Anglesey Mining plc

Annual Report 2020

A UK mining company
listed on the London Stock Exchange

Projects:

100% of the Parys Mountain underground zinc-copper-lead-silver-gold deposit in North Wales, UK where an updated Scoping Study was completed in 2017. The results of this Study are positive and further optimisation studies are currently underway.

12% of Labrador Iron Mines Holdings Limited which holds direct shipping iron ore deposits in Labrador and Quebec.

A 10.0% interest in, and management rights to, the Grangesberg Iron project in Sweden, together with a right of first refusal to increase its interest to 60.2%.

Contents

Glossary

AGM - the annual general meeting to be held on 30 September 2020
DFS - Definitive Feasibility Study
DMS - dense media separation, a process for the elimination of low-density waste from crushed ore
EIA - environmental impact assessment
GIAB - Grangesberg Iron AB, a privately owned Swedish company
JORC - Australasian Joint Ore Reserves Committee - a set of minimum standards for public reporting and displaying information related to mineral properties
IRR - internal rate of return
LIM - Labrador Iron Mines Holdings Limited and its group of companies
mtpa - million tonnes per annum
NPV - net present value
NSR - net smelter return
PFS - Preliminary Feasibility Study
tonne - metric tonne of 2,204.6 pounds avoirdupois
SEK - Swedish Krona
tpd - tonnes per day

Cover photo: Robert Bain

To Anglesey Shareholders

The most critical issue facing Anglesey Mining, and indeed every other company in the world today, is Covid-19 which has impacted everyone from a health, daily living and financial perspective. Since Covid-19 was declared a pandemic by the World Health Organization in March, the world has shifted dramatically, with everyone having to adjust to a "new normal", and as I write this letter there is great uncertainty over the extent and duration of the impacts Covid-19 may have on economic growth and global financial markets.

The economic impacts of the Covid-19 pandemic initially had a significant negative effect on demand for metals and on metal prices. Metal prices, and by extension the level of investor interest in the mining industry, impact Anglesey's ability to finance the Company's various projects. However, the downturn had been significantly reversed by the end of August and we are witnessing a growing strength in the financing markets for mineral projects and for mineral companies.

Amidst the ongoing pandemic, we still believe that the medium to long term demand for metals is growing, especially as the world transitions to a low-carbon electric economy, and the fundamental outlook for all base metals, particularly for the metals that would be mined at Parys Mountain, remains positive. We expect this will be manifested once the inevitable economic stimulus measures and government infrastructure spending kick in.

New UK Corporate Governance Code

In recent years there has been an increasing investor focus on environment, social and governance. This is not something new in Anglesey as we have always placed high importance on these areas. What is perhaps new is formalizing and reporting on these matters in greater detail. This year, we are reporting under the new UK Corporate Governance Code published by the Financial Reporting Council in 2018. The new Code is applicable to all companies with a Premium Listing on the London Stock Exchange and although Anglesey Mining is not included in the FTSE 350, and is considered a "smaller company", the new Code applies to Anglesey Mining because of its Premium Listing status. Shareholders are encouraged to read the detailed Report on Corporate Governance included later in this Annual Report.

The Board of Anglesey Mining although infused with entrepreneurial and pioneering spirit is very small, currently only four members and we are seeking at least one and preferably two new directors. The Directors believe that throughout the year, Anglesey has, in general, complied with the spirit of the Principles of the Code, to the extent such Principles are applicable in Anglesey's particular circumstances. However, as a company with limited active operations and no employees, some of the Principles and many of the Provisions are not applicable to the individual circumstances of the Company.

The purpose of Anglesey Mining is simple to describe, it is to develop, build and operate a producing mine at Parys Mountain, on the island of Anglesey in North Wales, to create value for shareholders in an environmentally, socially, and ethically responsible manner for the benefit of all stakeholders.

Parys Mountain – Moving steadily forward

In 2017 a new Scoping Study on the Parys Mountain copper-lead-zinc project demonstrates a viable mine development and a healthy financial rate of return based on copper prices of $US2.50 per pound, zinc of $US1.25 per pound and lead of $US1.00 per pound, generating an overall net smelter return of $US270 million with an IRR of 26% and an NPV10 of $US27 million.

In late 2018 Anglesey entered into a Project Development and Cooperation Agreement with QME Mining Technical Services to carry out an agreed programme of engineering and optimisation studies relating to the future development of Parys Mountain. This has been a major exercise that expanded as it progressed, as described and discussed in detail in the Strategic Report included later in this Annual Report.

The primary objective was to determine the optimum production plan for Parys Mountain, but importantly to look at the opportunity of including some or all of the previously identified inferred resources in a revised and larger development plan that would increase the projected life of the Parys Mountain mine, with potential positive outcomes on the project economics.

As previously reported, QME identified the potential for improvements in the development plans contained in the 2017 Micon Scoping Study which was based on mining only the 2.1 million tonnes of indicated resources reported by Micon in 2012. The QME work suggests that that the project can be further improved if the potential mineable tonnage can be increased by using a lower cut-off grade, and that at a production cut-off of $48 per tonne, approximately 5.25 million tonnes in situ within the designed stoping blocks would be available in the White Rock and Upper Engine Zones for inclusion in a detailed life-of-mine schedule. This approach allows the unlocking of mineralised areas within the footprint that were not previously modelled due to not meeting the higher cut-off grades used in the Micon Scoping Study. These 5.25 million tonnes are substantially higher than the mineable tonnage of 2.1 million tonnes used in the 2017 Scoping Study.

QME then reviewed all the inferred resources originally reported by Micon in deposits other than White Rock and Upper Engine Zones. These other zones, the Lower Engine, Garth Daniel and Northern Copper Zones, are located within an area approximately 1.3 km east-west and 370 metres north-south and lie immediately to the northeast of the White Rock and Engine zones. This phase of the QME work has identified 5.5 million tonnes of modelled inferred resources that could be considered for inclusion in detailed mine design.

The third phase, which started in late 2019 and continued into 2020, involved developing mine production models based on these enhanced tonnage projections at a range of annual production scenarios that would be consistent with maintaining an optimised life of mine.

The QME work concluded that using the lower cut-off block models, there is an opportunity to develop a new mineable model for either the White Rock and Upper Engine zones alone, as per the Micon plan, or extending this to the entire known resource zones, by re-defining the mining shapes and the stoping plan, followed by a new development plan and schedule.

Mining these enhanced tonnages will require an expansion of the planned annual treatment rate of 1,000 tonnes per day used in the Micon Scoping Study, potentially to 1,500 tonnes per day. To optimise the mine life, and dependent upon the extent of inclusion of the more distant zones, this rate could be increased in the further expanded case of all zones to perhaps 3,000 tonnes per day.

The Directors have long believed that the potential for the Parys Mountain project is far greater than that developed from the indicated resources only. QME's work confirms the overall prospectivity of the Parys Mountain project and the potential for demonstrating five deposits or zones with combined resources in the range of 10 million tonnes and that the projected mine life could be extended from the Micon Scoping Study base case of 8 years through to a range of 12 to 18 years.

The Cooperation Agreement with QME has enabled the completion of a substantial amount of further work on mine planning design and project optimisation on Parys Mountain at no immediate cost to Anglesey and at no dilution to Anglesey's current shareholders. The QME work has been of great benefit in establishing the parameters for determining the optimum mine production model and we are extremely appreciative of the work that QME has completed. This work will form the basis for commissioning a new Preliminary Economic Assessment, and subject to financing being available, leading on to a Preliminary Feasibility Study.

We have recently completed a private placing that raised £200,000 gross together with warrants that could raise an additional £225,000 gross during the next 12 months. This will be used to bring the optimisation study into a compliant basis by incorporating the QME work into an updated Scoping Study or Preliminary Economic Assessment, as well as for general corporate purposes. We are very pleased with this financing, which represents significant support for Anglesey Mining.

Grangesberg Iron

Following, a small investment in late 2019, the Group now holds a direct 10.0% interest in and management rights to the Grangesberg Iron project in Sweden about 200 kilometres north-west of Stockholm, together with a right of first refusal to increase its interest to 60.2%. Until its closure in 1989 due to then prevailing market conditions, the Grangesberg mine had produced more than 150 million tonnes of iron ore.

A Technical Report prepared by Roscoe Postle Associates Inc in 2014 estimated a resource of 115.2 million tonnes at 40.2% Fe in the indicated category and 33.1 million tonnes at 45.2% Fe in the inferred category and concluded that the Grangesberg deposit hosts a significant iron resource that has excellent potential for expansion at depth.

The +67% Fe high-quality product expected to be produced from Grangesberg, coupled with the previously announced reduced mine life and the increased level of seismic activity at LKAB's flagship Kiruna project in northern Sweden, which is Sweden's largest iron ore producer, continues to make the interest in developing the Grangesberg project more likely and more attractive than many other undeveloped iron ore projects in Europe.

The price of iron ore increased almost 21% in 2020, and outpaced gold to rank as the best-performing major commodity in the first half of the year. Demand for high-quality iron ore remains strong, mainly driven by solid demand from China's steel mills despite COVID-19 impacts.

Labrador Iron

The Group holds a 12% interest in Labrador Iron Mines Holdings Limited (LIM) which owns extensive iron ore resources in its Schefferville Projects in Labrador and in Quebec, Canada. LIM has not undertaken mining operations since 2013 but maintains its iron ore assets on a stand-by care and maintenance basis. Subject to securing financing, LIM plans to resume mining operations when economic conditions warrant.

Outlook

The drive towards the sustainable development goals of greater renewable energy (wind, hydro, solar) and carbon neutrality in the world's economies is expected to result in sustained demand for metals and minerals over the coming decades because the infrastructure necessary to deliver on these goals is very metal intensive.

Development of a new mine at Parys Mountain can deliver economic growth in the UK and regional jobs and business opportunities for local service providers. The minerals that would be mined at Parys Mountain are those that are necessary for the modern world, copper in electronics, zinc in medicine, and even much maligned lead is required for large electric battery storage. None of these important and essential metals is currently produced in the UK, making the country entirely dependent on imports. Equally important is that with current precious metal prices, the value of gold and silver to be produced at Parys Mountain would represent approximately 25% of the total revenue stream.

We believe that following completion of the QME exercise, it will be possible to positively report a total compliant resource figure somewhere around 10 million tonnes at Parys Mountain. On that basis the mine plan, including both the annual production rates and life of mine, would be significantly enhanced. Importantly we believe that financial results flowing from such a revised plan would achieve our goal of significantly enhancing the project economics indicated by the 2017 Scoping Study.

We plan to bring all of the QME work into a compliant basis by incorporating its work into an updated Scoping Study or Preliminary Economic Analysis as appropriate. We would expect this will be followed, as soon as practicable and subject to funding, with a Pre-Feasibility or full Feasibility study to enable production financing to be achieved.

This work is very important to Anglesey and is likely to transform the development prospects of Parys Mountain into a project that should attract keen interest amongst financiers, metal traders, smelters and particularly other and larger mining companies.

We will continue to examine development opportunities for our iron ore projects as the medium-term outlook for iron ore, particularly for the higher quality concentrates, is positive. We will also continue to seek out new properties suitable for development that would be complementary to or provide synergies with the Group's existing projects within the financing capability likely to be available to the Company. The Directors have identified copper and other VMS projects, and gold or precious metals, as the most potentially attractive and we continue to evaluate a number of early stage opportunities.

Once again, I would like to record my appreciation of the current directors for their continuing support in moving the Parys Mountain mine project forward and also thank all our shareholders for their continued interest in Anglesey Mining.

John F. Kearney
Chairman
25 September 2020

Principal activities and business review

Anglesey Mining is engaged primarily in exploring and developing its wholly owned Parys Mountain zinc, lead, copper project in North Wales. Anglesey's purpose is the development of a producing mine at Parys Mountain to create value for shareholders in an environmentally, socially, and ethically responsible manner for the benefit of all stakeholders. In 2017 a new Scoping Study demonstrated a viable mine development and a healthy financial rate of return. The purpose and objectives of the Group are discussed in the Report on Corporate Governance included as part of this Annual Report. The strategy of the Group is to systematically and sequentially advance the development of a mine at Parys Mountain by completing exploration to outline mineral resources, completing technical and economic studies to assess financial viability, completing feasibility studies to demonstrate technical and financial viability and use those studies to attract investment and raise the necessary capital to build and operate the mine.

In late 2018 Anglesey entered into a Project Development and Co-operation Agreement with QME Mining Technical Services, a division of QME Limited, an Irish contracting and consulting group, to carry out an agreed programme of engineering and optimisation studies relating to the future development of Parys Mountain. As discussed in more detail below this has been a major exercise that expanded as it progressed and is now nearing completion. Site activities at Parys Mountain during the year have continued to be limited to care and maintenance.

In addition, under various agreements, the Group participates in the management of the Grangesberg iron ore property in Sweden in which it increased its holding during the year to 10%, and a right of first refusal to acquire a further 50% ownership interest. The Group also has a 12% holding in the Labrador Iron Mines in eastern Canada, currently operating in care and maintenance, and from time to time continues to look at other potential projects that may be beneficial or synergistic to its development.

The Group's business model remains to phase the development and financing of the Parys Mountain project by undertaking various studies, completing a prefeasibility or feasibility study and progressing the Parys Mountain Mine towards production.

Parys Mountain copper zinc lead project

The Parys Mountain property hosts a significant polymetallic zinc, copper, lead, silver and gold deposit. The site has a head frame, a 300m deep production shaft and planning permission for operations. The Group has freehold ownership of the minerals and surface land. Infrastructure is good, political risk is low and the project enjoys the support of local people and government.

An independent JORC resource estimate completed in 2012 by Micon International Limited reported a resource of 2.1 million tonnes in the indicated category at 6.9% combined base metals and 4.1 million tonnes at 5.0% combined base metals in the inferred category, with substantial exploration potential. These resource estimates were made at a cut-off of $80 per tonne Gross Metal Product Value ("GMPV").

In July 2017 a Scoping Study was prepared by Micon International Limited and Fairport Engineering Ltd. using the 2012 resource estimate. The Scoping Study demonstrates a viable mine development mining 1,000 tonnes per day to produce lead, zinc and copper concentrates and yielding a healthy financial rate of return. The Scoping Study applied the same GMPV cut-off of $80 per tonne, used in the 2012 resource estimate.

Development Plan – 2017 Scoping Study

A new mining plan was prepared as part of the 2017 Scoping Study based on a surface decline to access the White Rock zone on which Anglesey Mining carried out a detailed drilling programme during the period 2006-2010. The White Rock zone which extends to surface lies adjacent to the existing 300m Morris Shaft and largely overlies the deeper Engine Zone deposits.

The Scoping Study proposed that a decline would be developed by mining contractors and would be used as the initial means of access to the resource for development and mining. During the initial production phase from the White Rock zone the decline would continue to be driven to reach the current bottom of the Morris Shaft and beyond. The shaft would then be dewatered and deepened by approximately 150 metres and recommissioned as a hoisting shaft for the remnant White Rock ore and for the deeper and more valuable Engine Zone ore. Mining would be carried out initially from the main decline using rubber-tyred equipment including drill jumbos, load-haul-dump machines and trucks to remove development waste to surface and production ore to the planned adjacent processing plant. The existing hoist and headframe would be refurbished and used to bring ore to the surface for delivery to the processing plant through the deepened shaft.

Scoping Study Results

The 2017 Scoping Study concluded that the selected development option for Parys Mountain for the extraction of the 2.1 million tonnes of indicated resource was a 1,000 tonnes per day mine and that this would result in a mine life of approximately eight years, based only on the indicated resources.

The processing plant proposed in the 2017 Scoping Study consisted of the DMS component leading to crushing and grinding followed by conventional three stage flotation to produce copper, zinc and lead concentrates to be shipped to smelters in Europe. Metallurgical performance and recovery was based on the large volume of information available from test work on Parys Mountain ores over the years.

The pre-production capital cost of the base case, including mining, DMS, concentrator and infrastructure was estimated at $56 million, including a $4 million contingency. Operating costs were developed by Micon and Fairport based on knowledge and experience which at the higher levels of production were forecast at around $47 per tonne of ore treated.

