

**Annual Report and  
Consolidated Financial Statements for  
the Year Ended 31 December 2019 for  
PATHFINDER MINERALS PLC**

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for the Year Ended 31 December 2019**

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**PATHFINDER MINERALS PLC**

**Company Information  
for the Year Ended 31 December 2019**

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<b>DIRECTORS:</b>	Sir H C Bellingham D Edmonds J Taylor
<b>SECRETARY:</b>	Orana Corporate LLP
<b>REGISTERED OFFICE:</b>	Becket House 36 Old Jewry London EC2R 8DD
<b>REGISTERED NUMBER:</b>	02578942 (England and Wales)
<b>INDEPENDENT AUDITORS:</b>	Chapman Davis LLP 2 Chapel Court London SE1 1HH
<b>SOLICITORS:</b>	Hill Dickenson The Broadgate Tower 20 Primrose Street London EC2A 2EW
<b>NOMINATED &amp; FINANCIAL ADVISER:</b>	Strand Hanson Limited 26 Mount Row London W1K 3SQ  Novum Securities Limited 8-10 Grosvenor Gardens London SW1W 0DH
<b>REGISTRARS:</b>	Link Assets Services 34 Beckenham Road Beckenham Kent BR3 4TU
<b>BANKERS:</b>	Royal Bank of Scotland 1 Dale Street Liverpool L2 2PP

**Chairman's Statement  
for the Year Ended 31 December 2019**

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**INTRODUCTION**

Considerable progress was made during 2019 across several areas which significantly enhanced Pathfinder's ability and positioning to regain an interest in Mining Concession no. 4623C in Mozambique (the "Licence").

The Company engaged new consultants to provide assistance in pursuing completion of a transaction in respect of the Licence; agreement on a proposed transaction was reached between Pathfinder and General Jacinto Veloso who, with his family interests, owns 50 per cent of the entity to which the Licence is currently registered (the balance being owned by a Hong Kong registered entity); a revised independent Scoping Study was published resulting in a near doubling of the Net Present Value attributable to the Licence; non-binding financing proposals to facilitate a deal and fund subsequent development of the Licence were received; additional working capital was brought into the Company; and a leadership change was implemented.

Subsequent to the period end, Pathfinder was notified that the Mozambique Supreme Court had rejected the Company's application for recognition of a judgment by the English High Court (the "English Judgment") which gave certain declarations to the effect that Pathfinder's subsidiary, IM Minerals Limited, validly acquired its shareholding in Companhia Mineira de Naburi S.A.R.L., which previously held the Licence. This outcome has no bearing on the English Judgment, which remains in force. While disappointing in the context of a legal strategy to regain an interest in the Licence, a negotiated outcome was, and continues to be, the focus of all parties, including the Veloso family which appears to remain committed to working towards a commercial resolution that avoids further protracted delays from legal proceedings.

**REVIEW OF ACTIVITY FOR THE PERIOD**

*Progress towards a potential transaction in respect of the Licence*

On 11 February 2019, the Company announced that it had engaged Africa Focus Group Limited, a Hong Kong-based company with a Johannesburg consultancy office specialising in mergers and acquisitions in southern Africa, to provide assistance to the Company in pursuing completion of a transaction with the owners of Pathfinder Moçambique S.A (the current Licence holder) pursuant to which Pathfinder, or a wholly owned subsidiary of Pathfinder, would re-establish an interest in the Licence.

On 10 April 2019, the Company announced that it was evaluating multiple transaction structures, taking into account commercial and regulatory factors, through which the Company could hold its interest in the Licence and deliver value for shareholders and that the principle of a proposed transaction had been agreed between Pathfinder and General Jacinto Veloso.

In parallel, the Board commenced discussions with regards to potential funding strategies (including through partnerships or debt provision) to facilitate a transaction and finance further development of the Licence.

*Revised independent Scoping Study on the Licence*

On 10 April 2019, Pathfinder announced the results of a revised Scoping Study on the Licence prepared by independent technical consultant, 2M Mineral Services Limited, which included a revision of the capital and operating costs and pricing assumptions that were presented in the original URS/Scott Wilson 2011 scoping study report. This revision resulted in an estimated pre-tax net present value ("NPV") at a 10 per cent discount rate of US\$1.05 billion; with projected annual revenues of US\$323 million over a mine life of 30 years. The project internal rate of return ("IRR") is expected to be approximately 25 per cent. The revised findings represented a near doubling of the previously reported equivalent NPV and an increase of 6.1 per cent in the project IRR.

*Leadership changes*

On 3 June 2019, the Company announced the appointment of John Taylor as CEO; on 23 July 2019, the Company announced the resignation of Simon Farrell as a non-executive director; and, on 2 August 2019, the Company announced the appointment of Dennis Edmonds as a non-executive director. The new appointments prompted a review of the Company's strategy and a renewed focus and effort on negotiations in Mozambique.

**Chairman's Statement  
for the Year Ended 31 December 2019**

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The review included a detailed analysis of the different routes available to Pathfinder to restore an interest in the Licence and to fund its further development within the context of the Company's access to capital. Throughout the year, and early into 2020, wide-ranging meetings were held in South Africa and Mozambique with representatives of Pathfinder Moçambique S.A., the Company's Mozambique legal advisers, representatives of the UK Government in Mozambique, and prospective funding partners.

