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29 September 2023

Kendrick Resources Plc
(“Kendrick” or the “Company”)

Interim Results for the Six Months Ended 30 June 2023

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 2023.

OPERATIONAL, FINANCIAL CORPORATE and STRATEGY REVIEWS

Operational Review

During the period the Company’s exploration activities focussed on its Espedalen nickel project in Norway and its Airijoki vanadium project in Sweden which are the Company’s two most advanced projects. Kendrick also announced on 31 January 2023 the appointment of Martyn Churchouse as managing director and the addition to its exploration team of Vassillios Carellas as operations director and Edine Bakker as an exploration geologist.

Technical review of Projects: Following the IPO in May 2022 and having acquired its projects in Sweden and Finland and exercised its option in relation to its Norwegian projects the Company commenced technical reviews and exploration programmes focussing on both nickel and vanadium in all three countries. Mining and associated legislation in Scandinavia is well-established and decisive enabling Kendrick to make rapid progress on a number of projects.

Summary of Projects: The projects comprise a portfolio of early to advanced stage exploration assets covering a combined area of 466.72 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 project in Norway.

The Airijoki and Karhujupukka vanadium and Espedalen nickel projects all support defined mineral resources prepared in accordance with the JORC Code (2012.) The remaining projects largely represent brown and greenfield exploration opportunities based on the results of historical activities, some with historical mineral estimates that remain to be updated to the requirements of the JORC Code (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 have 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.

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 focus during the period was the Airijoki vanadium project. 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.

Results of the current Airijoki drill programme are yet to be received from the independent assay laboratory and these assays in combination with the results of planned additional metallurgical test work will determine the next steps for resource delineation and further step-out exploration on the remaining licences where historic soil geochemistry and geophysics indicates signatures consistent with that which has generated mineral resources to date.

Financial Review

Financial highlights:

- £244K loss after tax (2022: £185K)
 - Approximately £791k cash at bank at the period end (Dec 2022: £1.82m).
 - The basic and diluted losses per share are summarised in the table below
- | Loss per share (pence) | | 2023 | 2022 |
|------------------------|--------|---------|---------|
| Basic | Note 3 | (0.10)p | (0.24)p |
| Diluted | Note 3 | (0.10)p | (0.15)p |
- The net asset value as at 30 June 2023 was £5.36m (31 December 2022 £5.56m)

Fundraisings and issues of shares during the period

On 24 April 2023 the Company announced the issue of 4,144,395 shares in the Company to settle the share consideration due to be issued on or before 27 April 2023 in relation to the Company's acquisition of the Espedalen, Hosanger, and Sigdal nickel-copper-cobalt exploration projects in Norway (the "Norwegian Projects") from EMX Scandinavia AB (previously named Eurasian Minerals Sweden AB) ("EMX"). The Lock up arrangements for these shares are that 50% of these shares shall be subject to a three-month voluntary escrow and the balance of 50% subject to a six-month voluntary escrow.

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.

Lock Up and Orderly Market arrangements:

At IPO the Directors and their related parties, in aggregate, held 47,294,860 Ordinary Shares, representing 21.62% of the Enlarged Share Capital. The Directors have agreed with the Company and its brokers, except for certain standard exceptions, not to dispose of any interest in the Ordinary Shares held by them for a period of 12 months following Admission (Lock-In Period) and then for the following 12 months not to dispose of their Ordinary Shares without first consulting the Company and Novum in order to maintain an orderly market for the Shares.

Strategy Review

The Company'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 Directors believe that its projects provide a base from which the Company will seek to add significant value through the application of structured and disciplined exploration. The Company 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 3focused on quality vanadium and nickel mineral resources in Scandinavia.

The Company 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

Our review of the Company's projects has given us confidence that our north European assets are well located with significant potential in the quickly emerging space of energy generation and storage.

Until last year inflation and rising interest rates were seen as distant issues but rising interest rates and the cost of living were front and centre of financial headlines during the period. This has already slowed down major stock markets but may be good for the small mines sector since as in such times they have been seen to outperform.

The Board remains confident they have assembled an enviable portfolio of projects and look forward to advancing all our projects in the second half of the year and providing our shareholders with the prospects of enhanced value flowing into next year.

Post Period Events

On 7 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 hosting drill-defined magmatic nickel-copper-cobalt-platinum group metal mineralisation along the Swedish "Nickel Line" ("**Swedish Nickel Projects**").