This base case yields a pre-tax net present value of $27 million, or £22 million, at a 10% discount rate, using metal prices of $1.25 per pound for zinc, $1.00 per pound for lead, $2.50 per pound for copper, $17.50 per ounce for silver and $1,275 per ounce for gold and at an exchange rate of £1.00 = $US1.25. The indicated internal rate of return was 26%.

Anglesey Mining considers the 2017 study to be well founded and shows a healthy financial return. Nevertheless, the Directors recognised that alternative development scenarios may yield better results and concluded that these should be investigated to enhance future project economics and financing possibilities.

Project Development Agreement with QME

In late 2018 Anglesey entered into a Project Development and Cooperation Agreement with QME Mining Technical Services, a division of QME Limited, to carry out an agreed programme of engineering and optimisation studies relating to the future development of Parys Mountain. QME Limited is based in Navan, County Meath, Ireland from which it operates several divisions and provides a wide range of services in both mine development and mine operations to the local and international mining community.

QME has carried out both large and small-scale underground mine development contracts, providing all technical evaluation and budgeting services, personnel, management, equipment and maintenance. QME Mining Technical Services division undertakes contract mining projects and employs an 'in-house' team of highly experienced operations managers, underground supervisors, miners, fitters and electricians.

Under the Development and Co-operation Agreement with QME, the Group has agreed to grant QME various rights and options relating to the future development of Parys Mountain on completion of the optimisation study and delivery to the Company of the results thereof. These are:

(i) Anglesey will award QME, on an exclusive basis, contracts for the development of the decline and underground mine development, including rehabilitation of the shaft. This will be done on terms to be agreed following a decision by AYM to proceed with the development of Parys Mountain.

(ii) In the event Anglesey and QME are not able to agree terms Anglesey may offer such contracts to third parties, subject to a right of first refusal in favour of QME, and subject to a payment by Anglesey to QME, upon the award of such contracts to a third-party, of a break-fee; and

(iii) In addition, Anglesey will grant to QME the right and option, upon completion of a Prefeasibility Study ("PFS"), to undertake at QME's cost and investment, the mine development component of the Parys Mountain project, including decline and related underground development and shaft development, with a scope to be agreed, to the point of commencement of production, in consideration of which QME would earn a 30% undivided joint venture interest in the Parys Mountain project.

QME Optimization Studies - Progress

The QME work initially reviewed capital and operating cost forecasts but importantly looked at the opportunity of including some or all of the inferred resources previously identified on the site in a revised and larger development plan. As QME progressed with this work programme, a number of alternative scenarios were identified, and examination of these alternatives expanded the scope of the QME work. This has extended the period of final completion of their work, but this is now in the final stages.

QME conducted three major phases of work.

Phase 1 - Capital and Operating Cost Review

The first phase was a detailed review of mine capital and operating costs as these would be applicable at Parys Mountain. QME carried out this phase using their extensive experience in mine development. The main conclusion, as previously reported, was that an operating cost of approximately $48 per tonne treated was fair and reasonable. This approach of using lower operating cost assumptions, benchmarked against QME's of other underground operations enabled the application of lower cut-off grades for mine planning of and this figure was then adopted as the on-going cut-off value for mine planning purposes.

As a subset of this first phase, and as reported last year, QME reviewed some alternative means of access to the initial orebodies including early access via the Morris Shaft, rather than through the new decline as planned by Micon. On balance that work indicated that the decline remained the preferred means of initial access and as such the basic Micon mine development plan continued to be followed.

Phase 2 - Mine Planning

The second phase was to carry out detailed mine planning incorporating all the mineralised material available, as identified by Micon in its 2012 resource estimate, to determine an expanded tonnage and grade estimate available for mining. This work was carried out using the $48 per tonne cut-off noted above. In this phase QME included not just the indicated resources but also the inferred resources, and this expanded resource included not just the White Rock and Upper Engine zones, on which the 2017 Scoping study was based, but also additional zones, including the Lower Engine Zone as well as the more distant Garth Daniel and Northern Copper zones. QME developed potential mineable tonnages for each of the zones including all possible resource categories.

The QME work suggests that at a production cut-off of $48 per tonne, approximately 5.25 million tonnes in situ within the designed stoping blocks would be available within the White Rock and Upper Engine Zones for consideration in a detailed life-of-mine schedule. This 5.25 million tonnes is substantially higher than the mineable tonnage of 2.1 million tonnes used in the 2017 Scoping Study. It is important to note that QME made no changes to the underlying resource estimates which were calculated by Micon in 2012.

QME then reviewed all of the inferred resources originally reported by Micon in deposits other than White Rock and Upper Engine zones. These other zones are the Lower Engine, Garth Daniel and Northern Copper zones. These zones are located within an area of approximately 1.3 km east-west and 370 metres north-south and lie immediately to the northeast of the White Rock and Engine zones, at depths from 180 metres to 620 metres below surface, which is roughly consistent with, although a little deeper than, the indicated resources in the Upper Engine Zone.

The QME work identified 5.5 million tonnes of modelled inferred resources that could be considered for inclusion in detailed mine design. This is in addition to the 5.25 million tonnes within the White Rock and Upper Engine Zones. This 5.5 million tonnes of modelled inferred resources is defined as the sum of the mining-scale units associated with the Lower Engine Zone, the Garth Daniel Zone and the Northern Copper Zone, above a cut-off of $48 per tonne, with no mining factors applied. These zones represent 35% of the global inferred resource, which had been previously estimated by Micon at 15.6 million tonnes at $0 cut-off. It should be noted that the cut-off used of $48 per tonne has been derived from the break-even point estimated for the White Rock and Upper Engine zones and therefore is an iterative estimate only at this stage which has to be confirmed as applicable to these other zones.

Phase 3 - Production Planning and Scheduling

The third phase, which started in late 2019 and continued into 2020, involved developing mine production models based on these enhanced tonnage projections at a range of annual production scenarios that would be consistent with maintaining an optimised life of mine for the increased total minable volumes.

The capital and operating cost estimates developed earlier were then applied to these production models to measure their relative financial outcomes compared to the original Micon Scoping Study base model. These financial models included not just QME's detailed operating cost estimates, generated on a work unit by work unit basis, but also included capital costs both pre-production and ongoing through production. As these new cases were developed the outputs were compared to the Scoping Study base case using various metrics including capital cost, payback period, life of mine, NPV and IRR. In reviewing the outcomes from these models, it is apparent that some of the alternatives, particularly those associated with an extended mine life at the same 1,000 tonnes per day production rate, do not compare favourably with the Scoping Study base case model. Nevertheless, the financial models suggested that some of the options where annual throughput is increased, and where the majority of the available resources across all zones are included, could generate particularly encouraging results. This third phase is nearing but not yet at final completion.

As an addition during the third phase, QME looked at the potential of incorporating an initial small open pit operation on the near surface upper sections of the White Rock zone ahead of underground mining. The proposed open cut add-on would appear to be financially beneficial and would provide some cushion to the underground development programme. The adoption of an open pit into the final development plan will have to be considered cognisant of current infrastructure and the likely requirement to seek additional planning permissions.

Results from QME programmes

The Group considers the QME work to be of great benefit in establishing the parameters for determining the optimum mine production model. The capital cost estimates have given support, with a number of adjustments as necessary, to the estimates made by Micon and Fairport previously. This 'second set of eyes' confirms the previous view that Parys Mountain remains a relatively low initial capital cost project. The operating cost review again confirms, with some minor amendments, that the operating costs generated in 2017 remain generally in line. The benefit of this is that it permits a critical review of the cut-off grade to be utilised in the production planning exercise. To the extent that this suggests a lower cut-off would be justifiable, in significant part, enables a greater tonnage to be made available for mining than would otherwise not be included. The corollary to this is of course, that the grade of material mined will be lower than with the prior cut-off grade with the consequent reduction in Net Smelter Return (NSR) per tonne of ore mined and treated. The trade-off balance between lower grade and increased tonnage will need to be evaluated as part of Pre-Feasibility or Full Feasibility Study.

Increased tonnages available for mining

The Company has long believed that the potential for the Parys Mountain project was far greater than that developed from the indicated resources only. It is Anglesey's opinion that the potentially mineable mineralisation that has been identified by QME's work confirms the overall prospectively of the Parys Mountain project and of the potential for demonstrating five deposits or zones with combined resources in the range of 10 million tonnes.

Whilst the inclusion of inferred material does not meet the strict criteria for inclusion into reserve definitions under the applicable codes, and as generally accepted for feasibility studies by banks for loan evaluation purposes, it is believed that the QME exercise does give good guidance for future development planning purposes. It should be noted that the QME work has not been signed off by a Competent Person, as defined, and as such, specific financial forecasts arising from it must remain internal to the Group for the time being.

The inferred resources are targets for future definition drilling and there is no guarantee that future infill drilling will result in the deposits being delineated as mineable resources. To bring some if not all of this additional material to a compliant level will require significant additional exploration, to be followed by analysis and calculations by a certified Competent Person. Some of that work can be carried out by surface diamond drilling but would be more efficiently achieved by drilling from underground locations sited closer to the target blocks.

Longer Mine Life

Using the lower cut-off QME block models, there is an opportunity to develop a new mineable model for either the White Rock and Upper Engine zones alone as per the Micon plan, or extending this to the entire known resource zones by re-defining the mining shapes and the stoping plan, followed by a new development plan and schedule. These will require an expansion of the planned annual treatment rate of 1,000 tonnes per day used in the Micon Scoping Study model, potentially to 1,500 tonnes per day, particularly as the total available tonnage increases. To optimise the mine life and dependent upon the extent of inclusion of the more distant zones, this rate could be increased in the further expanded case of all zones to perhaps 3,000 tonnes per day. The projected mine life could then extend from the Scoping Study base case 8 years through to a range of 12 to 18 years.

Summary and Future Steps

The Directors believe that following completion of the QME exercise, it will be possible to positively report a total compliant resource figure somewhere around 10 million tonnes. From this the mine plan including annual production rates and life of mine would be significantly enhanced. Importantly we believe that financial results flowing from such a plan would achieve our goal of significantly enhancing the project economics indicated by the Scoping Study Base Case.

As indicated, QME also reviewed all the capital costs associated with the various alternative scenarios. This work was based on their particular experience in mine construction together with some estimates of additional infrastructure and processing capital cost associated with increased annual production above the 2017 estimates. While these estimates will require more detailed review, the Directors feel comfortable that even at the higher level associated with largest tonnage mined, the forecast costs to put Parys Mountain into production remain at a level that should be able to be financed under normal commercial conditions.

We plan to bring all of the QME work into a compliant basis by incorporating this into an updated Scoping Study or Preliminary Economic Analysis as appropriate. This work will be carried out by Competent Persons and we look forward to achieving this during the current financial year. Once that work is complete, we will be able to publicly report more fully on the financial and other metrics that make up this exciting project. This will be followed as soon as practicable, and subject to funding, with a Pre-Feasibility or full Feasibility study to enable production financing to be achieved.

All of this work, even though it has taken somewhat longer to bring to conclusion than originally anticipated largely due to the expanded scope that the ongoing encouraging results dictated, is very important for Anglesey. The significantly higher tonnages of material that would be available from mining beyond that utilised in the Micon Scoping Study will bring a major change to the way in which the project progresses and to the manner in which the Company is viewed in the marketplace.

Grangesberg Iron AB

The Grangesberg iron ore project is situated in the mineral rich Bergslagen district of central Sweden about 200 kilometres north-west of Stockholm. Until its closure in 1989 due to prevailing market conditions, the Grangesberg mine had produced in excess of 150 million tonnes of iron ore.

At 31 March 2020 following a small investment in late 2019, the Group holds a direct 10.0% interest in Grangesberg Iron AB (GIAB) and a right of first refusal over 50.1% of the share capital of GIAB. This right has been granted in exchange for the Group continuing to co-manage GIAB on a cost recovery basis. The Group also has shareholder and cooperation agreements such that it holds operatorship of GIAB subject to certain conditions and appoints three out of five directors to the board of GIAB.

GIAB is a private Swedish company founded in 2007 which in 2014 completed (with assistance from the Group) a financial and capital restructuring. GIAB holds a 25-year exploitation permit covering the previously mined Grangesberg underground mining operations granted by the Swedish Mining Inspectorate in May 2013.

In September 2014 an NI 43-101 Technical Report was prepared by Roscoe Postle Associates Inc showing a resource estimate for the Grangesberg Mine of 115.2 million tonnes at 40.2% Fe in the indicated category and 33.1 million tonnes at 45.2% Fe in the inferred category. RPA concluded that the Grängesberg iron ore deposit hosts a significant iron resource that has excellent potential for expansion at depth.

The average price for the Platts index for 65% Fe, CFR China ("65% Fe index") increased 16% to US$104 per tonne in 2019 compared to the average price in 2018 of US$90 per tonne. Demand for the high-quality iron ores remained strong in the first half of 2020, mainly driven by a combination of seaborne iron ore supply disruptions and solid demand from China's steel mills despite Covid-19 impacts. The average price for the Platts index for 65% Fe index increased 9% to US$104 per tonne in the first quarter of 2020 compared to the average price in the first quarter of 2019 of US$95 per tonne. This rise is continuing into the third quarter of 2020 and currently spot 65% Fe is quoted at $US126 CFR Qingdao. Beyond 2020, it is expected that prices may retreat as supplies are restored, though a significant global economic recovery expected in 2021 should create a supportive price floor for iron ore.

The +67% Fe high-quality product expected to be produced from Grangesberg, coupled with the previously announced reduced mine life and the increased level of seismic activity at LKAB's flagship Kiruna project in northern Sweden, which is Sweden's largest iron ore producer, continues to make the interest in developing the Grangesberg project, albeit at significant capital cost, more likely and will make Grangesberg more attractive than many other undeveloped iron ore projects.

Labrador Iron

The Group continues an investment holding of 12% (2019 -12%) in Labrador Iron Mines Holdings Limited. LIM owns extensive iron ore resources in its exploration properties in Labrador and in Quebec, Canada, one of the major iron ore producing regions in the world.

LIM holds measured and indicated DSO mineral resources of approximately 55 million tonnes at an average grade of 56.8% Fe and inferred resources of 5.0 million tonnes at an average grade of 55.6% Fe on its Schefferville Projects. In addition, LIM holds the Elizabeth Taconite Project, which has an inferred mineral resource estimate (as at June 15, 2013) of 620 million tonnes at an average grade of 31.8% Fe.

In the three-year period of 2011 to 2013 LIM produced a total of 3.6 million dry metric tonnes of iron ore, all of which was sold in 23 cape-size shipments into the China spot market. LIM has not undertaken mining operations since 2013, primarily due to the low iron ore price environment, but maintains its properties on a stand-by care and maintenance basis and, subject to securing financing, is positioned to resume mining operations as soon as economic conditions warrant.

Other activities

The Directors continue to seek out new properties suitable for development that would be complementary to or provide synergies with the Group's existing projects within the financing capability likely to be available to the Group. The Directors have identified copper and other VMS projects, and gold or precious metals, as the most potentially attractive and the Group continues to evaluate a number of early stage opportunities.

Performance

The Group holds interests in exploration and evaluation properties and, until economically recoverable reserves can be identified, there are no standardised performance indicators which can usefully be employed to gauge the performance of the Group, other than the market price of the Company's shares.

The chief external factors affecting the ability of the Group to move forward are primarily the demand for metals and minerals, levels of metal prices and exchange rates and the market sentiment for investment in mining and mineral exploration companies. These and other factors are dealt with in the risks and uncertainties section below.

Section 172 Statement

The Directors, both individually and collectively, believe, in good faith, that throughout the year they have acted to promote the success of the Group for the benefit of its members as a whole, as required by Section 172 of the Companies Act 2006, having regard to the stakeholders and matters set out in section 172(1) of the Companies Act 2006. The Directors Section 172 Statement follows.

Section 172 of the Companies Act is contained in the part of the Act which defines the duties of a director and concerns the "duty to promote the success of the Company".

Section 172 adopts an 'enlightened shareholder value' approach to the statutory duties of a company director, so that a director, in fulfilling his duty to promote the success of the company must act in the way he considers, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to other specified factors insofar as they promote the Company's interests.