*New funds for working capital*

A total of £335,000 was raised during the period through cash subscriptions for 14,909,091 shares in aggregate. A further £239,000 was taken in by the Company during the period as a result of the exercise of warrants to subscribe for, in aggregate, 15,624,792 shares. New funds provided necessary general working capital.

Subsequent to period end, the Company completed two new financings. The first was a convertible loan note for £175,000 (announced on 3 April 2020); and the second, an equity fundraising to issue 38,461,538 new shares for gross proceeds of £250,000 (announced on 28 May 2020), which completed on 3 June 2020. Please refer to both announcements for further details of the financings.

**FINANCIAL RESULTS AND CURRENT FINANCIAL POSITION**

In addition to the above-mentioned shares issued in respect of the cash subscriptions and warrant exercises, during the period the Company issued 13,293,927 shares to some former directors and a current director to settle in aggregate £309,000 of accrued cash liabilities. The Company has made a submission to HMRC for the calculated PAYE on these settlements amounting to £139,000 which was incorrectly not paid at the time. The Company will look to recover these amounts from the former directors in the coming period.

The financial statements of the Pathfinder Group for the twelve months ended 31 December 2019 follow later in this report. The Income Statement shows a loss of 652,000 (2018 - £645,000). The board reorganisation during the year has resulted in a reduction in remuneration from £195,000 (2018) to £121,000 this reporting period.

The Group's Statement of Financial Position shows net assets at 31 December 2019 of £381,000 (31 December 2018 - £244,000). The assets are held largely in the form of cash deposits and receivables. The Company's cash position as at 25 June 2020 stands at £283,000, which includes the first tranche of the convertible loan note.

**OUTLOOK**

The Company remains focused on a negotiated, commercial resolution to achieve a return of an interest in the Licence. The recent fundraisings have given the Board the flexibility to accelerate these efforts in the short term and it is the Board's intention to intensify negotiations in-person with all relevant parties in Mozambique as soon as COVID-19 restrictions permit them to safely do so.

The Board maintains its view that a positive outcome is both achievable and would be transformational for the Company in recovering value. We thank all shareholders for their continued support and look forward to updating them with developments in the future.

**ON BEHALF OF THE BOARD:**

Sir H C Bellingham - Chairman  
29 June 2020

## PATHFINDER MINERALS PLC

### Directors and Strategic Report for the Year Ended 31 December 2019

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The directors present their report with the financial statements of the Company and the Group for the year ended 31 December 2019.

#### DIVIDENDS

No dividends will be distributed for the year ended 31 December 2019.

An overview of the Group results is presented in the Chairman's Statement.

#### EVENTS SINCE THE END OF THE YEAR

Information relating to events since the end of the year is given in the notes to the financial statements.

#### DIRECTORS

The directors shown below have held office during the period from 1 January 2019 to the date of this report.

Sir H C Bellingham

S Farrell (appointed 10 August 2018 and resigned 23 July 2019)

J Taylor (appointed 3 June 2019)

D Edmonds (appointed 2 August 2019)

S Richardson Brown (appointed 10 August 2018 and resigned 3 June 2019)

#### FINANCIAL INSTRUMENTS

The Company's financial instruments consist entirely of cash that arises directly from financing activities undertaken to fund the business. The main purpose of these financial instruments is to fund the Company's operations as well as to manage working capital, liquidity and invest surplus funds. It is, and has been throughout the period under review, the Company's policy not to enter into derivative transactions and no trading in financial instruments has been undertaken.

#### POLITICAL DONATIONS AND EXPENDITURE

No charitable or political contributions were made during the current or previous year.

#### MAJOR SHAREHOLDERS

As at 27 June 2019 the following shareholders were beneficially interested in 3% or more of the Company's ordinary share capital insofar as the Company is aware and based on information disclosed to the Company by those shareholders at this date.

Shareholder name	Number of 0.1p ordinary shares	Shareholding percentage
Align Research and related party - R S & C A Jennings	29,000,000	9.1%
Mr Nicholas Trew (prior Director)	23,208,085	7.4%

#### COMPANY'S POLICY ON PAYMENT OF CREDITORS

It is the Company's policy to pay suppliers in accordance with the payment terms negotiated with them. The Company's average creditor days during the year were 19 days (2018: 32 days).

#### RISK EXPOSURE

The Companies Act 2006 requires the directors to set out in this report how the Group manages its exposure to risk.

The directors consider that the Company has sufficient cash and cash equivalents to meet its foreseeable operational requirements.

#### CORPORATE GOVERNANCE

As an AIM-quoted company, the Company and is required to apply a recognised corporate governance code, demonstrate how the Group complies with such corporate governance code and where it departs from it. The Board of Pathfinder,

which is responsible for the direction and oversight of all of our activities, believes that a sound corporate governance policy, involving a transparent set of procedures and practices, is an essential ingredient to the Company's success both in the medium and long term. The application of these policies enables key decisions to be made by the Board as a whole, and for the Company to function in a manner that takes into account all stakeholders in the Group, including employees, suppliers and business partners.

The directors of the Company have formally made the decision to apply the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"). The Board recognises the principles of the QCA Code are best suited to companies such as Pathfinder, although it must be recognised that Pathfinder is operating in a fairly unique set of circumstances and has quite a troubled history with significant recent changes.