The Company is acquiring EV Metals AB for SEK110,780 (approx. GBP 8,200) and the issue of 15 million 5 year options to EMX to acquire ordinary shares in the Company (Kendrick Shares) at 1.3 pence per Kendrick Share (EMX Options) which is at a premium of approximately 67% to Kendrick's closing share price on 4 August 2023 of 0.7750 pence the last practical date prior to this announcement. The EMX Options if exercised will allow EMX to increase its Kendrick shareholding.

In light of the Company's exploration commitment in relation to the Swedish Nickel Projects EMX has agreed that in relation to Sigdal and Hosanger in lieu of the existing requirement to drill up to one thousand meters on each project if it incurs Exploration Expenditures of no less than USD \$50,000 on each of these projects in 2023 the Company will have met its 2023 expenditure requirements for these two projects. The Company will have until 31 December 2023 to decide whether it continues with these two projects on the terms of the existing agreements with EMX. If the Company fails to incur the required USD \$50,000 in Exploration Expenditures on these projects, the shortfall of the exploration expenditures obligation may be satisfied by a payment to the EMX of the shortfall in cash.

These arrangements in relation to the Sigdal and Hosanger projects do not affect the Company's Espedalen Project, which currently contains the following two nickel deposits:

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

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 ending 31 December 2023.

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 2023.

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 2022 Annual Accounts also provided a detailed summary of the principal risks and uncertainties faced by the Company, a copy of the 2022 Annual Accounts are available on the Company's website at <http://www.kendrickresources.com/>.

The Board is 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
- 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 and the main risk facing the Company are any ongoing impact the Ukraine war and related sanctions. In the period and to date these have not had a significant impact on the Company's operations. The Ukraine war has however had a significant impact on oil and gas prices which is feeding though into concerns regarding inflation, interest rates and the outlook for stockmarkets and short term commodity prices. 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.

2. Related Party transactions described in the annual report to 31 December 2022

Other than disclosed above there have been no changes in the related party transactions described in the annual report for the year ended 31 December 2022 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.”

The interim results for the six months ended 30 June 2023 have not been audited or reviewed by auditors pursuant to the Financial Reporting Council guidance on Review of Interim Financial Information.

For and on behalf of the Board of Directors

Colin Bird

Executive Chairman

29 September 2023

Kendrick Resources Plc

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or visit [https:// www.kendrickresources.com /](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 2023

	Notes	Unaudited Six months ended 30 June 2023 £	Unaudited Six months ended 30 June 2022 £
Income			
Realised loss on sale of investments		-	(10,872)
Unrealised (loss)/gain on investments		-	-
Total income		-	(10,872)
Operating expenses		(243,534)	(173,828)
Group operating loss		(243,534)	(184,700)
Interest costs		-	-
Loss before taxation		(244,534)	(184,700)
Taxation		-	-
Loss for the period		(244,534)	(184,700)
Loss per share (pence)			
Basic		(0.10)p	(0.24)p
Diluted	3	(0.10)p	(015)p

Group Statement of Other Comprehensive Income
For the six months ended 30 June 2023

	Unaudited Six months ended 30 June 2023 £	Unaudited Six months ended 30 June 2022 £
Other comprehensive income:		
Loss for the period	(243,534)	(184,700)
<i>Items that may be reclassified to profit or loss:</i>		
Foreign currency reserve movement	-	-
Total comprehensive loss for the period	(243,534)	(184,700)

GROUP STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2023

	Share capital £	Share Premium £	Merger reserve £	Accumulated losses £	Total equity £
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
Unaudited – six months ended 30 June 2022					
Balance at 29 December 2021	22,929,743	25,027,278	1,824,000	(50,017,384)	(236,363)
Current period loss	-	-	-	(184,700)	(184,700)
Total comprehensive loss for the period	-	-	-	(184,700)	(184,700)
Net proceeds from shares issued	30,773	2,743,107	-	-	2,773,880
Acquisition of subsidiaries	23,357	2,201,643	-	-	2,225,000
Loan notes converted into shares	8,366	671,134	-	-	679,500
Balance at 30 June 2022	22,992,239	30,643,162	1,824,000	(50,202,084)	5,257,317

Group Balance Sheet
As at 30 June 2023

		Unaudited	Audited
		30	31
		June	December
		2023	2022
	Notes	£	£
ASSETS			
Non-current assets			
Property, plant and equipment		-	-
Exploration and evaluation assets	6	4,647,910	3,932,973
Total non-current assets		4,647,910	3,932,973
Current assets			
Current asset investment		8,174	8,174
Trade and other receivables		72,356	92,758
Cash and cash equivalents		790,839	1,817,706
Total current assets		871,369	1,918,638
TOTAL ASSETS		5,519,279	5,851,611
LIABILITIES			
Current liabilities			
Trade and other payables		158,875	247,673
EMX Deferred Share Consideration		-	36,265
Total liabilities		158,875	283,938
NET ASSETS/(LIABILITIES)		5,360,404	(5,567,673)
EQUITY			
Share capital	8	22,999,551	22,998,307
Share Premium		31,845,128	31,810,107
Merger reserve		1,824,000	1,824,000
Retained earnings		(51,308,275)	(51,064,741)
Total equity		5,360,404	5,567,673