The Board of Anglesey Mining recognises its legal duty to act in good faith and to promote the success of the Company for the benefit of its shareholders and with regard to the interests of stakeholders as a whole and having regard to other matters set out in Section 172. These include the likely consequences in the long term of any decisions made; the interest of any employees; the need to foster relationships with all stakeholders; the impact future operations may have on the environment and local communities; the desire to maintain a reputation for high standards of business conduct and the need to act fairly between members of the Company.

The Directors, both individually and collectively, believe, in good faith, that throughout the year at each and every meeting of the Board, and management when making every key decision, they have acted to promote the success of the Company for the benefit of its members as a whole, as required by Section 172, having regard to the interests of stakeholders and the other matters set out in Section 172(1) of the Act.

The Board recognises the importance of open and transparent communication with shareholders and with all stakeholders, including landowners, communities, and regional and national authorities. We seek to maximise the industry's benefits to host communities, while minimising negative impacts to effectively manage issues of concern to society.

Shareholders have the opportunity to discuss issues and provide feedback at any time. Further information is available on the Company's website.

The application of the Section 172 requirements can be demonstrated in relation to the Group's operations and activities during the past year as follows.

Having regard to the likely consequences of any decision in the long term

The Company's purpose and vision are set out in the Chairman's Letter and in the Strategic Report. The Board is committed to the long-term goal of the development of the Parys Mountain Project and the activities towards that goal are described and discussed in the Strategic Report. The Board remains mindful that its strategic decisions have long-term implications for the Parys Mountain project, and these implications are carefully assessed. The Directors always consider the likely consequences of any decision in the long-term that may affect the Group, including key competitive trends, supply and demand of metals, potential impact on the environment and climate change considerations.

Having regard to the need to foster the Company's business relationships with others

The Company operates as a mineral exploration and development business, without any regular income and is entirely dependent upon new investment from the financial markets for its continued operation. The Board values the benefits of maintaining strong relationships with key partners, contractors and consultants. This is discussed in more detail elsewhere in this Strategic Report. As a mine development company, the Board understands that a range of third parties- regulators, contractors, suppliers, and potential customers for the concentrates that would be produced from a mine at Parys Mountain, are relevant to the sustainability of the Company business. .

Having regard to the interests of the Company's employees

The Group currently has no full-time employees and is managed by its directors and a small number of associates and sub-contract staff. The Board takes steps to ensure that the suggestions, views and interests of the Company's personnel are considered in decision-making.

Having regard to the desirability of the Company maintaining a reputation for high standards of business conduct

The Board is committed to high standards of corporate governance, integrity, and social responsibility and to managing the Company in an honest and ethical manner, as further discussed in the Corporate Governance Report. The Directors strive to apply ethical business practices and conduct themselves in a responsible and transparent manner with the goal of ensuring that Anglesey Mining plc maintains a reputation for high standards of business conduct and good governance.

Having regard to the impact of the Company's operations on the community and the environment

The Board takes a broad range of stakeholder considerations into account when making decisions and gives careful consideration any potential impacts on the local community and the environment. The Board strives to maintain good relations with the local community, especially with local businesses in North Wales. For example, in reviewing various alternative options of the possible expansion of planned mining operations at Parys Mountain as part of the QME optimisation studies, the Board considered the impact of such possible expansion on the local footprint of the property, the potential environmental impact, the number of employees and the impact on local communities and businesses. The Corporate Governance Report discusses how the Directors engage with and have had regard to the community in which the Group operates. Further discussion of these activities can be found in the Strategic Report. As a mine development company, the Board understands that recognising and having regard to the potential impact the Company's operations may have on the community and the environment is essential to underpinning the social licence to operate. In making decisions about the development of a mine at Parys Mountain, the Board would seek to maximise the benefits to the local community, while minimising negative impacts, and effectively manage issues of concern to society.

Having regard to the need to act fairly as between members of the Company

The Company has only one class of share in issue and all shareholders benefit from the same rights, as set out in the Articles of Association and as required by the Companies Act 2006. Since 1996 a Controlling Shareholder Agreement has been in place with Juno Limited, the largest shareholder, which provides that Anglesey will maintain an independent board and any transactions between Juno and Anglesey will be at an arm's length basis.

The Board recognises its legal and regulatory duties and does not take any decisions or actions, such as selectively disclosing confidential or inside information, that would provide any shareholder with any unfair advantage or position compared to the shareholders as a whole.

Financial results and position

The Group has no revenues from the operation of its properties. The loss for the year ended 31 March 2020 after tax was £304,510 compared to a loss of £234,621 in the 2019 fiscal year. The administrative and other costs excluding investment income and finance charges were £134,796 compared to £75,538 in the previous year.

During the year there were no additions to fixed assets (2019 - nil) and £49,835 (2019 - £54,747) was capitalised in respect of the Parys Mountain property as mineral property exploration and evaluation.

At 31 March 2020 the Group held mineral property exploration and evaluation assets with a carrying value of £15.2 million. These carrying values are supported by the results of the 2017 Scoping Study and subsequent further work and may not reflect the realizable value of the properties if they were offered for sale at this time.

At the reporting date, the directors assessed the carrying value of the Parys Mountain exploration and evaluation assets to determine whether specific facts and circumstances suggest there is any indication of impairment. They carefully considered the following matters among others: (i) that the Group has freehold title to its mineral resources; (ii) is planning and carrying out their development, which has recently resulted in favourable indications of increased mineral tonnages being available; and (iii) their confidence in the financial benefits of the Parys Mountain project. They also considered that the effect of Covid-19 on these plans and estimations, if any, was likely to be short term relative to the life of the project. Consequently the Directors concluded that any facts and circumstances which might trigger an impairment review have not materially changed during the year and that there are no indicators of impairment.

The Group's cash balance at 31 March 2020 was £95,311 (2019 - £6,012) the increase being due to a loan of £100,000 received from Juno Limited in April 2019 and a placement for cash of new shares in May 2019 resulting in an inflow after fees of £180,000.

Subsequent to the period end, on 24 August 2020 the Company made a private placing of 12,500,000 new ordinary shares at 1.6 pence per share, to raise a total of £200,000 gross, together with 12,500,000 warrants with a term of 12 months to subscribe for new ordinary shares at an exercise price of 1.8p per share that if exercised could raise an additional £225,000. This will be used for work on the Parys Mountain project, as well as for general corporate purposes.

At 31 March 2020 there were 186,975,732 ordinary shares in issue (2019 - 177,608,051), the increase being due to the placing in April 2019. At 25 September 2020 there were 199,475,732 ordinary shares in issue following the placing on 24 August 2020.

The Group's use of financial instruments is described in note 23.

Employment, community and donations

The Group is an equal opportunity employer in all respects and aims for high standards from and for its employees. At 31 March 2020 the Company had four male directors who were the only employees; there were no female directors. It also aims to be a valued and responsible member of the communities that it operates in or affects. The Group's policies on these matters is further discussed in the Report on Corporate Governance. There are no social, community or human rights issues which require the provision of further information in this report.

Environment and greenhouse gas emissions

The Group currently has no operations and consequently its effect on the environment is very slight, being limited to the usage of two small offices, where recycling and energy usage minimisation are encouraged. The Group does not itself undertake any activities or processes which lead to the production of greenhouse gases. The extent to which its administrative and management functions result in greenhouse gas emissions is impracticable to estimate and in any event less than the amount reportable under the Energy and Carbon Regulations 2018.

Risks and uncertainties

The Directors have carried out an assessment of the principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. In conducting its business, the Group faces a number of risks and uncertainties, the more significant of which are described below. The board believes the principal risks facing the Group are adequately disclosed in this annual report and that there are no other risks of comparable magnitude which need to be disclosed. Mineral exploration and mine development is a high-risk speculative business and the ultimate success of Anglesey Mining will be dependent on the successful development of a mine at Parys Mountain, which is subject to numerous significant risks most of which are outside the control of the Board.

The global spread of the contagious coronavirus disease, causing the outbreak of Covid-19 respiratory illness was declared a pandemic by the World Health Organization on March 11, 2020. The Covid-19 pandemic has adversely affected the economies and financial markets of many countries, resulting in an economic and financial downturn that is presenting unprecedented challenges to individual health, communities, jobs, businesses and economies, and specifically to public companies, shareholders and investors. Although the pandemic has no direct impact on the Parys Mountain property and is not expected to affect its ongoing exploration and development, the Group relies on equity financing to generate additional financial resources to fund its working capital requirements and to fund its planned programmes. The pandemic has adversely affected financial markets and investor interest in public companies that could affect the Group's ability to finance its operations. The Group cannot predict the impact of Covid-19, including uncertainties relating to the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments.

In reviewing the risks facing the Group, the Board considers it is sufficiently close to the Group's operations and aware of its activities to be able to adequately monitor risk without the establishment of any formal process. The Group may become subject to risks against which it cannot insure or against which it may elect not to insure because of high premium costs or other reasons. However, there are also risks and uncertainties of a nature common to all mineral projects and these are summarised below.

General mining risks

Actual results relating to, amongst other things, mineral reserves, mineral resources, results of exploration, capital costs, mining production costs and reclamation and post closure costs, could differ materially from those currently anticipated by reason of factors such as changes in general economic conditions and conditions in the financial markets, changes in demand and prices for minerals that the Group expects to produce, legislative, environmental and other judicial, regulatory, political and competitive developments in areas in which the Group operates, technological and operational difficulties encountered in connection with the Group's activities, labour relations, costs and changing foreign exchange rates and other matters.

The mining industry is competitive in all of its phases. There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The Group faces competition from other mining companies in connection with the acquisition of properties, mineral claims, leases and other mineral interests, should it seek to pursue such opportunities, as well as for the recruitment and retention of qualified employees and other personnel and in attracting investment and or potential joint venture partners to its properties.

Development and liquidity risk

The going concern risk is discussed in detail in the Directors report. The Group has relied on equity financing to fund its working capital requirements and will need to generate additional financial resources to fund future planned exploration programmes.

On previous occasions and during the year the Group has relied upon its largest shareholder, Juno Limited, for financial support and may be required to do so in the future to ensure the Group will have adequate funds for its current activities. In the absence of support from Juno Limited the Group would be dependent on the proceeds of share issues or other sources of funding. Developing the Parys project will be dependent on raising further funds from various sources.

There is no assurance that the Group will continue to obtain additional financial resources and/or achieve positive cash flows or profitability.

Exploration and development

Exploration for minerals and development of mining operations involve risks, many of which are outside the Group's control. Exploration by its nature is subject to uncertainties and unforeseen or unwanted results are always possible. Mineral exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production.

Substantial expenditures are required to develop the mining and processing facilities and infrastructure at any mine site. No assurance can be given that a mineral deposit can be developed to justify commercial operations or that funds required for development can be obtained on a timely basis and at an acceptable cost. There can be no assurance that the Group's current development programmes will result in profitable mining operations. Current operations are in politically stable environments and hence unlikely to be subject to expropriation but exploration by its nature is subject to uncertainties and unforeseen or unwanted results are always possible.

Metal prices

The prices of metals fluctuate widely and are affected by many factors outside the Group's control. The relative prices of metals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. Metal price fluctuations may be either exacerbated or mitigated by currency fluctuations which affect the amount which might be received by the Group in sterling.

Foreign exchange

LIM is a Canadian company; Angmag AB and GIAB are Swedish companies. Accordingly, the value of the Group's holdings in these companies is affected by exchange rate risks. Operations at Parys Mountain are in the UK and exchange rate risks are minor. Most of the cash balance at the year-end was held in sterling – see notes 17 and 24.

Permitting, environment, climate change and social

The Group holds planning permissions for the development of the Parys Mountain property, but further environmental studies and assessments and various approvals and consents will be required to carry out proposed activities and these may be subject to various operational conditions and reclamation requirements.

Employee and personnel

The Group is dependent on the services of a small number of key executives specifically the chairman, chief executive and finance director. The loss of these persons or the Group's inability to attract and retain additional highly skilled and experienced employees for any areas in which the Group might engage may adversely affect its business or future operations. A discussion on the composition and assessment of the Board of Directors is included in the Report on Corporate Governance.

Brexit

The Directors believe that the effect on the specific operations of the Group of the UK leaving the European Union is unlikely to be material and the resultant expected focus on domestic investment in the UK may be beneficial to the Group's Parys Mountain Project.

Covid-19

The Chairman's statement refers to the effects of the widespread global outbreak of respiratory illness caused by Covid-19. The Company cannot accurately predict the impact Covid-19 will have on its operations, including uncertainties relating to the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments. In addition, Covid-19 has resulted in a widespread health crisis that has adversely affect economies and financial markets that could further affect the Company's ability to finance its operations.

The Directors have carefully considered the impact of the Covid-19 pandemic on the Parys Mountain property and have concluded that to date it has had no impact on the project and further it is unlikely to have, assuming that the pandemic does not get any worse and passes over in the next two to three years. The project is not currently in production, so Covid-19 does not impact current operations.

Although the pandemic has no direct impact on the Parys Mountain property and is not expected to affect its ongoing exploration and development, the Company relies on equity financing to generate additional financial resources to fund its working capital requirements and to fund the planned programmes.

Initially, the pandemic adversely affected financial markets and investor interest and initially, the economic impacts of the pandemic also had a significant negative effect on demand for metals and on metal prices. Metal prices, and by extension the level of investor interest in the mining industry, impact Anglesey's ability to finance its projects. Paradoxically, in the face of Covid-19, the fundamental medium to long term outlook for all base metals, particularly in the time frame and for the metals that would be mined at Parys Mountain, is very positive.

Company Prospects

The Directors recognise that the company does not have any sales or generate any revenue and that the continuing operations of the Group are entirely dependent upon its ability to raise adequate financing. The Company has operated for more than 30 years, in what at times have been challenging economic and investment climates and has continued to attract the necessary investment to continue as a going concern.

Looking to the period beyond the twelve months covered by current cash resources, the Directors rely upon this experience and particularly upon the potential of the mineral assets on which the Company is founded. These mineral resources are held largely as freehold and cannot be diminished by any act of nature. Given this permanency, both legally and geologically, the directors believe that future funding will be found at least for the medium term of two years from the balance sheet date to support the ongoing maintenance and operation of the Parys Mountain property. In making this assessment the Directors have substantially relied on the key assumption that the underlying cost of maintenance and operation of the Company will not change, that the Company does not have any unrecognised liabilities that will become due and their experience of being able to raise additional investment as and when required over the last 30 years. Nevertheless, there is a risk that additional funding may not be available on a timely basis or on acceptable terms to move the Parys Mountain project through to its full potential.

Based on the optimisation work completed by QME as described above, the Directors are confident that a revised mine plan, to be confirmed by a Preliminary Economic Assessment, is likely to transform the development prospects of Parys Mountain into a project that should attract keen interest amongst financiers, metal traders, smelters and particularly other and larger mining companies.

The mining industry is characterised by cyclical metal prices and is impacted every year by changing commodity prices. As has been the case with all commodities, the Covid-19 pandemic caused a dramatic drop in the price of zinc in 2020. During the first quarter, LME zinc prices declined 12% over the previous quarter, a reduction of 21% over the same quarter in 2019. The decline in LME zinc prices combined with higher treatment charges for zinc concentrates put global zinc mine production under pressure with high cost mines struggling to maintain margins. However, this downturn has been significantly reversed and by the end of August the LME zinc price at US$2,513 per tonne has recovered 44% from its March low of US$1,744/t.

All other metals have recorded similar recoveries and we continue to witness a growing strength in the financing markets for mineral projects and for mineral companies. Indeed, in late August, the Company has been able to raise new equity funds in the market.

In considering metal prices it is essential to look at the whole suite of metals that comprise the cashflow that would be generated at Parys Mountain. While at the present time lead and zinc prices are somewhat below the levels used in the Scoping Study, copper, gold, and silver are higher. As time progresses there will always be variations in the composition of the suite and no one metal can truly be considered in isolation from the suite as an entirety. This is one of the attributes and advantages of a polymetallic deposit such as Parys Mountain.

