets and amortised over the life of the area according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

7. Borrowings

On 22 April 2024 the Company announced it had entered into an unsecured convertible loan funding facility (the "**Facility**") for £500,000 with Sanderson Capital Partners Ltd (the "**Lender**"), a long term shareholder in the Company. The Facility is convertible at 0.75 pence per ordinary share ("**Shares**") and can be drawn down in 4 tranches of £125,000 each ("Loan Tranches"). The Facility is a standby facility as a potential additional source of working capital for the Company in a period when the funding market for junior exploration companies is subject to market volatility.

Working Capital Facility Agreement
The Facility is for £500,000 in total, is unsecured, interest free and can be drawn down in four tranches as follows:

- £125,000 to be drawn down within 6 months of 7 May 2024 ("**Tranche One**");
- £125,000 to be drawn down within 6 months of 7 July 2024 ("**Tranche Two**");
- £125,000 to be drawn down within 6 months of 7 September 2024 ("**Tranche Three**"); and
- £125,000 to be drawn down within 6 months of 7 November 2024 ("**Tranche Four**").

The Company will provide a Loan drawdown notice if and when it requires a drawdown. The Company has the option but not the obligation to drawdown on part or all of the Facility. Tranche One has been drawndown with £100,000 received in the period and £25,000 received post the period end. The maturity date for Tranche One is 23 August 2025.

Repayment and Conversion
Repayment
Unless otherwise converted, the Company must repay each Loan Tranche on the first anniversary of the advance by the Lender of the applicable Loan Tranche ("**Maturity Date**"). The Company may prepay the whole or part of the Facility on any day prior to the Maturity Date for a Loan Tranche upon giving not less than 14 days' prior written notice to the Lender and paying in cash a prepayment fee of 5% of the amount which the Company prepays in cash before the Maturity Date. The Lender can during the 14 days' notice period make an election for all or part of the Loan subject to a prepayment notice to be repaid in Shares in which case the 5% fee shall not apply to that proportion of the Loan repaid in Shares.

Conversion of Loan Tranche by Lender
The Lender may at any time during the Facility Period elect to convert all or part of any drawn down amount into such number of new Shares equal to the amount of the Loan Tranche that is to be repaid at the date of the election, divided by the 0.75 pence ("**Conversion Price**") (the "**Conversion Shares**"). The Conversion Price of 0.75 pence per Share represents a 87% premium to the closing share price of 0.4 pence on 19 April 2024, being the latest practicable date prior to the announcement of the Facility.

Conversion of Loan by the Company
The Company may at any time during the Loan Period elect to convert all or part of Tranche One to Tranche Four if the Share price exceeds 1 pence ("**Target Conversion Price**") for a period of five or more business days.

Conversion Adjustment
If the Company before i) the Maturity Date for a Loan Tranche and before ii) the Loan Tranche has been repaid issues Shares for cash consideration ("**Issue Price**") at a discount to 0.75 pence per Share (the "**Base Issue Price**") then the Conversion Price and the Target Conversion Price in respect of that Loan Tranche shall be multiplied by a fraction, the numerator of which will be the Issue Price and the denominator of which will be 0.75 pence.

Interest and Fees
The Loan is interest free. The Lender shall be paid an arrangement fee of 10% of the amount of the Facility to be settled by the issue of 11,764,706 new Shares ("**Facility Fee Shares**") credited as fully paid by at an issue price of 0.425p per Share (being the Five Day VWAP on the date of this announcement) with the Facility Fee Shares to be issued on or before 31 December 2024 or such other date agreed by the parties.

On the drawdown of any Loan Tranche the Lender shall be paid a further fee of 2% of the amount of the relevant Loan Tranche which is to be settled by the issue of new Shares credited as fully paid at the five-day VWAP on the date of the relevant Loan drawdown notice ("**Drawdown Fee Shares**") with the Drawdown Fee Shares to be issued on or before 31 December 2024 or such other date agreed by the parties.

Option to Extend Facility
If the Company draws down in full or in part against Tranche One, Tranche Two, Tranche Three and Tranche Four then it has the option to elect to be able to drawdown up to an additional GBP250,000 ("**Optional Loan Tranche**") This must be made in writing within 30 days of the date the Company has made a drawdown in full or in part against Tranche One, Tranche Two, Tranche Three and Tranche Four.

Warrants
On the drawdown of any Loan Tranche, the Lender shall be issued three year warrants over Shares ("Warrants") with a face value equal to 50% of the amount drawn down under the Loan Tranche. The exercise price for the Warrants applicable to each of the tranches are as follows:

- 1.5 pence per share for the drawdown of Tranche One to Tranche Four; and
- 2 pence per share for the drawdown of the Optional Loan Tranche;

If there are no drawdowns under two or more of the Loan Tranches then at 7 May 2025 which is 6 months after the Tranche Four Drawdown Date of 7 November 2024, the Company will issue a three year warrant to the Lender for an amount equal to 25% of the Facility that has not been drawn down with an exercise price of 1 pence per share.