The key governance related matters that occurred during the financial year ended 31 December 2019 was the formal adoption of the QCA Code and the Board changes outlined above.

For the Company's detailed corporate governance statement please see Pathfinder's website at [www.pathfindeminerals.com](http://www.pathfindeminerals.com).

#### **DISCLOSURE IN THE STRATEGIC REPORT**

Strategic matters relating to the Company throughout the reporting period are outlined in the Chairman's Statement.

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**GOING CONCERN**

The directors have considered the appropriateness of the going concern concept in the preparation of the financial statements. After a review of the cash requirements of the Company, the directors believe that the Company will have sufficient cash reserves available for at least the next 12 months from the date of this report. As disclosed in note 21, after the balance sheet date, the Company has raised £250,000 via new share issues in addition to a £175,000 loan note facility.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

**AUDITORS**

The auditors, Chapman Davis LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:**

Dennis Edmonds - Director  
29 June 2020



## Report of the Independent Auditors to the Members of Pathfinder Minerals plc

### Opinion

We have audited the financial statements of Pathfinder Minerals Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2019 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Parent Company Statements of Financial Position, the Consolidated and Parent Company Statements of Changes in Equity, the Consolidated and Parent Company Statements of Cash Flows, and the related notes including the significant accounting policies .

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 December 2019 and of the Group's and the Parent Company's loss for the year then ended;
- the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Report of the Independent Auditors to the Members of Pathfinder Minerals Plc, continued

### **Key audit matters**

Key audit matters are those matters that, in our professional judgement, are of most significance in our audit of the financial statements of the current period. Such matters would be addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and a separate opinion on such matters would not be provided.

We have determined that there are no key audit matters to be communicated in our report.

### **Materiality**

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of any misstatements identified. Based on professional judgement, we determined overall materiality for the financial statements as a whole to be £60,000, being less than 10% of the loss for the year.

### **Other information**

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

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

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' and Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' and Strategic Report has been prepared in accordance with applicable legal requirements.

## Report of the Independent Auditors to the Members of Pathfinder Minerals Plc, continued

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and its environment obtained in the course of the audit we have not identified material misstatements in the Directors' and Strategic Report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of directors**

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

In preparing the financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

**Report of the Independent Auditors to the Members of Pathfinder Minerals Plc,  
continued**

**Use of our report**

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

Rowan J. Palmer (Senior Statutory Auditor)  
for and on behalf of Chapman Davis LLP  
Chartered Accountants and Statutory Auditors  
London, United Kingdom  
29 June 2020

**PATHFINDER MINERALS PLC****Consolidated Statement of Comprehensive Income  
for the Year Ended 31 December 2019**

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	Notes	2019 £'000	2018 £'000
<b>CONTINUING OPERATIONS</b>			
Revenue		-	-
Administrative expenses	5, 6	(652)	(645)
<b>OPERATING LOSS</b>		(652)	(645)
Finance income	7	-	-
<b>LOSS BEFORE INCOME TAX</b>		(652)	(645)
Income tax	8	-	-
<b>LOSS FOR THE YEAR</b>		(652)	(645)
Total comprehensive loss for the year attributable to:			
Equity holders of the parent		(652)	(645)
Loss per share from continuing operations in pence per share:			
Basic	10	(0.22)	(0.26)
Diluted		(0.22)	(0.26)

The notes on pages 18-28 form part of these financial statements.

Consolidated Statement of Financial Position  
31 December 2019

	Note	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	-	-
Investments	12	-	-
<b>CURRENT ASSETS</b>			
Trade and other receivables	13	222	192
Cash and cash equivalents	14	158	52
<b>TOTAL ASSETS</b>		<b>380</b>	<b>244</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to equity holders of the Company:</b>			
Share capital	15	18,504	18,458
Share premium		13,307	12,431
Other reserves	19	45	25
Accumulated deficit		(31,762)	(31,110)
<b>TOTAL EQUITY</b>		<b>94</b>	<b>(196)</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	286	440
<b>TOTAL LIABILITIES</b>		<b>286</b>	<b>440</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>380</b>	<b>244</b>

The financial statements were approved by the Board of Directors on 29 June 2020 and were signed on its behalf by:

Dennis Edmonds - Director

The notes on pages 18-28 form part of these financial statements.

PATHFINDER MINERALS PLC

Consolidated Statement of Changes in Equity  
for the Year Ended 31 December 2019

	Called up share capital £'000	Share premium £'000	Other reserves £'000	Accumulated deficit £'000	Total equity £'000
<b>Balance at 1 January 2018</b>	<b>18,416</b>	<b>11,997</b>	-	<b>(30,465)</b>	<b>(52)</b>
<b>Changes in equity</b>					
Loss for the year				(645)	(645)
Total comprehensive loss for the year				(645)	(645)
Issue of share capital	42	439			481
Cost of share issue		(5)			(5)
Share based payments			25		25
Total transactions with owners	42	434	25	-	501
<b>Balance at 31 December 2018</b>	<b>18,458</b>	<b>12,431</b>	<b>25</b>	<b>(31,110)</b>	<b>(196)</b>
<b>Changes in equity</b>					
Loss for the year				(652)	(652)
Total comprehensive loss for the year				(652)	(652)
Issue of share capital	46	876			922
Cost of share issue					-
Share based payments			20		20
Total transactions with owners	46	876	20	-	942
<b>Balance at 31 December 2019</b>	<b>18,504</b>	<b>13,307</b>	<b>45</b>	<b>(31,762)</b>	<b>94</b>

The notes on pages 18-28 form part of these financial statements.