While it remains unclear how long the current Covid-19 induced economic slowdown will last, most observers expect prices to continue the rebound. Near-term support for prices is expected to come from a gradual recovery in demand for zinc from the steel sector as mills ramp up production. China accounts for about half the global demand for zinc. Economic stimulus measures already announced in China taken together with stimulus packages elsewhere bode well for a boost in demand for steel from key sectors such as construction and manufacturing which will in turn boost demand for zinc and lead and result in higher prices. In particular, the outlook for copper looks bright because of its use in electric vehicles, clean power plants and transmission lines, along with its antimicrobial properties that are attracting attention during the pandemic. Lead is in demand for large battery storage and electric bicycles, particularly in China.

Mines have a limited life span and the supply of metal will decline unless new mines are put into production. Investment in new mines will only take place if companies believe that future metal prices will make investment profitable. The Directors, who all have had very significant experience in the base metals markets through many metal price cycles, believe that a significant upward re-adjustment in metal prices is inevitable because the industry has not been investing in any significant levels of exploration in recent years while demand for metals continues to steadily grow. Investment in new mines will only take place if companies believe that future metal prices will make investment profitable.

This report was approved by the board of Directors on 25 September 2020 and signed on its behalf by:

Bill Hooley
Chief Executive Officer

The Directors are pleased to submit their report and the audited accounts for the year ended 31 March 2020.

The Corporate Governance statement which follows forms part of this report. The principal activities of the Group and other information are set out in the strategic report section preceding this report. Certain matters relating to financial performance, risk exposure and management, and future developments which are required to be disclosed in the Directors report have instead been included within the strategic report.

Directors

The names of the Directors are shown in the Directors' remuneration report and biographical details are shown on the inside rear cover. All Directors remain in office. It is the Company's procedure to submit re-election resolutions for all Directors at the annual general meeting. The Company maintains a directors' and officers' liability policy on normal commercial terms which includes third party indemnity provisions. The powers of the Directors are described in the Corporate Governance Report.

With regard to the appointment and replacement of directors, the Company is governed by its Articles, the Corporate Governance Code (the 2018 revision is in effect for the first time this year), the Companies Act and related legislation. The Articles themselves may be amended by special resolution of the shareholders. Under the Articles, any director appointed by the board during the year must retire at the AGM following his appointment. In addition, the Articles require that one-third of the remaining directors retire by rotation at each general meeting and seek re-appointment. However, it is now the Company's practice to submit re-election resolutions for all directors at each AGM.

Directors' interests in material contracts

Juno Limited (Juno), which is registered in Bermuda, holds 31.0% of the Company's ordinary share capital. The Company has a controlling shareholder agreement and working capital agreement with Juno and note 19 sets out movements under this working capital agreement. £100,000 was advanced on 2 April 2019. Apart from any advances and interest charges there were no transactions between the Group and Juno or its group during the year. An independent committee reviews and approves any transactions and potential transactions with Juno. Danesh Varma is a director and, through his family interests, a significant shareholder of Juno.

Bill Hooley and Danesh Varma are directors of Grangesberg Iron AB and of the special purpose vehicle Eurmag AB. Danesh Varma has been associated with the Grangesberg project since 2007 when he became a director of Mikula Mining Limited, a company subsequently renamed Eurang Limited, previously involved in the Grangesberg project. He did not take part in the decision to enter into the Grangesberg project when this was approved by the board. The Group has a liability to Eurmag AB, a subsidiary of Eurang, amounting to £321,105 at the year-end (2019 – £300,087). See also note 24.

There are no other contracts of significance in which any Director has or had during the year a material interest.

Substantial shareholders

At 14 September 2020 the following shareholder had advised the Company of an interest in the issued ordinary share capital:
Juno Limited notified an interest in 57,924,248 shares representing 29% of the issued ordinary shares.

Shares

Allotment authorities and disapplication of pre-emption rights

The Directors would usually wish to allot any new share capital on a pre-emptive basis, however in the light of the Group's potential requirement to raise further funds for the acquisition of new mineral ventures, other activities and working capital, they believe that it is appropriate to have a larger amount available for issue at their discretion without pre-emption than is normal or recommended for larger listed companies. At a general meeting to be held on 30 October 2020, the Directors will seek a renewal and replacement of the Company's existing share allotment authorities.

The authority sought in resolution 4 of the meeting is to enable the Directors to allot new shares and grant rights to subscribe for, or convert other securities into shares, up to a nominal value of £660,000 (66,000,000 ordinary shares) which is approximately one third of the total issued ordinary share capital at 14 September 2020. The Directors will consider issuing shares if they believe it would be appropriate to do so in respect of business opportunities that arise consistent with the Group's strategic objectives. The Directors have no present intention of exercising this general authority, other than in connection with the potential issue of shares pursuant to the employee share and incentive plans.

The purpose of resolution 5 is to authorise the Directors to allot new shares pursuant to the general authority given by resolution 4 in connection with a pre-emptive offer or offers to holders of other equity securities if required by the rights of those securities or as the board otherwise considers necessary, or otherwise up to an aggregate nominal amount of £498,000 (49,800,000 ordinary shares). This aggregate nominal amount represents approximately 25% of the issued ordinary share capital at 14 September 2020. Whilst such authority is in excess of the 5% of existing issued ordinary share capital which is commonly accepted and recommended for larger listed companies, it will provide additional flexibility which the Directors believe is in the best interests of the Group in its present circumstances. This authority will expire on 31 December 2021. The Directors intend to seek renewal of this authority at future annual general meetings.

Rights and obligations attached to shares

The rights and obligations attached to the ordinary and deferred shares are set out in the Articles of Association. Details of the issued share capital are shown in note 21. Details of employee share schemes are set out in the Directors' remuneration report and in note 21.

Each ordinary share carries the right to one vote at general meetings of the Company. Holders of deferred shares, which are of negligible value, are not entitled to attend, speak or vote at any general meeting of the Company, nor are they entitled to receive notice of general meetings.

Subject to the provisions of the Companies Act 2006, the rights attached to any class may be varied with the consent of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class. There are no restrictions on the transfer of the Company's shares.

Voting rights

Votes may be exercised at general meetings in relation to the business being transacted either in person, by proxy or, in relation to corporate members, by corporate representative. The Articles provide that forms of proxy shall be submitted not less than 48 hours (excluding any part of a day that is not a working day) before the time appointed for holding the meeting or adjourned meeting.

No member shall be entitled to vote at any meeting unless all monies presently payable in respect of their shares have been paid. Furthermore, no member shall be entitled to attend or vote at any meeting if he has been served with a notice after failing to provide the Company with information concerning interests in his shares.

Significant agreements and change of control

There are no agreements between the Company and its directors or employees that provide for compensation for loss of office or employment that may occur because of a takeover bid. The Company's share plans contain provisions relating to a change of control. Outstanding awards and options would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions.

Dividend

The Group has no revenues and the Directors are unable to recommend a dividend (2019 – nil).

Going concern and Company prospects

The Directors have considered the business activities of the Group as well as its principal risks and uncertainties as set out in this report. When doing so they have carefully applied the guidance given in the 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting' issued in September 2014.

The financial statements are prepared on a going concern basis. The validity of the going concern basis is dependent on finance being available for the continuing working capital requirements of the Group for the foreseeable future, being a period of at least twelve months from the date of approval of the accounts. Based on the current cash reserves and the committed support of Juno, the Group has sufficient finance available for the continuing working capital requirements of the Group on a status quo basis for at least twelve months from the date of the financial statements.

The Group will need to generate additional financial resources to meet its planned business objectives, progress the ongoing development of the Parys Mountain project and continue as a going concern. The plans to phase the development of the project by undertaking the various optimisation programmes and completing a prefeasibility or feasibility study to progress the Parys Mountain Mine towards production require interim funding to finance the further studies and optimisation programmes and, in the longer term, senior financing to fund the capital and development costs to put the Parys Mountain Mine into production.

The Group has relied primarily on equity financings and its largest shareholder Juno Limited to fund its working capital requirements and may be required to do so in the future to ensure the Group will have adequate funds for its current activities and to continue as a going concern.

The Directors are actively pursuing various financing options with certain shareholders and financial institutions regarding proposals for financing and are in discussions with a range of investors, including private equity funds. Whilst these discussions continue the Directors have reasonable expectations that these financing discussions will be successful and therefore the financial statements have been prepared on the going concern basis.

However, given the limited financial resources currently available, and that there is no guarantee that such funding will be available, there is a risk that the Group will not have sufficient financial resources to fund its short-term project funding requirements, and therefore there exists a material uncertainty concerning the ability of the Group and the Company to continue as a going concern or that the Group will be successful in raising the necessary investment to advance the development of the project and put a mine at the Parys Mountain property into production.

Report on payments to governments

The Group is required to disclose payments made to governments in countries where exploration or extraction activities are undertaken and hereby reports that any such payments made in the year were below the minimum disclosable level.

Post balance sheet events

Subsequent to the period end, on 24 August 2020 the Company made a private placing of 12,500,000 new ordinary shares at 1.6 pence per share, to raise a total of £200,000 gross, together with 12,500,000 warrants with a term of 12 months to subscribe for new ordinary shares at an exercise price of 1.8p per share that if exercised could raise an additional £225,000.

Statement of directors' responsibilities

The Directors are responsible for preparing the annual report and the financial statements. The Directors are required to prepare the financial statements for the Group in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and have also elected to prepare financial statements for the Company in accordance with IFRS. Company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law they are required to prepare the financial statements in accordance with IFRS, the Companies Act 2006 and, in relation to the Group financial statements, Article 4 of the IAS Regulation.

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 group and parent company financial statements and of their profit and loss for that period.

In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the parent Company will continue in business.

The Directors confirm that they consider the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company and Group's performance, business model and strategy.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the parent 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 parent Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Section 172 Statement, Remuneration Report and Corporate Governance Statement that comply with that law and those regulations. The Directors Section 172 Statement which describes how the Directors have had regard to the matters set out in section 172(1) (a) to (f) when performing their duty under section 172 follows this Directors' Report below.

The Directors are responsible for the maintenance and integrity of the Group website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the Directors, whose names and functions are listed on the inside rear cover, confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and loss of the Group; and
- the Strategic and Directors' Reports include a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

Auditor

Each of the Directors in office at the date of approval of the annual report confirms that so far as they are aware there is no relevant audit information of which the Company's auditor is unaware. Each Director has taken all of the steps which they ought to have taken as a director in order to make themselves aware of that information and to establish that the Company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

This report was approved by the board of directors on 25 September 2020 and signed on its behalf by:

Danesh Varma
Company Secretary

The Directors' Remuneration Report has been prepared in accordance with schedule 8 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended in August 2013.

The remuneration committee comprises Howard Miller (chairman) and until 5 September 2020 David Lean. No remuneration consultants have been engaged.

Statement by the chair of the Remuneration Committee

During the year the funding difficulties referred to in previous reports of the committee continued. All directors' salaries and fees were waived from 1 July 2014 at a time when funding such cash expenses was very difficult. These waivers have continued through this financial year.

It is the Group's policy to keep contract durations, notice periods and termination payments to a minimum. In practice, for executive directors, this results in rolling 12 month contracts. The grant of share options forms part of overall executive director remuneration as does the potential of a discretionary incentive bonus for attainment of key corporate targets. At present there are no pension contributions of any type.

Fortunately loyalty to the Company has been strong and we have been able to go forward with unchanged policies on remuneration which are set out below. The committee continues to believe that the existing policies and structure are suitable for the year ahead. There have been no new appointments during the year and the committee has not recommended any changes to existing remuneration packages.

Howard Miller

Remuneration committee chair

25 September 2020

Directors' remuneration policy

The Group policy, implemented by the remuneration committee, with regard to executive and non-executive directors' remuneration, is to provide a package which will attract, retain and motivate directors of the calibre required and be consistent with the Group's ability to pay.

In an ideal situation, the Group would wish to remunerate its directors on a basis consistent with remuneration paid to directors of comparable companies and, subject to the financial position, to pay annual director fees in cash. However, due to funding difficulties directors' salaries and fees have been waived since 2014. In recognition of the efforts being made by directors, grants of options under the share option scheme were recommended and made in September 2016 as some compensation for the continuing waiver of fees or salary remuneration. The committee recognises that under the Code, share option grants should not be made to non-executive directors, however these were exceptional circumstances which required special measures.

These policies have been in effect throughout the year.

Share schemes

The Company has one active share scheme: the 2014 Unapproved Share Option Scheme. All directors and employees are eligible to receive options. In determining the amount of options to be granted to each individual, the directors take into account the need for and value of the services provided, the amount of time spent on the business of the Group and any other remuneration receivable from the Group. All share options are subject to a performance criterion, namely that the Company's share price performance over the period from grant to exercise must exceed that of the companies in the top quartile of the FTSE 100 index. This index was selected as being an easily available benchmark of general corporate performance.

Annual report on remuneration

Terms and conditions of service

John Kearney, the chairman, does not receive fees; he is remunerated by the grant of options over the Company's shares.

Bill Hooley has written terms of employment with rolling notice periods of 12 months and no other entitlement to termination or bonus payments.

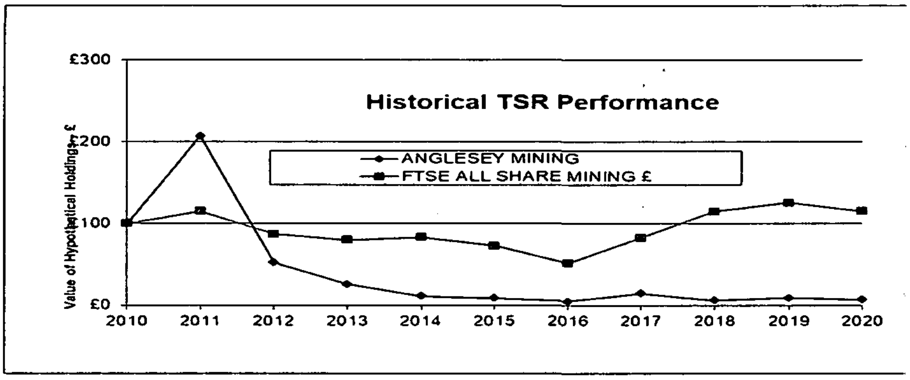
Each of the non-executive directors has a written contract for services, terminable at one month's notice.

It is Group policy that the period of notice for executive directors will not exceed 12 months and that the employment contracts of the executive directors are terminable at 364 days' notice by either party. The contracts of executive directors do not provide for any enhanced payments in the event of a change of control of the Company, nor for liquidated damages. All non-executive directors have letters of appointment for an initial period of three years from their date of appointment, subject to reappointment at the AGM and thereafter can be terminated with one month's notice.

Other than these, there are no arrangements in force whereby the Group is under an obligation to pay fees, salaries, bonuses, pensions or any remuneration to any director. In addition there are no agreements with any director or employee that would provide compensation for loss of office or employment resulting from a takeover except that provisions of the share scheme may result in options granted to employees under such schemes vesting on a takeover.

Total shareholder return graph

This graph shows the total shareholder return over a ten year period in relation to the FTSE All Share Mining index, this being the most appropriate comparative available:



Single figure of total remuneration - audited

Name	2020 Salary and fees	2020 Share based payments	2020 Total	2019 Salary and fees	2019 Share based payments	2019 Total
	£	£	£	£	£	£
Executive						
John Kearney	-	-	-	-	-	-
Bill Hooley	-	-	-	-	-	-
Danesh Varma	-	-	-	-	-	-
Non-executive	-	-		-	-	-
Howard Miller	-	-	-	-	-	-
David Lean	-	-	-	-	-	-
Totals	-	-	-	-	-	-

Since July 2014 the directors have waived their entitlement to remuneration and there are no components of remuneration other than those shown which are required to be disclosed. David Lean retired as a director on 5 September 2019.

CEO remuneration table - audited

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
CEO total remuneration in £	-	-	-	-	-	15,000	60,000	60,000	33,297	20,000
Bonus payout against maximum	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

There were no other forms of remuneration required to be included in this table. See note on remuneration waiver above.