Group Statement of Cash Flows
For the six months ended 30 June 2023

	Unaudited Six months ended 30 June 2023 £	Unaudited Six months ended 30 June 2022 £
Notes		
Cash flows from operating activities		
Loss before tax	(243,534)	(184,700)
Adjustments for:		
Depreciation of property, plant and equipment	-	1,025
Loss on sale of investments	-	10,872
Unrealised loss on investments	-	-
Decrease/(Increase) in receivables	20,402	(245,933)
(Decrease) in payables	(125,063)	(284,488)
Net cash inflow from operating activities	(348,195)	(703,224)
Cash flows from/(used) in investing activities		
Proceeds of sale of Investment shares	-	78,572
Investment in Nordic Projects and related transaction costs	-	(82,584)
Purchase of Exploration and Evaluation assets	(714,937)	(2,135,803)
	(714,937)	(2,139,815)
Cash flows from financing activities		
Proceeds from Issue of shares, net of issue costs	-	2,773,880
Shares issued to acquire subsidiaries	-	2,225,000
Shares issued to acquire options	36,265	-
	36,265	4,998,880
(Decrease)/Increase in cash	(1,026,867)	2,155,841
Cash and cash equivalents at beginning of period	1,817,706	16,871
Cash and cash equivalents at end of period	790,839	2,172,712

Notes to the interim financial information
For the six months ended 30 June 2023

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 2023 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 2022 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 2022.

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 £244,000 (2022: £185,000), had negative cash flows from operations and is currently not generating revenues. 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 2023 £	Unaudited 30 June 2022 £
(Loss) attributable to equity holders of the Company	(243,534)	(184,700)
Weighted average number of shares	241,203,794	75,643,347
Weighted average number of shares and warrants	249,177,275	75,643,347
Basic loss per ordinary share	(0.10)p	(0.24)p
Diluted loss per ordinary share	(0.10)p	(0.15)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.

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
	<u>2,449,126</u>

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	<u>6,186</u>
Total consideration	6,186
 Fair value of assets acquired	
Exploration assets	<u>6,186</u>
	<u>6,186</u>
	<u>-</u>

6. Exploration and evaluation assets

	Swedish Project £	Finnish Projects £	Norwegian projects £	Total £
Opening Balance 1 January 2022	-	-	-	-
Transfer from Investment in Nordic Projects & Related Transactions Costs *	254,871	82,386	119,961	457,218
Additions in 2022	184,438	4,355	160,745	349,538
Northern X Group Acquisition (Note 5.1):				
Share issues	1,357,473	703,990	163,537	2,225,000
Cash consideration	136,739	70,913	16,474	224,126
Acquisition of Norwegian Projects				

Share issues (Note 7)			566,349	566,349
Cash consideration			74,477	74,477
EMX Deferred Share Consideration			36,265	36,265
Balance 29 December 2022	1,933,521	861,644	1,137,808	3,932,973
	Swedish Project £	Finnish Projects £	Norwegian projects £	Total £
Balance 29 December 2022	1,933,521	861,644	1,137,808	3,932,973
Additions in period	229,986	1,060	483,891	714,937
Balance 30 June 2023	2,163,507	862,704	1,621,699	4,647,910

6.1. Exploration assets

Summary of Projects:

The Swedish & Finnish projects are a portfolio of early to advanced stage exploration projects covering a combined area of 466.72 km² in Scandinavia. The most advanced of these Projects are the Airijoki and Koitelainen vanadium projects in Sweden and Finland respectively.

However, the projects to be acquired include several exploration projects in the Nordic region, namely:

- * Finland – the Karhujupukka vanadium-magnetite exploration project
- * Sweden – the Kramsta, Kullberget, Simesvallen and Sumåssjön exploration projects in Sweden (collectively known as the Central Sweden Project)

The Karhujupukka project also support defined mineral resources prepared in accordance with the JORC Code (2012.) However, these remain subject to further techno-economic assessment. The remaining projects represent brownfield to greenfields exploration opportunities based on the results of historical activities, some with historical mineral estimates that remain to be updated to the requirements of the JORC Code (2012).