PATHFINDER MINERALS PLC

Consolidated Statement of Cash Flows  
for the Year Ended 31 December 2019

	Note	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
<b>Cash flows from operating activities</b>			
Operating loss		(652)	(645)
<b>Adjustments for:</b>			
Share-based payments		20	106
Services settled in shares	20	52	
Foreign exchange movement		3	(2)
<b>Net cash flow from operating activities before changes in working capital</b>		<b>(577)</b>	<b>(541)</b>
<b>Changes in working capital:</b>			
(Increase)/Decrease in trade and other receivables		(30)	(136)
Increase/(Decrease) in trade and other payables	20	139	86
<b>Net cash flow used in operating activities</b>		<b>109</b>	<b>(50)</b>
<b>Cash flow from investing activities</b>			
Interest received		-	-
<b>Net cash flow from investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>			
Proceeds arising as a result of the issue of ordinary shares	20	574	400
Costs related to issue of ordinary share capital		-	(5)
Interest paid		-	-
<b>Net cash flow from financing activities</b>		<b>574</b>	<b>395</b>
<b>Net increase in cash and cash equivalents in the year</b>		<b>106</b>	<b>(196)</b>
Cash and cash equivalents at beginning of the year		52	248
Cash and cash equivalents at end of the year		<b>158</b>	<b>52</b>

The notes on pages 18-28 form part of these financial statements.



**PATHFINDER MINERALS PLC****Company Statement of Financial Position  
for the Year Ended 31 December 2019**

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	Note	Year ended 31 December 2019 £'000	Year ended 31 December 2018 £'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	11	-	-
Investments	12	-	-
<b>CURRENT ASSETS</b>			
Trade and other receivables	13	222	192
Cash and cash equivalents	14	158	52
<b>TOTAL ASSETS</b>		<b>380</b>	<b>244</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves attributable to equity holders of the Company:</b>			
Share capital	15	18,504	18,458
Share premium		13,307	12,431
Other reserves	19	45	25
Accumulated deficit		(31,762)	(31,110)
<b>TOTAL EQUITY</b>		<b>94</b>	<b>(196)</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	286	440
<b>TOTAL LIABILITIES</b>		<b>286</b>	<b>440</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>380</b>	<b>244</b>

The notes on pages 18-28 form part of these financial statements.

PATHFINDER MINERALS PLC

Company Statement of Changes in Equity  
for the Year Ended 31 December 2019

	Called up share capital £'000	Share premium £'000	Other reserves £'000	Accumulated deficit £'000	Total equity £'000
<b>Balance at 1 January 2018</b>	<b>18,416</b>	<b>11,997</b>	-	<b>(30,465)</b>	<b>(52)</b>
<b>Changes in equity</b>					
Loss for the year				(645)	(645)
Total comprehensive loss for the year				(645)	(645)
Issue of share capital	42	439			481
Cost of share issue		(5)			(5)
Share based payments			25		25
Total transactions with owners	42	434	25	-	501
<b>Balance at 31 December 2018</b>	<b>18,458</b>	<b>12,431</b>	<b>25</b>	<b>(31,110)</b>	<b>(196)</b>
<b>Changes in equity</b>					
Loss for the year				(652)	(652)
Total comprehensive loss for the year				(652)	(652)
Issue of share capital	46	876			922
Cost of share issue					-
Share based payments			20		20
Total transactions with owners	46	876	20	-	942
<b>Balance at 31 December 2019</b>	<b>18,504</b>	<b>13,307</b>	<b>45</b>	<b>(31,762)</b>	<b>94</b>

The notes on pages 18-28 form part of these financial statements.

PATHFINDER MINERALS PLC

Company Statement of Cash Flows  
for the Year Ended 31 December 2019

	Note	Year ended 31 December 2019	Year ended 31 December 2018
<b>Cash flows from operating activities</b>			
Operating loss		(652)	(645)
<b>Adjustments for:</b>			
Share-based payments		20	106
Services settled in shares	20	52	
Foreign exchange movement		3	(2)
<b>Net cash flow from operating activities before changes in working capital</b>		<b>(577)</b>	<b>(541)</b>
<b>Changes in working capital:</b>			
(Increase)/Decrease in trade and other receivables		(30)	(136)
Increase/(Decrease) in trade and other payables	20	139	86
<b>Net cash flow used in operating activities</b>		<b>109</b>	<b>(50)</b>
<b>Cash flow from investing activities</b>			
Interest received		-	-
<b>Net cash flow from investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flow from financing activities</b>			
Proceeds arising as a result of the issue of ordinary shares	20	574	400
Costs related to issue of ordinary share capital		-	(5)
Interest paid		-	-
<b>Net cash flow from financing activities</b>		<b>574</b>	<b>395</b>
<b>Net increase in cash and cash equivalents in the year</b>		<b>106</b>	<b>(196)</b>
Cash and cash equivalents at beginning of the year		52	248
Cash and cash equivalents at end of the year		<b>158</b>	<b>52</b>

The notes on pages 18-28 form part of these financial statements.