Percentage change in remuneration of director undertaking the role of CEO - audited

This table shows the percentage change in remuneration of the director undertaking the role of chief executive and the employees as a whole between 2019 and 2020:

	CEO	Employees
Salaries and fees	0%	0%
Benefits	0%	0%
Bonus	0%	0%
Total remuneration	0%	0%

Directors' share options - audited

Details of each share option held over ordinary shares in the Company (all of them beneficial) by all those who were directors during the year are set out below. All options are over ordinary shares of 1 pence each and are subject to the operation of a performance condition.

Name	Options at 1 April 2019	Granted in year	Exercised in year	Lapsed in year	Options at 31 March 2020	Exercise price	Date from which exercisable	Expiry date
John Kearney	500,000	-	-	-	500,000	2.000p	30 Sep 17	30 Sep 21
Bill Hooley	1,000,000	-	-	-	1,000,000	2.000p	30 Sep 17	30 Sep 21
David Lean	500,000	-	-	-	500,000	2.000p	30 Sep 17	30 Sep 21
Howard Miller	500,000	-	-	-	500,000	2.000p	30 Sep 17	30 Sep 21
Danesh Varma	1,000,000	-	-	-	1,000,000	2.000p	30 Sep 17	30 Sep 21
	3,500,000	-	-	-	3,500,000			

The market price of the ordinary shares at 31 March 2020 was 1.0 pence, the high for the year to 31 March 2020 was 2.3 pence and the low for the year was 1.0 pence. The mid-market price at 14 September 2020 was 1.475 pence.

Other components of remuneration - audited

There were no taxable benefits, incentive plans, bonuses, share scheme interests, payments to past directors, payments for loss of office or other remuneration or payments which are required to be disclosed made during the year.

Directors' share and share option holdings summarised – audited

Director	14 September 2020		31 March 2020			31 March 2019		
	Number of options	Number of ordinary shares	Number of options	Number of ordinary shares	Total	Number of options	Number of ordinary shares	Total
John Kearney	500,000	-	500,000	-	500,000	500,000	-	500,000
Bill Hooley	1,000,000	200,000	1,000,000	200,000	1,200,000	1,000,000	200,000	1,200,000
Danesh Varma	1,000,000	-	1,000,000	-	1,000,000	1,000,000	-	1,000,000
David Lean	500,000	-	500,000	-	500,000	500,000	-	500,000
Howard Miller	500,000	-	500,000	-	500,000	500,000	-	500,000
	3,500,000	200,000	3,500,000	200,000	3,700,000	3,500,000	200,000	3,700,000

All of these interests are beneficial. David Lean retired as a director on 5 September 2019.

Relative importance of spend on pay

The total pay for the year ended 31 March 2020 was £11,390 (all in respect of employees not directors) and for the year ended 31 March 2019 it was £11,606. The change between the years is a decrease of 2%. There are no dividends or distributions with which to compare this reduction and no relevant performance related pay to consider.

Statement of voting at general meeting

The voting in respect of the approval of the directors' remuneration report at the annual general meeting held on 5 September 2019 was as follows: for the resolution 99.7%, against the resolution 0.04% and withheld votes 0.3%.

Future remuneration policy

The rates of remuneration and pay structures of the three executive directors to be considered in the future remuneration policy have not changed for several years (excepting the waivers which have been in place since June 2014).

In normal circumstances, the Company's objectives of compensation are, having regard to the financial position of the Corporation, to provide total compensation packages to executive to ensure management is appropriately engaged and retained. Normally the general compensation philosophy for executive, including for the Chief Executive Officer, is to provide a level of base compensation that is competitive within the marketplace and that will attract and retain individuals with the experience and qualifications necessary for the management of the Company's business , and to provide longer-term incentive compensation, through the grant of stock options, to members of senior management whose actions have a direct and identifiable impact on the performance of the Company and who have material responsibility for long-range strategic development and implementation which aligns the interests of senior management with the interests of shareholders.

Historically, the compensation of executives had been comprised primarily of cash compensation and the allocation of incentive stock options. In establishing levels of remuneration and in granting stock options, an executive's responsibilities, level of experience, length of service and comparable levels of remuneration paid to similar executives of other companies of comparable size and development within the industry were taken into consideration.

The use of traditional performance standards, such as profitability, is not considered to be appropriate in the evaluation of executive performance. When approving executive compensation levels, the Committee and the Board consider the financial situation of the Company in a wider context regarding the outlook for the industry and the ongoing development of the Parys Mountain Project. In future years, the grant of deferred equity schemes may also form part of the incentive portion of the remuneration of executives.

Awards under previous remuneration policies

Any awards or remuneration-related commitments made to directors under previous remuneration policies will continue to be honoured. The only awards received by directors relate to the share options presented within this report.

Payments to past directors

No payments were made during the year to past directors.

Approach to recruitment remuneration

In considering the remuneration levels for new directors, the remuneration committee takes into account the market rate for similar roles, as well as considering the emoluments offered to existing and previous directors.

No compensation is normally offered for the forfeit of remuneration from previous employment. However, under exceptional circumstances, a one-off award may be made to a newly appointed executive director. Any such award will be made on a like-for-like basis, with a fair-value no higher than that of the awards forfeited after taking into account any conditions that would apply.

Where a director is appointed as a result of internal promotion, any contractual commitments made prior to their promotion would be honoured, where appropriate. When recruiting a new non-executive director, the board would determine the appropriate fee level in line with the policy stated above.

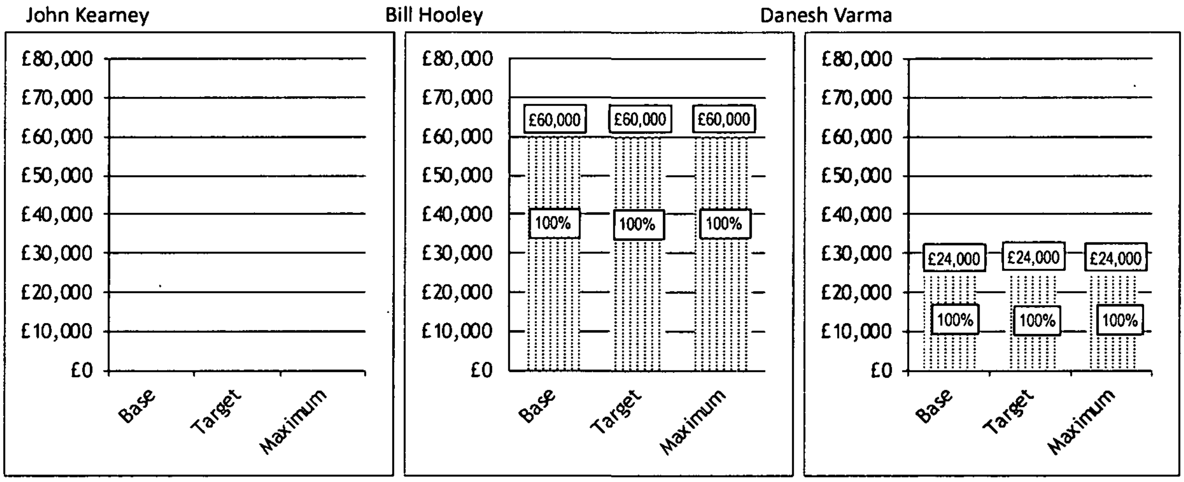
Service contracts

Executive directors currently have employment contracts which may be terminated by the employer or employee at twelve months' notice. No other payments are made for loss of office. Other than payment for this notice period, there are no payments for directors that are triggered by a change of control, nor are there any other remuneration-related contractual provisions such as side-letters.

Each director has a formal letter of appointment setting out their duties and responsibilities. These letters are available for inspection at the registered office.

Remuneration scenario charts

The following charts outline the minimum remuneration receivable by each executive director under the current policy, as well as potential remuneration for attaining target and maximum performance levels, excluding any gains made under the operation of the share option scheme:



In these charts the 'Base' represents the current annual salary and the value of any benefits received; the 'Target' and 'Maximum' columns also include any additional amounts which might be receivable in bonuses, which at present are not expected to arise.

During the year Bill Hooley waived remuneration of £60,000 and Danesh Varma waived remuneration of £24,000 however the charts above show the amount which would be due in accordance with the employment contracts in force and the Group's policy.

Policy on loss of office

Generally any severance payments on termination are limited to established contractual arrangements only. Any payment in lieu of notice would be limited to salary and benefits, and subject to mitigation. It is the Group's policy to keep contract durations, notice periods and termination payments to a minimum. In practice, for executive directors, this results in rolling 12 month contracts.

A director who leaves the Group in good standing would generally be entitled to receive an appropriate proportion of any potential bonus and would retain any share options for up to one year following his departure, subject to the rules of the share option scheme.

In the event of a change of control, awards may vest, subject to pro-rating for the proportion of the vesting period elapsed and the extent to which performance conditions are determined to have been achieved. The remuneration committee will retain discretion to adjust awards, within any relevant plan rules to ensure fairness for participants and shareholders.

Difference between director remuneration policy and that for other employees

There are no senior executives at present who are not directors. Remuneration policy for other employees would be consistent with that for the executive directors. There were no employees to be consulted when directors' remuneration policies were established.

Consideration of employment conditions

When setting directors' remuneration, the remuneration and overall conditions for other employees would be taken into account.

Consideration of shareholder views

The remuneration committee would consult with major shareholders when considering any significant changes to remuneration policy and practices.

This report was approved by the board of directors on 25 September 2020 and signed on its behalf by:

Danesh Varma
Company Secretary

This year, the Directors are reporting under the new UK Corporate Governance Code ("the Code") published by the Financial Reporting Council (FRC) in 2018.

The new Code applies to accounting periods beginning after January 2019 and is applicable to all companies with a Premium Listing on the London Stock Exchange. Although Anglesey Mining is not included in the FTSE 350, and is considered a "smaller company", the new Code applies to Anglesey Mining because of its Premium Listing status.

Anglesey has been listed on the London Stock Exchange for more than 30 years, since 1988, and throughout that time has been in compliance with all the listing rules and policies of the LSE. Under the Listing Rules all companies with a Premium Listing are required to state in the Annual Report on how they have applied the Code.

The Code consists of an updated set of principles that emphasise the value of good corporate governance to long-term sustainable success. The FRC believes that companies can demonstrate through their reporting how the governance of the company contributes to its long-term sustainable success and achieves wider objectives. However, the value of exemplary corporate governance prescribed by the Code has not been empirically proven. Although there are many examples of successful companies with excellent governance there is no compelling evidence that such success can be attributed to governance practices, as opposed to entrepreneurship, science or technology.

The new Code puts increased emphasis on corporate culture and emphasises the importance of positive relationships between companies, shareholders and stakeholders, together with a clear purpose and strategy, a high-quality board composition and a focus on diversity. The Code stresses the importance of culture and dialogue with a wide range of stakeholders in promoting the success of companies in the long-term. It also promotes the importance of establishing a corporate culture that is aligned with the Company purpose, promotes integrity and values diversity, and the requirement for executive remuneration and workforce policies to be aligned with the Company's strategy and values. However, nothing in the Code overrides or is intended as an interpretation of the legal statutory statement of directors' duties in the Companies Act 2006.

The 2018 Code has been designed to set higher standards of corporate governance in the UK so as to promote transparency and integrity in business and, at the same time, attract investment in the UK in the long-term, benefitting the economy and wider society.

Although aspiring to be non-prescriptive, the Code contains 18 Principles and 41 Provisions. The Code focusses on the application of the Principles and reporting on outcomes achieved and the Listing Rules require companies to make a statement of how they have applied the Principles, in a manner that enables shareholders to evaluate how those Principles have been applied.

In considering corporate governance in the context of the Code, and in considering the application of the Principles and Provisions to Anglesey Mining, it is important to recognise the unique features and individual circumstances of the Company.

As a Company with limited active operations and no employees, many of the Provisions of the Code are not currently relevant or directly applicable to Anglesey Mining. We do not generate any revenue or income, and this has been the position over the 32 years since the Company's flotation. We are entirely dependent on equity investment from the market. Consequently, the use of equity incentives in the form of share options, aligned to the long-term interests of shareholders, is one of the few economical ways available to provide remuneration or compensation to the Directors.

Anglesey believes that throughout the year, it has generally complied with the spirit of the Principles, to the extent such Principles are applicable in Anglesey's particular situation and having regard to the size and resources of the Group. However, some of the Principles and many of the Provisions are not applicable to the individual circumstance of Anglesey Mining plc. The Code recognises that an alternative to complying with a Provision may be justified in particular circumstances based on a range of factors, including the size, complexity, history and ownership structure of a company, and Anglesey Mining currently fits many of these factors..

The following compliance statement explains how Anglesey seeks to apply the Principles of the Code under five sections, the actions we have taken and some resulting outcomes. It includes cross references to other relevant parts of this Annual Report where applicable.

CORPORATE GOVERNANCE COMPLIANCE REVIEW

Section 1 – Leadership and purpose

Section 1 of the Code comprises five Principles and eight Provisions and emphasises the need for Boards to determine and promote the culture of their company and to engage with shareholders and wider stakeholders and requires the Board to assess and monitor the Company's culture.

The purpose of Anglesey Mining is simple to describe: it is to develop, build and operate its Parys Mountain Project as a mine producing copper, zinc, lead, gold and silver and to restore Parys Mount to the greatness of what it was once was, the largest copper mine in the UK, and one of the largest copper mines in the world in the 18th century.

The Parys Mountain property has a long and glorious history, in fact over 200 years, and its contribution to the development of Britain and its Empire is noteworthy. Copper produced from the Parys Mountain mine helped to fuel the industrial revolution in Britain and thereby helped build the British Empire.

Today, the Parys Mountain property hosts the largest known deposits of copper, zinc and lead in the UK. There are currently no base metal mines in the UK, and there are very few UK properties that can be developed into operating mines. The Board believes that the Parys Mountain property provides an opportunity to develop one such mine.

In 2017 a new Scoping Study on the Parys Mountain project was prepared by Micon International Limited and Fairport Engineering Ltd. The Scoping Study demonstrates the potential for a viable mine development and a healthy financial rate of return.

Anglesey's purpose is the development of a producing mine at Parys Mountain to create value for shareholders in an environmentally, socially, and ethically responsible manner for the benefit of all stakeholders. Throughout its history Anglesey Mining has established a culture aligned with its purpose and its strategy which reflects the Directors commitment to develop the Parys Mountain Project as a sustainable long-term mining operation and business.

The Code recognises that a company does not exist in isolation and this is particularly apt to the circumstances of Anglesey Mining which is largely a single asset company. Indeed, the Company would not exist without the Project. On the other hand, the Project can exist without the Company. So, in a very real sense, when considering corporate governance in Anglesey Mining, it is important to recognise that it is the Project which prevails and is paramount. The Company is simply the mechanism, or the vehicle or structure to deliver the Project. Similarly, when considering the stakeholders, it is in reality the stakeholders and potential stakeholders of the Project that are uppermost in the minds of the Directors.

Development of a new mine at Parys Mountain can deliver economic growth in the UK, regional jobs and business opportunities for local service providers. The spin-off effects of mine development would be significant. It is well recognised that service providers and contractors collectively reap more benefit from a mine than the owners of the mine. The minerals that would be mined at Parys Mountain are those that are necessary for the modern world, copper in electronics, zinc in construction and medicine, and even much maligned lead is required for large electric battery storage. None of these important and essential metals are currently produced in the UK, making the country entirely dependent on imports.

Further details on the progress in the development of the Parys Mountain Project during the year are provided in the Chairman's Statement and in the Strategic Report.

It can be said that the culture of the Company is entrepreneurial, in the traditional spirit of great explorers with a pioneering vision. The Group's business is subject to numerous risks and uncertainties associated with all companies in the exploration and mining industry. Mineral exploration is a high-risk, speculative business and the realisation of objectives is dependent on the successful discovery and development of economic mineral deposits and is subject to many potential risks, the more significant of which are summarized in the Strategic Report. Management of these risks, which often involves professional judgement, is the responsibility of the Board of Directors. However, there is no assurance that the Company's mineral development activities will result in the development of a commercial mine at Parys Mountain.

The Company also has two other smaller investments, in Canada and in Sweden, both in iron ore, and interestingly both seeking to breathe renewed life into former world class projects. Iron ore produced from the Schefferville mines in Labrador fuelled the US steel industry for 30 years after World War 2 and Grangesberg was once the largest iron mine in Sweden.