The Norwegian Projects comprise:

- The Espedalen Project consisting of 16 contiguous exploration permits covering a combined area of 139.89 km² currently contains two nickel deposits
- The Sigdal Project consisting of three exploration licences totalling 30 km² containing a geophysical conductor associated with historical mine workings, which has only been tested with two short drill holes, returning gold grades over 10g/t with encouraging nickel and copper mineralisation
- The Hosanger Project consisting of a coherent tenure package of four exploration licences covering 40 km² and contains the historical Litland nickel mine

The Espedalen nickel project which is the primary Norwegian project supports defined mineral resources prepared in accordance with the JORC Code (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. Investment in Norwegian Projects

On 13 May 2022 the Company exercised its option to conditionally acquire the Espedalen, Hosanger, and Sigdal nickel-copper-cobalt exploration projects in Norway (the “**Norwegian Projects**”) (the “**Acquisition**”) from EMX Scandinavia AB (previously named Eurasian Minerals Sweden AB) (“**EMX**”) by the issue of 20,226,757 new ordinary shares in the Company to EMX or its nominee, 50% of these shares shall be subject to a three-month voluntary escrow and the balance of 50% subject to a six-month voluntary escrow. Kendrick has also made a payment of US\$81,949 to EMX. This payment was to meet a shortfall of this amount in the exploration expenditure to be incurred during the option period.

The Acquisition is conditional upon the Norwegian Directorate for Mineral Administration approving the transfer of the licences to a wholly owned subsidiary of Kendrick. Subsequent to the period end the Company on 12 August 2022 announced this process was completed, and the Company applied for the 20,226,757 new ordinary shares to be admitted to trading on the Standard Segment of the London Stock Exchange on 17 August 2022.

The Norwegian Projects comprise:

- The Espedalen Project consisting of 16 contiguous exploration permits covering a combined area of 139.89 km² currently contains two nickel deposits
- The Sigdal Project consisting of three exploration licences totalling 30 km² containing a geophysical conductor associated with historical mine workings, which has only been tested with two short drill holes, returning gold grades over 10g/t with encouraging nickel and copper mineralisation
- The Hosanger Project consisting of a coherent tenure package of four exploration licences covering 40 km² and contains the historical Litland nickel mine

8. Share Capital

	June 2023 Number	£	December 2022 Number	£
Issued equity share capital Issued and fully paid				
Ordinary shares of £0.0003 each	243,882,767	73,165	239,738,373	71,921
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
		<u>22,999,551</u>		<u>22,998,307</u>

Group	30 June 2023		
	Number of Ordinary shares	Share capital £	Share Premium £
As at 1 January 2023	239,738,373	71,921	31,810,107
Shares issued during the period	4,144,395	1,244	35,021
Share issue costs	-	-	-
As at 30 June 2023	243,882,768	73,165	31,845,128

Movement in shares issued during the period

Shares issued to acquire options	4,144,395	1,244	35,021
Total	4,144,395	1,244	35,021

Notes:

- (1) The deferred shares of £0.00999 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) 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.

On 24 April 2023 the Company announced it had issued 4,144,395 new ordinary shares to settle the share consideration due to be issued on or before 27 April 2023 in relation to the Company's acquisition of the Espedalen, Hosanger, and Sigdal nickel-copper-cobalt exploration projects in Norway from EMX Scandinavia AB. 50% of these shares are subject to a three-month voluntary escrow and the balance of 50% subject to a six-month voluntary escrow. 3,683,906 of the new ordinary shares will be issued to EMX Scandinavia AB which will increase the combined shareholding of EMX Scandinavia AB and EMX Royalty Corporation to 21,663,284 shares representing 8.9% of the enlarged share capital on the Company.

On 2 February 2023 the Company announced that in aggregate, 22,550,000 options over ordinary shares of £0.0003 par value in the capital of the Company ("Ordinary Shares") have been granted fully vested pursuant to the Executive 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.

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

9. Subsequent events

On 7 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 hosting drill-defined magmatic nickel-copper-cobalt-platinum group metal mineralisation along the Swedish "Nickel Line".

The Company is acquiring EV Metals AB for SEK110,780 (approx. GBP 8,200) and the issue of 15 million 5 year options to EMX to acquire ordinary shares in the Company (Kendrick Shares) at 1.3 pence per Kendrick Share (EMX Options) which is at a premium of approximately 67% to Kendrick's closing share price on 4 August 2023 of 0.7750 pence the last practical date prior to this announcement. The EMX Options if exercised will allow EMX to increase its Kendrick shareholding.

Other than the matters above no significant events have occurred subsequent to the reporting date that would have a material impact on the consolidated financial statements.