8. Share Capital

	June 2024 Number	£	December 2023 Number	£
Issued equity share capital				
Issued and fully paid				
Ordinary shares of £0.0003 each	**243,882,767**	**73,165**	243,882,767	73,165
Deferred shares of £0.00999 each (1)	**335,710,863**	**3,353,752**	335,710,863	3,353,752
Deferred shares of £0.009 each (2)	**1,346,853,817**	**12,121,684**	1,346,853,817	12,121,684
Deferred shares of £0.01 each (2)	**19,579,925**	**195,799**	19,579,925	195,799
Deferred shares of £0.04 each (3)	**181,378,766**	**7,255,151**	181,378,766	7,255,151
		22,999,551		**22,999,551**

Notes:
(1) At the Annual General Meeting held on 4 February 2021, shareholders approved that the 335,710,863 Existing Ordinary Shares in issue be subdivided each into one new ordinary share of £0.00001 ("**New Ordinary Share**") and one deferred share of £0.00999 ("**2020 Deferred Share)** in the capital of the Company. The New Ordinary Shares carry the same rights as attached to the Existing Ordinary Shares (save for the reduction in their nominal value). The 2020 Deferred Shares have no voting rights and have no rights as to dividends and only very limited rights on a return of capital. They will not be admitted to trading or listed on any stock exchange and will not be freely transferable. The holders of the 2020 Deferred Shares are not entitled to any further right of participation in the assets of the Company. As such, the 2020 Deferred Shares effectively have no value.
(2) At the Annual General Meeting held on 25 October 2021, shareholders approved an ordinary resolution that for every thirty (30) issued and unissued ordinary share of £0.00001 each in the

share capital of the Company ("**Existing Shares**") be consolidated into one (1) ordinary share of £0.0003 each ("**New Shares**") such New Shares having the same rights and being subject to the same restrictions, save as to nominal value, as the Existing Shares. The deferred shares of £0.01 each and £0.009 each confer no rights to vote at a general meeting of the Company or to a dividend. On a winding-up the holders of the deferred shares are only entitled to the paid-up value of the shares after the repayment of the capital paid on the ordinary shares and £5,000,000 on each ordinary share.

(3) The deferred shares of £0.04 each have no rights to vote or to participate in dividends and carry limited rights on return of capital. No shares were issued during the year.

	30 June 2024		
Group	**Number of Ordinary shares**	**Share capital**	**Share Premium**
		£	**£**
As at 1 January 2024	243,882,768	73,165	31,845,128
Shares issued during the period	-	-	-
Share issue costs	-	-	-
As at 30 June 2024	**243,882,768**	**73,165**	**31,845,128**

At Admission the warrants in the table below over ordinary shares in the issued share capital of the Company were issued and at the period end had not been exercised.

	Number of Warrants	Exercise price (p)	Expiry
Fundraising Warrants	92,857,143	6.0	6 May 2025
Broker Warrants	4,642,856	3.5	6 May 2025
Convertible Note Warrants	17,885,714	3.5	6 Nov 2023
Consultant Warrants	4,375,943	3.5	6 May 2025
	119,761,656		

A warrant reserve was not created in relation to the warrants as they were all issued in relation to raising funds for the Company's Listing in May 2022.

9. Share Options

A new Share Option Scheme for the directors, senior management, consultants and employees was approved at the AGM on 4 February 2021, as outlined in the Directors Report.

On 2 February 2023 the Company issued in aggregate, 22,550,000 options over ordinary shares of £0.0003 par value in the capital of the Company ("Ordinary Shares") that were granted fully vested pursuant to the Share Option Scheme (the "**Options**"). Of the 22,550,000 Options, 13,750,000 have been awarded to directors of the Company, as detailed further below and the balance of 8,800,000 to other eligible participants. The Company has not previously issued any Options pursuant to the Share Option Plan.

Directors	No. of Options
Colin Bird Executive Chairman	6,000,000

Martyn Churchouse	5,000,000
Alex Borrelli	1,000,000
Evan Kirby	1,000,000
Kjeld Thygesen	750,000
Total Directors	13,750,000

All the Options have an exercise price of 3.5 pence per Ordinary Share and vested on issue. To incentivise and retain directors, officers, consultants and employees critical to enhancing the future market value of the Company. The options expire on 3 February 2031 being the date one day prior to the tenth anniversary of the AGM at which the Share Option Plan was approved. The Options can be exercised any time after vesting and prior to their scheduled expiry and must be exercised within 6 months of an option holder leaving the Company or within 12 months of the death of an option holder. The Company's mid-market closing share price on 2 February 2023, being the latest practicable date prior to the issue of the options, was 0.93 pence.

As a result of this the fair value of the share options was determined at the date of the grant using the Black Scholes model, using the following inputs:

Share price at the date of issue	0.93p
Strike price	3.5p
Volatility	50%
Expected life	2,920 days (8 years)
Risk free rate	4%

The resultant fair value of the share options as at 29 March 2023 was determined to be £59,758. The share-based payment charge for these options was taken in its entirety in the amount of £59,758 in the year to 29 December 2023 and has been taken to the share-based payment reserve.

As detailed in note 5.3 in addition to the consideration paid to acquire EV Metals AB on 7 August 2023, the Company issued 15 million 5 year options to EMX to acquire ordinary shares in the Company at 1.3 pence per Kendrick Share. The Options can be exercised any time after vesting and prior to their scheduled expiry and the Company's mid-market closing share price on 4 August 2023, being the latest practicable date prior to the issue of the options, was 0.775 pence.

As a result of this the fair value of the share options was determined at the date of the grant using the Black Scholes model, using the following inputs:

Share price at the date of issue	0.775p
Strike price	1.3p
Volatility	50%
Expected life	1,825 days (5 years)
Risk free rate	5%

The resultant fair value of the options applicable to the year to 29 December 2023 was determined to be £40,500 and the full option value was taken in the year of issue as all the options are fully vested and this amount was incorporated into the acquisition cost of EV Metals and has been taken to the share-based payment reserve.

10. Subsequent events

On 18 September 2024 the Company issued 6,365,385 new ordinary shares of £0.0003 ("Ordinary Shares") to settle £46,000 of accrued fees due to consultants as per the table below:

Period	Fees	Issue price	No. of shares
12 mths to 31 August 2024	£ 30,000	£ 0.00650	4,615,385
12 months to 2 May 2024	£ 16,000	£ 0.00914	1,750,000