Leadership

The Board of Anglesey Mining is infused with entrepreneurial and pioneering spirit, as well as being committed to high standards of corporate governance, integrity, and social responsibility and to managing the Company in an honest and ethical manner. The Directors endeavour to implement the Principles of the Code, where applicable, constructively and in a sensible and pragmatic fashion. The Board believes that corporate governance is more than just a set of guidelines. Rather it provides the culture whereby the Company's strategy is aligned to the interest of its shareholders and takes into account the interest of all stakeholders. The Board believes this is essential to earn and retain the Company' social licence to operate.

The Chairman is responsible for the leadership of the Board and for ensuring that the Company has appropriate governance standards in place and that these requirements are communicated and applied. The Chairman's role is to create the cultural environment to enable each director and the Board as whole to perform effectively for the benefit of the Company, its shareholders and its wider stakeholders.

Communication with shareholders and stakeholders

The Board recognises the importance of open and transparent communication with the shareholders and with all its stakeholders, including landowners, communities, and regional and national authorities. Information about the Group and its activities is given in the Annual Report which is sent to shareholders. We seek to maximise the industry's benefits to host communities, while minimising negative impacts to effectively manage issues of concern to society.

Shareholders have the opportunity to discuss issues and provide feedback at any time. Further information is available on the Company's website, which is updated whenever announcements or press releases are made and in annual and interim reports. Shareholders have access to current information on the Company though the website (www.angleseymining.co.uk) and through direct contact with the Directors by telephone or email. Every effort is made to reply promptly and effectively to enquiries from shareholders on matters relating to their shareholdings and the business of the Group. In addition, all shareholders are encouraged to attend the Annual General Meeting although unfortunately that will not be possible this year. Presentations on the Group's activities are made at the AGM and at various industry investor events and discussions are held with shareholders at or after each of these occasions.

The Chairman, Chief Executive and Finance Director engage with substantial shareholders regularly to understand their views on important topics.

In considering strategy and in making decisions, the Board takes into account its wider stakeholder and social responsibilities and the implications for the long term and seeks to proactively engage key stakeholders on sustainable development challenges and opportunities in an open and transparent manner. Further details of the actions of the Directors to promote the success of the Company are included in the Directors Section 172 Statement which is included as part of the Strategic Report.

Section 2 – Division of responsibilities

Section 2 of the Code comprises four Principles and eight Provisions. It considers the separation of duties within the board and the role of the non-executive directors and provides guidance on determining the independence of directors. Provision 11 requires "at least half" (excluding the chair), of the board to be independent non-executive directors.

The Board of Anglesey Mining is very small, currently only four members, although we are seeking at least one and preferably two new directors. Because of its small size, separation of powers and segregation of duties are not practically possible. The advantage of its small size is that the Board is directly involved in all decisions and an extensive committee or reporting structure is not particularly useful. Nevertheless, a system of checks and balances is in place and all material decisions must be approved by the Board. The definition of 'materiality' is low, almost all Board decisions are material.

At this time the Company does not have any full-time employees. In effect the Company is directly managed and operated by is Directors. Therefore, the Directors could all be considered executive directors. On the other hand, in so far as the Directors do not receive any compensation, they could all also be considered: "independent", although perhaps not in the sense contemplated by the Code.

The Board has overall responsibility for all aspects of the business and affairs of the Company. The Board approves the Group's strategy and expenditure plans and regularly reviews operational and financial performance, risk management, and health, safety, environmental and community matters. The Board is assisted by an Audit Committee and has also established Remuneration and Nomination committees. The Chairman has overall responsibility for corporate governance matters.

John Kearney is the chairman, a role he has held since 1994. He was formerly also Chief Executive, a role he relinquished in 2001. He is not a full time executive of Anglesey Mining and does not receive any compensation. He divides his time between a number of mineral companies and other activities.

Bill Hooley is the Chief Executive and responsible for operations. Danesh Varma is Finance Director.

The Board considers that Howard Miller is the senior independent non-executive director and until his retirement David Lean was an independent director. However, Howard Miller and David Lean have served for more than sixteen years as non-executive directors and, under the Code, directors with more than nine years of service are not considered independent.

As well as chairing Board meetings, John Kearney chairs the Nomination committee. Howard Miller is the lead independent director and chairs the Audit and Remuneration Committees.

The Board has Audit, Nomination and Remuneration committees. Each committee has formal written terms of reference. All committees have at least one independent non-executive director within their composition. The number of meetings of the Board and of each committee held over the past year is shown below.

There are written terms of reference for the Audit, Remuneration and Nomination committees, each of which deals with specific aspects of the Group's affairs. These are made available to shareholders at each general meeting of the Company and are available on the Company's website. The Board receives periodic reports from all committees.

The Board is not in compliance with the Provisions of the Code that require "at least half" of the Board to be independent non-executive directors as all directors have served for more than nine years, and the Chairman having held that role for more than 20 years. Nevertheless the Board believes it complies with the spirit of independence of a board, that the directors demonstrate independence in their deliberations, that there are appropriate divisions of responsibilities within the Board and its committees and between the Board and the executive directors and that the Directors extensive experience outweighs their long service and other issues.

Section 3 – Composition, succession and evaluation

Section 3 of the Code comprises three Principles and seven Provisions, with new emphasis on diversity, levels of ethnicity and on different aspects of diversity in the workforce, other than gender.

As well as requiring Boards and their committees to have a combination of skills, experience and knowledge, Principle K now requires consideration of the length of service of the Board as a whole, so as to link with the requirement in Principle L to consider each director's contribution as part of the Board evaluation. Provision 19 is a new Provision concerning the chair's tenure. It states that in normal circumstances the chair should not remain in office for more than nine years from their first appointment to the Board.

For the first half of the year the Board of Anglesey Mining consisted of five directors but was reduced to four when David Lean retired and did not seek re-election at the AGM in September 2019.

The members of the Board come from a variety of professional backgrounds, and collectively have a wide range of managerial, technical, financial, and legal skills, based on both qualifications and experience, including mining engineering, accounting, legal, financial and of capital markets. Collectively they possess significant relevant management skills, as well as long experience of having served as directors of numerous other public companies, in several international jurisdictions.

The Board has a wide ethnic diversity, with directors whose nationalities are British, Irish, South African, Australian, Indian, and Canadian It also has diversity in religion, including Catholic, Jewish, Hindu, and Protestant. Unfortunately, the Board is not diversified in either age or gender, reflecting the challenges in attracting younger generations to what is incorrectly perceived as a sunset industry, and particularly the challenges in attracting women to what is correctly perceived as the high risk nature of the mineral exploration and mining business.

The Board supports cultural and gender diversity but there are no formal policies in effect regarding these provisions. The Board recognises that it currently has no diversity in gender and little diversity in age, and this is an important consideration is recruitment of new directors. However, the Board believes that the interests of shareholders are best served by ensuring that directors are identified from the widest possible group of potentially interested candidates. Although diversity, which includes diversity in gender, age, ethnicity and cultural background, is one of the factors to be considered in the selection process, other factors, including knowledge, experience, areas of expertise, and most importantly, willingness to serve Anglesey Mining as it currently exists, are the most relevant considerations.

The Board is satisfied that it has the appropriate balance of experience and qualifications to carry out its responsibilities effectively. In line with Provision 18 of the Code, each director is subject to annual re-election at each AGM.

The Board values the participation of directors on the boards of other companies in the mineral industry as this provides exposure to developments and other opportunities which are useful to enhance the experience of the Directors and are potentially beneficial to the Group.

Certain of the Directors do serve as directors and/or officers of, or have significant shareholdings in, other companies involved in natural resource exploration and development and consequently there exists the possibility for such Directors to be in a position of conflict. Directors are expected to adhere to all legal requirements in respect of any transaction or agreement in which they may have a material interest. Directors who have an interest in a transaction or agreement with the Company promptly disclose that interest at any meeting of the Board at which the transaction or agreement will be discussed and abstain from discussions and voting. Where appropriate, any Director having a conflict of interest will be expected to withdraw from the meeting and not participate in the meeting where such matter is being considered so that the remaining directors may properly exercise independent judgment.

The Chairman

John Kearney is the Chairman, a role he has held since 1994. This is not in compliance with the Code. He was formerly also Chief Executive, a role he relinquished in 2001. The Chairman has many years of experience as chairman or director of numerous public mining or exploration companies. He is not a full time executive of Anglesey Mining and does not receive any compensation and could be considered "independent" from the Company. He divides his time between a number of mineral companies and other activities.

Howard Miller is the lead director and provides a sounding board to the Chairman.

Nomination Committee

The Nomination Committee comprises John Kearney as chairman, and Howard Miller. The Nomination Committee assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It is responsible for identifying potential candidates to be appointed as directors or committee members. The Nomination Committee is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and committees of the Board, retirements and appointments of additional and replacement directors and committee members and will make appropriate recommendations to the Board on such matters.

The Board is responsible for establishing qualifications and skills necessary for an effective Board and various committees of the Board, including factors such as professional experience, areas of expertise, personal character, potential conflicts of interest, diversity and other commitments.

The Board is currently seeking at least one, and preferable two, new independent directors and recognises the need to enhance its governance procedures to fully comply with all the Principles and Provisions of the Code. Recruitment of new directors has been hampered by the Covid pandemic. Seeking new directors with the requisite skills and experience and more importantly with the professional interest, level of enthusiasm, vision and willingness to serve on the Board of Anglesey Mining, with limited compensation, is more like a vocation or a calling than an occupation.

Assessment of directors' performance

Anglesey Mining has no formal policies in effect in respect of measurable objectives of performance and there has been no formal annual evaluation of the performance of the Board, its committees or the individual directors. The Board of Directors reviews on an ongoing informal basis the effectiveness and performance of the Board as a whole and the effectiveness and contribution of individual directors. Each year when providing notice of the Annual Meeting, the Board considers its appropriate size and composition to properly administer the affairs of the Company and to effectively carry out the duties of the Board. The Directors have not to date taken outside advice in reviewing performance.

The Board is satisfied that each of the Directors commits sufficient time to the business of the Group and contributes materially to the governance and operations of the Group. The Board is satisfied that it is highly effective and is comprised of a small but strong team with a breadth of skills, experiences and perspectives. The Directors are satisfied that, subject to the recruitment of at least one and preferably two new independent directors, the Board has the appropriate balance of experience and qualifications to carry out its responsibilities effectively, given the Company's current status and stage of development.

Section 4 – Audit, risk and internal control

This section of the Code comprises three Principles and eight Provisions and largely corresponds with requirements in the Listing Rules, the FRC Disclosure and Transparency Rules and the Companies Act 2006.

Audit committee

The Board has established an Audit Committee with formally delegated duties and responsibilities. The Audit Committee is chaired by Howard Miller with David Lean serving as the other member of the committee until his retirement, both of whom are independent non-executive directors.

The Audit Committee assists the Board in meeting its responsibilities for internal control and external financial reporting. The audit committee meets at least twice a year and is responsible for ensuring that the financial performance information of the Group is properly reported on and monitored, including by conducting reviews of the annual and interim accounts, the internal control systems and procedures and accounting policies. More information on the work of the Audit Committee is provided in the Report of the Audit Committee below.

The important matter of going concern in the case of Anglesey Mining is continuously reviewed by the Audit Committee and is discussed in detail in the Notes to the financial statements and in the Directors Report.

Risks and uncertainties

Mineral exploration and mine development is a high-risk speculative business and the ultimate success of Anglesey Mining will be dependent on the successful development of a mine at Parys Mountain, which is subject to numerous significant risks. The principal risks facing the Group are summarised elsewhere in the Strategic Report. Management of those risks is the responsibility of the Board of Directors. The Board considers it is sufficiently close to the Group's operations and aware of all its activities to be able to adequately monitor risk without the establishment of any further formal processes.

The success of the Group is largely dependent on the loyalty and performance of its directors. There is no assurance the Company can maintain the services of its directors or recruit other qualified personnel to serve as directors. The loss of the services of any of the current directors could have a material adverse effect on the Group and its prospects.

The major risks are outside the control of the Board. They include risks of nature (the minerals, the orebody, the geological strata and operating conditions), risks of the market (world-wide demand and supply of metals) and risk of investor interest, It is the task of the Directors to attempt to manage these risks that are outside their control and this requires judgement, which requires experience.

The significant risks facing the Company are summarised and discussed in the Strategic Report and the "Going-concern" risk is discussed in detail in the Directors Report.

Internal control

The Board is responsible for the Group's systems of internal control, financial and otherwise. The key feature of the financial control system is that the Directors directly monitor all payments and transactions, as well as budgets and annual accounts. Such system provides reasonable but not absolute assurance of the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information. The Board, advised by the audit committee, has not considered it appropriate to establish an internal audit function at present because of the Group's limited operations. The Board has reviewed the effectiveness of the system of internal control as described during the period.

The Strategic Report contains a detailed review of the current status of the Parys Mountain Project, and the outlook for the medium term. There are no significant issues disclosed in the Strategic Report and Financial Statements for the year to March 2020 and up to the date of approval of the Annual Report that have required the Board to deal with any related material internal control issues.

Section 5 – Remuneration

This section of this Code comprises three Principles and 10 Provisions. These cover both the remit of the Remuneration Committee and the structure of remuneration schemes. Principle P now focuses on the need to link strategy, long-term sustainable success and executive remuneration.

Anglesey Mining does not generate any revenue or income and has not done so over 32 years. It is entirely dependent on equity investment from the market. With no sales, no revenue and no income the Company does not have any cash flow and thereof only very limited resources and few means to compensate its directors and any employees.

Remuneration Committee

The Remuneration Committee comprises Howard Miller (Chairman) and, until his retirement, David Lean. The committee is responsible for making recommendations to the Board on the Company's remuneration policy. It determines any contract terms, remuneration and other benefits, including share options, for each of the executive directors. The remuneration of non-executive directors is a matter for the Board. No director may be involved in any discussions as to their own remuneration.

The use of equity incentives aligned to the long-term interests of shareholders is one of the few ways available to compensate its directors and accordingly the Company has granted options under the Company's share option scheme to its directors. This is not in compliance with the Provisions of the Code.

Because of the current scale and scope of the Group's operations, with no employees and the oversight by the Board of all significant activities, including risk management, the Remuneration Committee believes that the present compensation policies and practices for both directors and executive directors are linked to the long-term success of the Group and aligned to the long-term interests of shareholders.

The Directors' Report on Remuneration and the Report of the Remuneration Committee is set out in other parts of the Annual Report.

Directors' appointment and attendance at Board and committee meetings

During the year attendance at meetings was as follows:

		Meetings			
Director	**Date appointed**	**Board**	**Audit**	**Remuneration**	**Nomination**
Total number of meetings:		5	2	0	0
John Kearney	10 November 1994	5			
Bill Hooley	10 January 2006	5			
Danesh Varma	15 November 1994	5			
Howard Miller	20 September 2001	2	2		
David Lean	20 September 2001	1	2		

Danesh Varma is the company secretary. He was appointed on 1 August 2013. David Lean retired on 5 September 2019.

This report was approved by the board of directors on 25 September 2020 and signed on its behalf by:

Danesh Varma
Company Secretary

The audit committee comprises Howard Miller and, until 5 September 2019, David Lean. Both members of the committee have extensive mineral industry experience and the necessary recent and relevant experience required by the Code. The committee's terms of reference have been approved by the board and follow published guidelines. The audit committee's primary responsibilities are to establish and monitor the Group's financial risk management systems with particular reference to internal control systems and to ensure that the Group's financial statements and other financial communications are properly prepared.

Financial statements and internal control

The audit committee reviews the half-yearly and annual accounts before they are presented to the board, focusing in particular on accounting policies and areas of management judgement and estimation. The committee ensures that the judgements made in applying accounting policies and key sources of estimation uncertainty are properly set out at the end of note 2 to the accounts and has nothing further to report in respect of them. The committee is responsible for monitoring the controls which are in force to ensure the information reported to the shareholders is accurate and complete. It also discusses and considers internal control and risk management issues and contributes to the board's review of the effectiveness of the Group's internal control and risk management systems and to the disclosure and explanation of the risks faced by the Group. These are set out in the strategic report.