**Notes to the Financial Statements  
for the Year Ended 31 December 2019**

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**1. GENERAL INFORMATION**

Pathfinder Minerals Plc is a public limited company whose ordinary shares are quoted on the AIM, a market operated by the London Stock Exchange; and is incorporated and domiciled in the UK. The address of its registered office is Becket House, 36 Old Jewry, London EC2R 8DD.

The financial statements of Pathfinder Minerals PLC for the year ended 31 December 2019 were authorised for issue by the Board on 29 June 2020 and the statement of consolidated financial position signed on the Board's behalf by Dennis Edmonds.

**2. STATUTORY INFORMATION**

Pathfinder Minerals Plc is a public company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the General Information page.

**3. ACCOUNTING POLICIES**

**Basis of preparation**

These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements have been prepared under the historical cost convention and are presented in the functional currency in £'000.

As a result of the funding activities undertaken since the year end, the Company has improved its short-term liquidity position. The Board has reviewed the Company's cash requirements for the next 12 months and, after taking account of reasonably possible changes in both expenditure and equity investment, have concluded that the Company should be able to operate within its current level of financing.

The directors have considered the appropriateness of the going concern concept in the preparation of the financial statements, especially considering the negative equity position the company is in. After a review of the cash requirements of the Company, the directors believe that the company will have sufficient cash reserves available for at least the next 12 months from the date of this report.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

Although the Company's direct subsidiary, IM Minerals Limited, itself holds the whole of the issued share capital of Companhia Mineira de Naburi SARL, which in turn holds the whole of the issued share capital of Sociedade Geral de Mineracao de Moçambique SARL, events in 2011 indicated that the Company does not control either of these sub-subsidiaries. Neither has it been possible to obtain audited accounts for them. Accordingly these financial statements consolidate the financial statements of IM Minerals Limited only. IM Minerals Limited is a dormant intermediate holding company.

**Property, plant and equipment**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery            - 33% on cost

**Taxation**

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

3. **ACCOUNTING POLICIES** (continued)

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Employee benefit costs**

The group operates a defined contribution pension scheme. Contributions payable to the Group's pension scheme are charged to the income statement in the period to which they relate.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and other short term highly liquid deposits with original maturities of three months or less.

**New standards, amendments and interpretations adopted by the Group**

No new and/or revised Standards and Interpretations have been required to be adopted, and/or are applicable in the current year by/to the Group, as standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2019 are not material to the Group.

**New standards, amendments and interpretations not yet adopted**

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements, were in issue but not yet effective for the year presented:

- IFRS 17 Insurance Contracts (effective date 1 January 2021).

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group.

**Critical accounting estimates and judgements**

The preparation of financial information in accordance with generally accepted accounting practice, in the case of the Group using International Financial Reporting Standards as adopted by the European Union, requires the directors to make estimates and judgements that affect the reported amount of assets, liabilities, income and expenditure and the disclosures made in the financial statements. Such estimates and judgements must be continually evaluated based on historical experience and other factors, including expectations of future events.

Details of accounting estimates and judgements that have the most significant effect on the amounts recognised in the financial statements have been disclosed under the relevant note or accounting policy for each area where disclosure is required.

4. **SEGMENTAL REPORTING**

The Group has one activity only. Of the Group's administrative expenses, £57,000 (2018: £73,000) was spent in Mozambique relating to legal and consulting. The whole of the value of the Group's and the Company's net assets in their respective financial statements at 31 December 2019 and 2018 was attributable to UK assets and liabilities.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2019

## 5. OPERATING LOSS

## Group and Company

	2019	2018
	£'000	£'000
Loss from operations has been arrived at after charging:	(652)	(645)
Directors Remuneration	121	195
Share based payment charge – Director options issue	20	25
Legal Fees	36	80
Nomad Fees	51	70
Audit fees	10	10

## 6. EMPLOYEES AND DIRECTORS

There were no employees, other than the directors.

The following tables set out and analyse the remuneration of directors for the years ended 31 December 2019 and 2018.

For the year ended 31 December 2019:

	Salary	Fees	Total	Contribution	Share	Total
	£'000	£'000	emoluments	to Pension	Based	remuneration
	£'000	£'000	£'000	schemes	Payments	£'000
				£'000	£'000	£'000
Sir Henry Bellingham	25	-	25	-	-	25
John Taylor	28	-	28	-	4	32
Dennis Edmonds	13	5	18	-	-	18
Simon Farrell	16	-	16	-	-	16
Scott Richardson Brown	12	-	12	-	16	28
Nicholas Trew <sup>(1)</sup>	22	-	22	-	-	22
	<b>116</b>	<b>5</b>	<b>121</b>	<b>-</b>	<b>20</b>	<b>141</b>

For the year ended 31 December 2018:

	Salary	Fees	Total	Contribution	Share	Total
	£'000	£'000	emoluments	to Pension	Based	remuneration
	£'000	£'000	£'000	schemes	Payments	£'000
				£'000	£'000	£'000
Henry Bellingham	30	-	30	-	5	35
Simon Farrell	9	-	9	-	10	19
Scott Richardson Brown	9	-	9	-	10	19
Nicholas Trew	105	-	105	4	-	109
Robert Easby	38	-	38	-	-	38
	<b>191</b>	<b>-</b>	<b>191</b>	<b>4</b>	<b>25</b>	<b>220</b>

<sup>(1)</sup> Relates to a final termination benefit paid to Nicholas Trew.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2019

6. **EMPLOYEES AND DIRECTORS** (continued)

No share options were exercised by the directors, and no shares were received or receivable by any director in respect of qualifying services under a long-term incentive scheme.