The audit committee meets with the external auditors to review the planning of their audit and, before approving the financial statements, to discuss any issues which arise from the audit

The committee notes that the consolidation schedules have been prepared under the direction of the finance director and is satisfied that no further internal controls over this process are required.

Internal and external audits

The committee considers the need for an internal audit function, which it believes is not required at present due to the limited staff and operations of the Group. The committee is available should any personnel wish to make representations to the committee about the conduct of the affairs of the Group.

The committee advises the board on the appointment of external auditors and on their remuneration for both audit and non-audit work and discusses the nature, scope and effectiveness of the audit with the external auditor with whom it meets formally at least once a year. The committee also reviews the effectiveness of the external audit by enquiries and discussions with the Group staff involved in the audit and with the finance director.

The audit committee also undertakes a formal assessment of the auditor's independence each year which includes: a review of any non-audit services provided to the Group; discussion with the auditor of all relationships with the Company and any other parties that could affect independence or the perception of independence; a review of the auditor's own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner; and obtaining written confirmation from the auditor that, in his professional judgement, he is independent. An analysis of the fee payable to the external audit firm in respect of both audit and non-audit services during the year is set out in note 4 to the financial statements.

Mazars were originally appointed as auditors in 2008 after a tendering process involving four firms. In 2018 a further tendering process involved three firms including Mazars and the result of it was that Mazars were reappointed.

Howard Miller
Audit committee chair
25 September 2020

Independent auditor's report to the members of Anglesey Mining plc

Opinion

We have audited the financial statements of Anglesey Mining plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the Group Income Statement, the Group Statement of Comprehensive Income, the Group Statement of Financial Position, the Company Statement of Financial Position, the Group and Company Statements of Changes in Equity, the Group Statement of Cash Flows, the Company Statement of Cash Flows and notes to the financial statements, including a summary of 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 and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 March 2020 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; 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 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 public interest entities and 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.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial statements concerning the applicability of the going concern basis of preparation. As detailed in the financial statements and the Strategic Report, the group and the parent company are not generating revenue and are in the process of getting the Parys Mountain mining project ready to move into development. Its business model requires generation of additional financial resources to progress the ongoing development of the Parys Mountain project.

At 31 March 2020 the group and parent company had net current assets of £29k and £47k respectively and cash and cash equivalent reserves of £95k and £93k. Subsequent to the year end, the group issued further shares with gross proceeds of £200k. The group therefore has sufficient resources to support its continuing working capital requirements on a status quo basis for at least twelve months from the date of the financial statements. In Note 2, the directors explain that the group needs to generate additional financial resources to meet its planned business objectives and to progress the development of the Parys Mountain project. The directors are actively pursuing various financing options and they are confident that the group will raise the additional funding when required. Therefore, the financial statements have been prepared on a going concern basis.

However, as described in Note 2, the directors recognise that the continuing operations of the group are dependent upon its ability to raise adequate financing and that there is a risk that additional funding may not be available on a timely basis or on acceptable terms. Given the limited financial resources currently available, until the group secures sufficient investment for short-term funds required for the additional studies and ultimately for the production phase in the longer term, the current level of resources may not be sufficient to finance short-term project needs. Therefore, a material uncertainty exists that may cast a significant doubt on the group's and the parent company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Conclusions relating to principal risks, going concern and company prospects

Other than as above under 'Material uncertainty related to going concern', we have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the annual report set out on pages 11 and 12 that describe the principal risks and explain how they are being managed or mitigated;

- the directors' confirmation set out on page 11 in the annual report that they have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity;
- the directors' statement set out on page 15 in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the group and the parent company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- whether the directors' statement relating to going concern required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit; or
- the directors' explanation set out on pages 12 and 13 in the annual report as to how they have assessed the prospects of the group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Key audit matters

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

In addition to the matter described in the 'Material uncertainty related to going concern' section, we summarise below other key audit matters in forming our audit opinion above, together with an overview of the principal audit procedures performed to address each matter and, where relevant, key observations arising from those procedures.

These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key audit matter	Our response
Impairment of exploration and evaluation asset (group) The group's accounting policy in respect of its exploration and evaluation asset is set out under "mineral property exploration and evaluation costs" and its accounting policy in respect of impairment is set out under "impairment of tangible and intangible assets" in Note 2 to the financial statements. The group has held rights to explore and mine the Parys Mountain site for many years and has completed a number of geological and technical studies, including a further scoping study in 2017 reaffirming the potential of the property. As indicated in that study report, further studies were recommended to optimise and enhance the project ahead of development, some of which are currently underway. There is a risk that accounting criteria associated with the capitalisation of exploration and evaluation expenditure may no longer be appropriate and that the carrying value may exceed the recoverable amount. An assessment of the recoverable amount is highly judgemental, and is based on a combination of independent expert studies and the directors' assessment of the estimated mineral deposits and the geological potential thereof, projected capital and operating costs associated with mineral extraction and sale, long term commodity metal prices, discount rates, exchange rate factors and the group's ability to raise finance.	Our audit procedures included, but were not limited to: • reassessing the most recent scoping study report performed in 2017 by Micon, as well as further studies performed by QME, including consideration of the independence and qualifications of experts used by management to perform these studies; • obtaining and reviewing the impairment assessment prepared by the directors; • challenging the reasonableness of the assumptions used by the directors in their impairment assessment; • obtaining direct confirmation from QME that the statements made in this annual report in reference to work carried out by QME Ltd are true and accurate; • challenging further the facts and circumstances and relevant assumptions used by the directors to support the absence of impairment indicators, e.g. planned further evaluation work; potential for discovery of additional resources by exploration; likely costs of production and the general outlook for commodity metal prices; and • assessing the completeness and accuracy of the disclosures in the financial statements. **Key observations** Based on the work performed, no impairment indicators in relation to the exploration and evaluation asset were noted.

Impairment of investment in subsidiary (parent company) The group's accounting policies in respect of investments and impairment of investments are set out under "investments" and "impairment of investments" in Note 2 to the financial statements. The cost of the investment and loan due from the subsidiary, Parys Mountain Mines Limited, held in the company statement of financial position, is supported by the recovery of the exploration and evaluation asset following the development of the Parys Mountain project held by Parys Mountain Mines Limited. If there were impairment in the exploration and evaluation asset included above, this would have a direct impact on the carrying value of the investment and the loan due from the subsidiary. Under the accounting policy, investments are held at cost less accumulated impairments. Therefore, there is a risk that the investment in subsidiary undertaking is impaired as a result of indicators within the underlying assets of the subsidiary, namely the exploration and evaluation asset discussed above.	Given that the same exploration and evaluation asset supports the intangible at group level and the investment at parent company level, it's reasonable to conclude that the same impairment assessment documented in the key audit matter above is also applicable to this key audit matter. In that context, our audit procedures included, but were not limited to: • assessing the results of the directors' impairment review of the underlying exploration and evaluation asset held within the subsidiary (also refer to the procedures listed in the key audit matter above); and • assessing the completeness and accuracy of the disclosures in the financial statements. **Key observations** Based on the work performed, no impairment indicators in relation to the investment in subsidiary undertakings were noted.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group

Overall materiality	£349,000
How we determined it	3% of group's net assets
Rationale for benchmark applied	Group's net assets represents shareholders' funds and we have determined it to be the principal benchmark within the financial statements relevant to shareholders, as the group does not generate revenue and is in pre-production phase
Performance materiality & specific materiality	Performance materiality is set as 75% of overall materiality, being £262,000 Specific materiality of £105,000 is used for the audit of the group income statement
Reporting threshold	3% of overall materiality being £10,000

Parent company

Overall materiality	£215,000
How we determined it	2% of parent company's net assets
Rationale for benchmark applied	Net assets is considered most appropriate as the parent company is non-trading and mainly holds investment in subsidiaries
Performance materiality	Performance materiality is set at 75% of overall materiality, being £161,000
Reporting threshold	3% of overall materiality being £6,000

The range of financial statement materiality across components, audited to the lower of local statutory audit materiality and materiality capped for group audit purposes, was between £215,000 and £307,000, being all below group financial statement materiality.

An overview of the scope of our audit, including extent to which the audit was considered capable of detecting irregularities, including fraud

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements such as making assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of a risk assessment, our understanding of the group and the parent company, their environment, controls and critical business processes, to consider qualitative factors in order to ensure that we obtained sufficient coverage across all financial statement line items.

Our audit procedures were designed to respond to those identified risks, including non-compliance with laws and regulations (irregularities) and fraud that are material to the financial statements.

In identifying and assessing risks of material misstatement in respect to irregularities including non-compliance with laws and regulations, our procedures included but were not limited to:

- at planning stage, we gained an understanding of the legal and regulatory framework applicable to the group and the parent company, the structure of the group, the industry in which they operate and considered the risk of acts by the group and parent company which were contrary to the applicable laws and regulations;
- we discussed with the directors the policies and procedures in place regarding compliance with laws and regulations;
- we discussed amongst the engagement team the identified laws and regulations, and remained alert to any indications of non-compliance; and
- during the audit, we focused on areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussions with the directors (as required by auditing standards), from inspection of the group's and the parent company's regulatory and legal correspondence and review of minutes of directors' meetings in the year. We also considered those other laws and regulations that have a direct impact on the preparation of financial statements, such as the Companies Act 2006 and UK tax legislation.

Our procedures in relation to fraud included but were not limited to:

- inquiries of management whether they have knowledge of any actual, suspected or alleged fraud;
- gaining an understanding of the internal controls established to mitigate risk related to fraud;
- discussion amongst the engagement team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to impairment of intangibles, and significant one-off or unusual transactions; and
- addressing the risk of fraud through management override of controls by performing journal entry testing.

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

As a result of our procedures, we did not identify any key audit matters relating to irregularities. The risks of material misstatement that had the greatest effect on our audit, including fraud, are discussed under 'Key audit matters' within this report.

Our group audit scope included an audit of the group and the parent company financial statements of Anglesey Mining plc. Based on our risk assessment, Anglesey Mining plc and Paris Mountain Mines Limited within the group were subject to full scope audit performed by the group audit team.

At the parent level we also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

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.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- **Fair, balanced and understandable** set out on page 16 – the statement given by the directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- **Audit committee reporting** set out on page 28 – the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or
- **Directors' statement of compliance with the UK Corporate Governance Code** set out on pages 22-27 – the parts of the directors' statement required under the Listing Rules relating to the parent company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements and those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and
- information about the parent company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in:

- the Strategic Report or the Directors' Report; or
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

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 and the part of the directors' remuneration report to be audited 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; or
- a corporate governance statement has not been prepared by the parent company.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 16, 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 and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the 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. This description forms part of our auditor's report.

Other matters which we are required to address

Mazars was initially appointed as auditors by the Board of Directors in 2008. On 21 February 2018, following the recommendation of the audit committee, we were reappointed by the Board of Directors to audit the financial statements for the year ended 31 March 2018 and subsequent financial periods. The period of total uninterrupted engagement since reappointment is 13 years, covering the years ended 31 March 2008 and 31 March 2020.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of the audit report

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body for our audit work, for this report, or for the opinions we have formed.

Robert Neate (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

Tower Bridge House,
St. Katharine's Way,
London.
E1W 1DD

25 September 2020

Group income statement

All attributable to equity holders of the company

All operations are continuing	Notes	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Revenue		-	-
Expenses		(134,796)	(75,538)
Equity-settled employee benefits	21	-	-
Investment income	6	287	233
Finance costs	7	(170,029)	(159,336)
Foreign exchange movement		28	20
Loss before tax	4	(304,510)	(234,621)
Taxation	8	-	-
Loss for the period		(304,510)	(234,621)
Loss per share			
Basic - pence per share	9	(0.2)p	(0.1)p
Diluted - pence per share	9	(0.2)p	(0.1)p

Group statement of comprehensive income

Loss for the period	(304,510)	(234,621)
Other comprehensive income		
Items that may subsequently be reclassified to profit or loss:		
Exchange difference on translation of foreign holding	(23,350)	(15,095)
Total comprehensive loss for the period	(327,860)	(249,716)

Group statement of financial position

	Notes	31 March 2020 £	31 March 2019 £
Assets			
Non-current assets			
Mineral property exploration and evaluation	10	15,215,723	15,165,888
Property, plant and equipment	11	204,687	204,687
Investments	14	100,099	97,795
Deposit	15	123,748	123,460
		15,644,257	15,591,830
Current assets			
Other receivables		16,505	19,215
Cash and cash equivalents	16	95,311	6,012
		111,816	25,227
Total assets		15,756,073	15,617,057
Liabilities			
Current liabilities			
Trade and other payables	17	(98,244)	(86,539)
		(98,244)	(86,539)
Net current assets/(liabilities)		13,572	(61,312)
Non-current liabilities			
Loans	18	(3,981,893)	(3,706,722)
Long term provision	19	(50,000)	(50,000)
		(4,031,893)	(3,756,722)
Total liabilities		(4,130,137)	(3,843,261)
Net assets		11,625,936	11,773,796
Equity			
Share capital	20	7,380,591	7,286,914
Share premium		10,258,309	10,171,986
Currency translation reserve		(80,466)	(57,116)
Retained losses		(5,932,498)	(5,627,988)
Total shareholders' funds		11,625,936	11,773,796

The financial statements of Anglesey Mining plc which include the notes to the accounts on pages 40 to 55 were approved by the board of directors, authorised for issue on 25 September 2020 and signed on its behalf by:

John F. Kearney, Chairman

Danesh Varma, Finance Director

Company statement of financial position

	Notes	31 March 2020 £	31 March 2019 £
Assets			
Non-current assets			
Investments	13	14,460,642	14,389,142
		14,460,642	14,389,142
Current assets			
Other receivables		5,960	6,705
Cash and cash equivalents	16	92,885	3,979
		98,845	10,684
Total assets		14,559,487	14,399,826
Liabilities			
Current liabilities			
Trade and other payables	17	(67,191)	(66,477)
		(67,191)	(66,477)
Net current assets/(liabilities)		31,654	(55,793)
Non-current liabilities			
Loan	18	(3,660,788)	(3,406,635)
		(3,660,788)	(3,406,635)
Total liabilities		(3,727,979)	(3,473,112)
Net assets		10,831,508	10,926,714
Equity			
Share capital	20	7,380,591	7,286,914
Share premium		10,258,309	10,171,986
Retained losses		(6,807,392)	(6,532,186)
Shareholders' equity		10,831,508	10,926,714

The company reported a loss for the year ended 31 March 2020 of £275,206 (2019 - £220,241). The financial statements of Anglesey Mining plc registered number 1849957 which include the notes to the accounts were approved by the board of directors, authorised for issue on 25 September 2020 and signed on its behalf by:

John F. Kearney, Chairman

Danesh Varma, Finance Director

Statements of changes in equity

All attributable to equity holders of the company.