During the year there has been changes in the Board of director's as follows:

John Taylor	Appointed on 3 July 2019
Dennis Edmonds	Appointed on 2 August 2019
Simon Farrell	Resigned on 23 July 2019
Scott Richardson Brown	Resigned on 3 July 2019

7. **NET FINANCE INCOME**

	2019 £'000	2018 £'000
Finance income:		
Deposit account interest	-	-

8. **INCOME TAX**

**Analysis of tax expense**

No liability to UK corporation tax arose for the year ended 31 December 2019 nor for the year ended 31 December 2018. No deferred tax asset has been recorded on tax losses carried forward.

**Factors affecting the tax expense**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2019 £'000	2018 £'000
Loss before income tax	(652)	(645)
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19%)	(124)	(123)
Effects of:		
Non-deductible expenses	4	5
Income not chargeable to tax	-	-
Unrelieved tax losses carried forward	120	118
<b>Tax expense</b>	<b>-</b>	<b>-</b>

9. **LOSS OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the income statement of the parent company is not presented as part of these financial statements. The parent company's loss for the financial year was -£652,047 (2018 - £645,240).

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2019

## 10. LOSS PER SHARE

Basic loss per share is calculated, as set out in the tables below, by dividing the loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

A diluted loss per share has not been calculated as the effect of the exercise of outstanding warrants and options would be anti-dilutive.

## As at 31 December 2019:

	Loss, £'000	Weighted average number of shares	Per-share amount, pence
<b>Basic</b>			
Loss attributable to the ordinary share holders	(652)	298,560,091	(0.22)p
<b>Diluted</b>			
Loss attributable to the ordinary share holders	(652)	298,560,091	(0.22)p

## As at 31 December 2018:

	Loss, £'000	Weighted average number of shares	Per-share amount, pence
<b>Basic</b>			
Loss attributable to the ordinary share holders	(645)	250,218,268	(0.26)p
<b>Diluted</b>			
Loss attributable to the ordinary share holders	(645)	250,218,268	(0.26)p

## 11. PROPERTY, PLANT AND EQUIPMENT

	Group Plant and machinery £'000	Parent Company Plant and machinery £'000
<b>Cost</b>		
At 1 January 2019	2	2
At 31 December 2019	2	2
<b>Depreciation</b>		
At 1 January 2019	-2	-2
Charge for the year	0	0
At 31 December 2019	-2	-2
<b>Net book value</b>		
At 31 December 2019	0	0
At 31 December 2018	0	0



Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2019

12. INVESTMENTS

Parent Company

	Shares in group undertakings £'000
<b>COST</b>	
At 1 January 2019	
and 31 December 2019	<u>34,806</u>
<b>PROVISIONS</b>	
At 1 January 2019	
and 31 December 2019	<u>34,806</u>
<b>NET BOOK VALUE</b>	
At 31 December 2019	<u><u>-</u></u>
At 31 December 2018	<u><u>-</u></u>

The Group or the Company's investments at the Statement of Financial Position date in the share capital of companies include the following:

**Subsidiaries**

**IM Minerals Limited**

Registered office: United Kingdom  
Nature of business: Holding company

	%
Class of shares:	holding
Ordinary	100.00

**Companhia Mineira de Naburi SARL**

Registered office: Mozambique  
Nature of business: Mining

	%
Class of shares:	holding
Ordinary	100.00

**Sociedade Geral de Mineracao de Moçambique SARL**

Registered office: Mozambique  
Nature of business: Dormant

	%
Class of shares:	holding
Ordinary	100.00

IM Minerals Limited held the shares in Companhia Mineira de Naburi SARL which held titanium dioxide mining concessions in the Republic of Mozambique. In November 2011 the original vendors of IM Minerals' subsidiary, Companhia Mineira de Naburi SARL ("CMdN"), advised the Company that they had procured the cancellation of IM Minerals' shares in CMdN and the transfer of its assets (the mining licences) to another company controlled by them. Whilst the Company is taking legal and other action in order to recover the shares and the licences, the Company, in the interest of accounting prudence, made full provision in the 2011 financial statements against the cost of its investment in IM Minerals.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2019

## 13. TRADE AND OTHER RECEIVABLES

	Group		Parent Company	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Current:				
Other debtors	165	109	165	109
VAT	4	4	4	4
Prepayments and accrued income	53	79	53	79
	<u>222</u>	<u>192</u>	<u>222</u>	<u>192</u>

## 14. CASH AND CASH EQUIVALENTS

	Group		Parent Company	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Bank accounts	<u>158</u>	<u>52</u>	<u>158</u>	<u>52</u>

## 15. SHARE CAPITAL

## a) Called up, allotted, issued and fully paid Ordinary shares of 0.1p each

	No. Ordinary shares	No. Deferred shares	Nominal value, £
As at 31 December 2018	272,930,288	183,688,116	18,458,053
Issue of equity on 10 April 2019	17,500,000		17,500
Issue of equity on 3 June 2019	4,000,000		4,000
Issue of equity on 5 June 2019	10,703,018		10,703
Issue of equity on 6 June 2019	4,706,807		4,707
Issue of equity on 7 June 2019	2,781,700		2,782
Issue of equity on 12 June 2019	404,057		404
Issue of equity on 3 July 2019	5,341,069		5,341
Issue of equity on 9 July 2019	309,491		309
Issue of equity on 16 July 2019	8,940		9
As at 31 December 2019	<u>318,685,370</u>	<u>183,688,116</u>	<u>18,503,808</u>

On 10 April 2019, the company issued 10,000,000 ordinary shares at a price of 2p per share with a value of £200,000 for cash consideration and 7,500,000 ordinary shares at a price of 2p per share with a value of £150,000 to directors in settlement of fees (see note 18 for further information).

On 3 June 2019, the company issued 4,000,000 ordinary shares pursuant to the exercise of a warrant at 1.50p.

On 5 June 2019, the company issued 4,909,091 ordinary shares at a price of 2.75p with a value of £135,000 for cash consideration and 5,793,927 ordinary shares at a price of 2.75p with a value of £159,333 to directors in settlement of fees (see note 18 for further information).

On 6 June 2019, the company issued 4,706,807 ordinary shares pursuant to the exercise of a warrant at 1.50p.

Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2019

15. **SHARE CAPITAL** (continued)

On 7 June 2019, the company issued 929,848 ordinary shares pursuant to the exercise of a warrant at 1.50p and 1,851,852 ordinary shares pursuant to the exercise of a warrant at 1.75p.

On 12 June 2019, the company issued 404,507 ordinary shares pursuant to the exercise of a warrant at 1.50p.

On 3 July 2019, the company issued 3,413,797 ordinary shares pursuant to the exercise of a warrant at 1.50p and 727,272 ordinary shares to various consultants and professional advisors in settlement of fees. Another 1,200,000 ordinary shares were issued at a price of 1.5p with a value of £18,000 to directors in settlement of fees (see note 18 for further information).

On 9 July 2019, the company issued 309,491 ordinary shares pursuant to the exercise of a warrant at 1.50p.

On 16 July 2019, the company issued 8,940 ordinary shares pursuant to the exercise of a warrant at 1.50p.

**b) Share options & warrants in issue**

<u>Exercise Price</u>	<u>Expiry Date</u>	<u>Number</u>
3p	15 November 2021	6,875,000
1.5p	17 May 2021	11,227,060
1.75p	20 September 2023	20,000,000
1.75p	21 October 2021	9,259,259
2.50p	9 April 2022	7,500,000
3.50p	3 June 2022	10,703,018
2.75p	4 June 2022	7,500,000

16. **TRADE AND OTHER PAYABLES**

	<b>Group</b>		<b>Parent Company</b>	
	2019	2018	2019	2018
	£'000	£'000	£'000	£'000
Current:				
Trade creditors	34	29	34	29
Social security and other taxes	196	-	196	-
Other creditors	43	401	43	401
Accruals and deferred income	13	10	13	10
	<u>286</u>	<u>440</u>	<u>286</u>	<u>440</u>

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2019**

**17. CONTINGENT LIABILITIES**

As part of the agreement for the purchase of the shares in its subsidiary, Companhia Mineira de Naburi SARL (CMdN), the Company's subsidiary, IM Minerals Limited, agreed to pay the vendors a further sum of \$9,900,000 if, following further exploration and appraisal, an agreement is reached for the construction of a facility for the processing of ore extracted from the Naburi mineral sands deposit. This sum has since been reduced by advances of £90,083, made by IM Minerals Limited, and £75,933, made by the Company, to one of the vendors, Mr Diogo Cavaco.

Similarly, as part of its agreement for the purchase of the whole of the issued share capital of Sociedade Geral de Mineracao de Moçambique SARL, CMdN has agreed to pay the vendors, BHP Billiton, a further sum of \$9,500,000 if, following further exploration and appraisal, an agreement is reached for the construction of a facility for the processing of ore extracted from the Moebase mineral sands deposit. This obligation is guaranteed by IM Minerals Limited.

**18. RELATED PARTY DISCLOSURES**

In order to ease the pressure on the Company's cash resources, the following directors deferred payment of their contracted salaries or fees and, where applicable, pension contributions. The amounts deferred, and included in other creditors, were as follows:

	Salary or fees deferred 1 January 2019 £'000	Pension contr. deferred 1 January 2019 £'000	Salary or fees deferred during the year £'000	Pension contr. deferred during the year £'000	Settlements during the year £'000	Salary or fees deferred 31 December 2019 £'000	Pension contr. deferred 31 December 2019 £'000
NS Trew	139	38	22	-	(199)	-	-
H Bellingham	57	-	22	-	(58)	21	-
R P Easby	53	-	-	-	(53)	-	-
S Farrell	9	-	16	-	(25)	-	-
B Sergant	9	-	9	-	(18)	-	-
S Richardson Brown	9	-	12	-	-	21	-
<b>Total</b>	<b>276</b>	<b>38</b>	<b>81</b>	<b>-</b>	<b>(353)</b>	<b>42</b>	<b>-</b>

During the year deferred salary and pension was settled by issuing 13,293,927 ordinary shares to the value of £309,333 and 1,200,00 ordinary shares to the value of £18,000. £25,000 was settled in cash.

A submission has been made to HMRC disclosing the estimated PAYE on deferred fees settled during the period. An amount totalling £139,000 relating to estimated PAYE payable included at note 16 to the accounts with a corresponding receivable included in note 13. The Company expects to recoup the PAYE payable from prior directors as agreed.

Details of directors' remuneration are given in note 6 above.

**Notes to the Consolidated Financial Statements - continued  
for the Year Ended 31 December 2019**

**19. SHARE BASED PAYMENTS**

The Company granted the following share options to directors in 2019:

Director	Number of shares the subject of options or warrants	Exercise price per share	Latest exercise date
S Richardson Brown*	7,500,000	2.50p	9 April 2022
J Taylor**	7,500,000	2.75p	3 July 2022
	15,000,000		

The Company used the Black-Scholes model to determine the value of the options and the inputs were as follows:

	*Issued 10/04/19	**Issued 03/07/19
Share price at grant (pence)	2.25p	2.20p
Fair Value price at grant (pence) Expected volatility (%)	18.98%	27.71%
Expected life (years)	3 years	3 years
Risk free rate (%)	1%	1%
Expected dividends (pence)	-	-

Expected volatility was determined by using the Company's share price for the preceding 12 months.

The total share-based payment expense in the year for the Company was £20,170 expense in relation to options (2018: £24,478) and £nil finance charges in relation to warrants (2018: nil).

**20. NON-CASH TRANSACTIONS**

Adjustment for non-cash transactions relates to ordinary shares issued to a value of £922,000 of which £20,000 was to settle creditors fees, £32,000 to settle current year salary and fees to directors and £295,000 to settle deferred salary and fees to directors.

**21. EVENTS AFTER THE REPORTING PERIOD**

On 3 April 2020, the Company announced it had entered into binding agreements for the issue of 175,000 convertible loans notes (the "CLNs"), raising, in aggregate, £175,000 (the "Principal Amount") pursuant to subscriptions with a Director of the Company and certain existing and new investors (the "Subscribers"). The key terms of the Instrument are as follows:

- Six month term from the date of the first tranche being received by the Company (see following bullet point) which was 1 June 2020, with a 16% coupon on an annualised basis.
- Principal Amount to be drawn equally over five monthly tranches and interest will be payable only on funds provided to the Company.
- In total, at the end of the six month term, the CLNs will have an aggregate principal plus accrued interest balance of £184,359.
- Interest will be payable on the maturity date either in cash or in new Ordinary Shares at the Company's election at a price of 0.6p per share. Should an equity raise be conducted prior to the end of the six month term then the interest, if paid in Ordinary Shares, will be payable at the subscription price of the equity raise, if below 0.6p per share.

21. **EVENTS AFTER THE REPORTING PERIOD** (continued)

- 29,166,666 warrants will be issued to the Subscribers (the "Warrants"). Each Warrant will have an exercise price of 0.6p and be convertible into one Ordinary Share. The Warrants, if not exercised, will expire after two years from the date of the forthcoming GM. Should an equity fundraising take place prior to 30 April 2021, then the exercise price of any unexercised Warrants will re-strike to the price associated with such equity fundraise, if below 0.6p per share.
- A mandatory exercise of the Warrants will be triggered should the Company's share price exceed 1.5p for a period of more than 20 trading days with a volume traded of at least 50 million shares within that period.
- On the maturity date, the Company has the right to force the conversion of all or some of the Principal Amount and accrued interest into new Ordinary Shares should the Company determine, acting reasonably, that it does not have sufficient cash to fund its working capital requirements and to satisfy the repayment of the Principal Amount. Such a conversion would take place at 90% of the 10 day volume weighted average price at the close of trading on the day prior to forced conversion.

On 11 May 2020, the Company announced it had raised gross proceeds of £250,000 via a placing and subscription for 25,000,000 new ordinary shares of 0.1p each in the Company at a price of 1p per share, which represents a premium of approximately 8 percent to the closing mid-market share price on 7 May 2020.

On 27 May 2020, the Company announced it had been notified that the Mozambique Supreme Court has rejected the Company's application to recognise a judgment by the English High Court (the "English Judgment") which gave certain declarations to the effect that Pathfinder's subsidiary, IM Minerals Limited, validly acquired its shareholding in Companhia Mineira de Naburi S.A.R.L., which previously held Mining Concession 4623C. This outcome has no bearing on the English Judgment, which remains in force.

On 29 May 2020, the Company announced that further to the Issue of Equity announcement released by the Company on 11 May 2020, Pathfinder has agreed, following discussions with its broker, to amend the terms of the placing and subscription to align pricing closer to the Company's then current share price. As a result the price of the Fundraise, which consisted of a placing of 35,384,615 Ordinary Shares (the "Placing") and a subscription for 3,076,923 Ordinary Shares, from 1 pence per Ordinary Share (as announced on 11 May 2020) was varied to 0.65 pence per Ordinary Share, following discussion with its broker, Novum Securities Limited ("Novum").