Group	Share capital	Share premium	Currency translation reserve	Retained losses	Total
	£	£	£	£	£
Equity at 1 April 2018	7,286,914	10,171,986	(42,021)	(5,393,367)	12,023,512
Total comprehensive loss for the year:					
Loss for the year	-	-	-	(234,621)	(234,621)
Exchange difference on translation of foreign holding	-	-	(15,095)	-	(15,095)
Total comprehensive loss for the year	-	-	(15,095)	(234,621)	(249,716)
Equity at 31 March 2019	7,286,914	10,171,986	(57,116)	(5,627,988)	11,773,796
Total comprehensive loss for the year:					
Loss for the year	-	-	-	(304,510)	(304,510)
Exchange difference on translation of foreign holding	-	-	(23,350)	-	(23,350)
Total comprehensive loss for the year	-	-	(23,350)	(304,510)	(327,860)
Transactions with owners:					
Shares issued	93,677	106,323	-	-	200,000
Share issue expenses	-	(20,000)	-	-	(20,000)
Equity at 31 March 2020	7,380,591	10,258,309	(80,466)	(5,932,498)	11,625,936

Company	Share capital	Share premium	Retained losses	Total
	£	£	£	£
Equity at 1 April 2018	7,286,914	10,171,986	(6,311,945)	11,146,955
Total comprehensive loss for the year:				
Loss for the year	-	-	(220,241)	(220,241)
Total comprehensive loss for the year	-	-	(220,241)	(220,241)
Equity at 31 March 2019	7,286,914	10,171,986	(6,532,186)	10,926,714
Total comprehensive loss for the year:				
Loss for the year	-	-	(275,206)	(275,206)
Total comprehensive loss for the year	-	-	(275,206)	(275,206)
Transactions with owners:				
Shares issued	93,677	106,323	-	200,000
Share issue expenses	-	(20,000)	-	(20,000)
Equity at 31 March 2020	7,380,591	10,258,309	(6,807,392)	10,831,508

Group statement of cash flows

	Notes	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Operating activities			
Loss for the period		(304,510)	(234,621)
Adjustments for:			
Investment income	6	(287)	(233)
Finance costs	7	170,029	159,336
Foreign exchange movement		(28)	(20)
		(143,583)	(84,892)
Movements in working capital			
Decrease in receivables		2,685	374
Increase in payables		15,708	15,345
Net cash used in operating activities		(125,190)	(69,173)
Investing activities			
Mineral property exploration and evaluation		(53,826)	(49,476)
Investment		(11,713)	(12,472)
Net cash used in investing activities		(65,539)	(61,948)
Financing activities			
Issue of share capital		180,000	-
Loan received		100,000	-
Net cash generated from financing activities		280,000	-
Net increase/(decrease) in cash and cash equivalents		89,271	(131,121)
Cash and cash equivalents at start of period		6,012	137,113
Foreign exchange movement		28	20
Cash and cash equivalents at end of period	16	95,311	6,012

Company statement of cash flows

	Notes	Year ended 31 March 2020 £	Year ended 31 March 2019 £
Operating activities			
Loss for the period	23	(275,206)	(220,241)
Adjustments for:			
Equity-settled employee benefits		-	-
Finance costs		154,153	144,234
		(121,053)	(76,007)
Movements in working capital			
Decrease/(increase) in receivables		745	(933)
Increase in payables		714	12,356
Net cash used in operating activities		(119,594)	(64,584)
Investing activities			
Investments and long term loans		(71,500)	(64,026)
Net cash used in investing activities		(71,500)	(64,026)
Net increase/(decrease) in cash and cash equivalents		88,906	(128,610)
Cash and cash equivalents at start of period		3,979	132,589
Cash and cash equivalents at end of period	17	92,885	3,979

1 General information

Anglesey Mining plc is domiciled and incorporated in England and Wales under the Companies Act with registration number 1849957. The nature of the group's operations and its principal activities are set out in note 3 and in the strategic report. The registered office address is shown at the end of this report.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the group has been operating. Foreign operations are included in accordance with the policies set out in note 2.

2 Significant accounting policies

Basis of Accounting

The group and company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and therefore the group financial statements comply with Article 4 of the EU IAS Regulation.

The financial statements have been prepared on the historical cost basis except for the fair valuation of certain financial assets. The principal accounting policies adopted are set out below.

Going concern

The Directors have considered the business activities of the Group as well as its principal risks and uncertainties as set out in this report. When doing so they have carefully applied the guidance given in the 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting' issued in September 2014.

The financial statements are prepared on a going concern basis. The validity of the going concern basis is dependent on finance being available for the continuing working capital requirements of the Group for the foreseeable future, being a period of at least twelve months from the date of approval of the accounts. Based on the current cash reserves and the committed support of Juno, the Group has sufficient finance available for the continuing working capital requirements of the Group on a status quo basis for at least twelve months from the date of the financial statements.

The Group will need to generate additional financial resources to meet its planned business objectives, progress the ongoing development of the Parys Mountain project and continue as a going concern. The plans to phase the development of the project by undertaking the various optimisation programmes and completing a prefeasibility or feasibility study to progress the Parys Mountain Mine towards production require interim funding to finance the further studies and optimisation programmes and, in the longer term, senior financing to fund the capital and development costs to put the Parys Mountain Mine into production.

The Group has relied primarily on equity financings and its largest shareholder Juno Limited to fund its working capital requirements and may be required to do so in the future to ensure the Group will have adequate funds for its current activities and to continue as a going concern.

The Directors are actively pursuing various financing options with certain shareholders and financial institutions regarding proposals for financing and are in discussions with a range of investors, including private equity funds. Whilst these discussions continue the Directors have reasonable expectations that these financing discussions will be successful and therefore the financial statements have been prepared on the going concern basis.

However, given the limited financial resources currently available, and that there is no guarantee that such funding will be available, there is a risk that the Group will not have sufficient financial resources to fund its short-term project funding requirements, and therefore there exists a material uncertainty concerning the ability of the Group and the Company to continue as a going concern or that the Group will be successful in raising the necessary investment to advance the development of the project and put a mine at the Parys Mountain property into production.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company (its subsidiaries) made up to 31 March each year. Control is achieved where the company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to the income statement in the period of acquisition. The results of subsidiaries acquired or disposed of during the year are included in the group income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Note 2 - Significant accounting policies – continued

Foreign currencies

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the period end date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period.

On consolidation, the assets and liabilities of the group's overseas operations are translated at exchange rates prevailing on the period end date. Exchange differences arising, if any, are classified as items of other comprehensive income and transferred to the group's translation reserve within equity. Such translation differences are reclassified to profit or loss, and recognised as income or as expense, in the period in which there is a disposal of the operation.

Segmental analysis

Operating segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision-maker.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. There are no defined benefit retirement schemes.

Equity-settled employee benefits

The group provides equity-settled benefits to certain employees. Equity-settled employee benefits are measured at fair value at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions. Fair value is measured by use of a Black-Scholes model.

Taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the period end liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. The carrying amount of any deferred tax assets is reviewed at each period end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised and is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

The charge for current tax is based on the results for the year as adjusted for items which are non-taxable or disallowed. It is calculated using rates that have been enacted or substantively enacted by the balance sheet date.

Property, plant and equipment

The group's freehold land is stated in the statement of financial position at cost. The directors consider that the residual value of buildings, based on prices prevailing at the date of acquisition and at each subsequent reporting date as if the asset were already of the age and in the condition expected at the end of its useful life, is such that any depreciation would not be material.

Plant and office equipment are stated in the statement of financial position at cost, less depreciation. Depreciation is charged on a straight line basis at the annual rate of 25%. Residual values and the useful lives of these assets are also reviewed annually.

Mineral property exploration and evaluation

Exploration and evaluation assets include acquired mineral use rights for mineral properties held by the Company. The amount of consideration paid (in cash or share value) for mineral use rights is capitalised. Mineral exploration and evaluation expenditures are capitalised on a project-by-project basis pending determination of the technical feasibility and the commercial viability of the project. Capitalised costs include costs directly related to exploration and evaluation activities in the area of interest. General and administrative costs are only allocated to the asset to the extent that those costs can be directly related to operational activities.

Exploration and evaluation assets will be amortised to profit or loss once commercial production has been achieved or written off if the exploration and evaluation assets are abandoned or sold. Depletion of costs capitalised on projects when put into commercial production will be recorded using the unit-of-production method based upon estimated proven and probable reserves. The ultimate recoverability of the amounts capitalised for the exploration and evaluation assets and expenditures is dependent upon the delineation of economically recoverable ore reserves, obtaining the necessary financing to complete their development, obtaining and retaining the necessary permits to operate a mine, and realising profitable production or proceeds from the disposition thereof.

Note 2 - Significant accounting policies – continued

The commercial viability of extracting a mineral resource is considered to be determinable when resources are determined to exist, the property rights are current and it is considered probable that the costs will be recouped through successful development and exploitation of the project, or alternatively by sale of the property. Upon determination of resources, exploration and evaluation assets attributable to those resources are first tested for impairment and then reclassified from exploration and evaluation assets to mineral property interests. Expenditures deemed unsuccessful are recognised in operations in the Income Statement.

Expenditures incurred in connection with the development of mineral resources after such time as mineral reserves are proven or probable; permits to operate the mineral resource property are received; financing to complete development has been obtained; and approval of the Board of Directors to commence mining development and operations, are capitalized as deferred development expenditures.

Impairment of tangible and intangible assets

The carrying values of capitalized exploration and evaluation assets are assessed for impairment if fact and circumstances indicate that the carrying amount exceeds the recoverable amount and sufficient data exists to evaluate technical feasibility and commercial viability. If any indication of impairment exists, an estimate of the asset's recoverable amount is estimated. The recoverable amount is determined as the higher of the fair value less costs of disposition and the asset's value in use. If the carrying amount of the asset exceeds its estimated recoverable amount, the asset is impaired, and an impairment loss is charged to the Income Statement so as to reduce the carrying amount to its estimated recoverable amount.

Investments

Investments in subsidiaries are shown at cost less provisions for impairment in value. Income from investments in subsidiaries together with any related withholding tax is recognised in the income statement in the period to which it relates.

Investments which are not subsidiaries are shown at cost unless there is a practical method of determining a reliable fair value, in which case that fair value is used.

Impairment of investment

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For an equity instrument that does not have a quoted price in an active market, and that is not carried at fair value because its fair value cannot be reliably measured, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Provisions

Provisions are recognised when the group has a present obligation as a result of a past event and it is probable that the group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle that obligation at the end of the reporting period and are discounted to present value where the effect is material.

Note 2 - Significant accounting policies – continued

Financial instruments

Initial recognition

All financial assets and liabilities are initially recognised on the trade date; this being the date that group becomes a party to the contractual provisions of the instrument.
All financial instruments are initially recognised at fair value plus, in the case of financial assets and financial liabilities not held at fair value through profit or loss, directly attributable transaction costs.

Classification and measurement

Financial assets

The classification of financial instruments depends on the purpose and management's intention for which the financial instruments were acquired and their characteristics. The group classifies its financial assets in one of the following categories:

- Amortised cost
- Fair value through other comprehensive income (FVOCI)

Financial assets classified and measured at amortised cost

Amortised cost financial instruments are non-derivative financial assets held within a business model, whose objective is to collect contractual cash flows, on specified dates that are solely payments of principal and interest on the principal amount outstanding.
Such financial instruments are those that are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment based on Expected Credit Loss (ECL). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees and costs that are an integral part of the financial asset.
Financial assets classified as amortised cost are other receivables, deposits and cash and cash equivalent. Carrying value of these financial assets at yearend are not material to the group.

Financial assets classified and measured at fair value through other comprehensive income "FVOCI"

FVOCI financial assets are those non-derivative financial assets held within a business model, whose objectives are both to sell the financial assets and to collect contractual cash flows, on specified dates, that are solely payments of principal and interest on the principal amount outstanding.
Financial assets that are classified as FVOCI are measured at fair value. The changes in fair value are recognised directly in equity with three exceptions, which are recognised in profit and loss:

- Interest, calculated using the effective interest method;
- Impairment losses; and
- Foreign exchange gains and losses on monetary financial assets.

When the investment is disposed of, the cumulative gain or loss previously recognised in equity is recognised in the statement of comprehensive income.
Financial assets classified as FVOCI are unlisted shares held by the group. The group has made the irrevocable election at initial recognition to classify these investments at FVOCI. Carrying value of these financial assets at yearend are not material to the group

Financial liabilities

The group classifies all financial liabilities as other financial liabilities measured at amortised cost. Financial liabilities are initially recognised at fair value, net of directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Leases

Mining lease payments relating to mineral property exploration and evaluation are capitalised; there are no other leases, see note 25 for details. There are no IFRS 16 disclosures required in respect of the mining leases.

Note 2 - Significant accounting policies – continued

New accounting standards

Standards, amendments and interpretations adopted in the current financial year:

The adoption of the following standards, amendments and interpretations in the current financial year has not had a material impact on the financial statements of the group or the company.

IFRS 9 Financial Instruments (Amendment)

IFRS 16 Leases

IFRIC 23 Uncertainty over Income Tax Treatments

IAS 19 Employee Benefits (Amendment) Plan Amendment

IAS 28 Investments in Associates and Joint Ventures (Amendment)

Standards, amendments and interpretations in issue but not yet effective:

	Effective date
Amendments to IAS 1 and IAS 8: Definition of Material	1 January 2020
Amendment to IFRS 3 Business Combinations: Definition of a Business	1 January 2020
Conceptual Framework (Revised) and amendments to related references in IFRS Standards	1 January 2020
IFRS 17 Insurance Contracts	Expected date not available

The adoption of the above standards and interpretations is not expected to lead to any changes to the group's accounting policies or have any other material impact on the financial position or performance of the group.

There have been no other new or revised International Financial Reporting Standards, International Accounting Standards or Interpretations that are in effect since that last annual report that have a material impact on the financial statements.

Judgements made in applying accounting policies and key sources of estimation uncertainty

The following critical judgements have been made in the process of applying the group's accounting policies:

(a) In determining the treatment of exploration and evaluation expenditures the directors are required to make estimates and assumptions as to future events and circumstances. Significant judgment must be exercised in determining when a project moves from the exploration and evaluation category phase and into the development category of mineral property interests. The existence and extent of economic mineral resources, proven or probable mineral reserves; regulatory permits and licences; the availability of development financing; current and future metal prices; and market sentiment are all factors to be considered. Estimates of the recoverable value of exploration and evaluation assets involves certain inherent uncertainties, including geological, fluctuation in metal prices, operating costs, and permitting risks. There are uncertainties inherent in making such assumptions, especially with regard to: mineral resources; recovery rates; production costs; commodity prices and exchange rates. Estimates of the recoverability of the Company's investment in exploration and evaluation assets have been based on current and expected conditions. Assumptions that are valid at the time of estimation may change significantly as new information becomes available and changes in these assumptions may result in resources or reserves being restated.

(b) In connection with possible impairment of exploration and evaluation assets and the company's investment in and loan due from the subsidiary Parys Mountain Mines Limited, the directors assess each potentially cash generating unit annually to determine whether any indication of impairment exists. The judgements made when doing so are similar to those set out above and are subject to the same uncertainties.

(c) The directors applied assumptions and judgement in determining the fair value of investments classified and measured as financial assets at FVOCI. These financial assets disclosed in note 14 are unquoted investments in companies holding mining rights. The inputs in determining fair value are taken from observable markets where possible, but where this is not feasible, a degree of judgement has been applied in establishing fair values. Judgements include considerations of inputs such as exploration potential, available market information relating to current demand, prices, economic viability and future financing. See note 14 for further details.

Nature and purpose of equity reserves

The share premium reserve represents the consideration that has been received in excess of the nominal value of shares on issue of new ordinary share capital, less any direct costs of issue.

The currency translation reserve represents the variations on revaluation of overseas foreign subsidiaries and associates.

The retained earnings reserve represents profits and losses retained in previous and the current period.

3 Segmental information

The group is engaged in the business of exploring and evaluating the wholly-owned Parys Mountain project in North Wales, managing its interest in the Grangesberg properties and has an investment in the Labrador iron project in eastern Canada. In the opinion of the directors, the group's activities comprise one class of business which is mine exploration, evaluation and development. The group reports geographical segments; these are the basis on which information is reported to the board. As yet there have been no site expenses incurred in respect of the group's interest in Grangesberg and management expenses for this segment are included in the UK total.

Income statement analysis

	2020				2019			
	UK	Sweden	Canada	Total	UK	Sweden	Canada	Total
	£	£	£	£	£	£	£	£
Expenses	(134,796)	-	-	(134,796)	(75,538)	-	-	(75,538)
Investment income	287	-	-	287	233	-	-	233
Finance costs	(154,153)	(15,876)	-	(170,029)	(144,234)	(15,102)	-	(159,336)
Exchange rate loss	-	28	-	28	-	20	-	20
Loss for the year	(288,662)	(15,848)	-	(304,510)	(219,539)	(15,082)	-	(234,621)

Assets and liabilities

	31 March 2020				31 March 2019			
	UK	Sweden	Canada	Total	UK	Sweden	Canada	Total
	£	£	£	£	£	£	£	£
Non-current assets	15,544,158	100,098	1	15,644,257	15,494,035	97,794	1	15,591,830
Current assets	110,716	1,100	-	111,816	24,149	1,078	-	25,227
Liabilities	(3,809,032)	(321,105)	-	(4,130,137)	(3,543,174)	(300,087)	-	(3,843,261)
Net assets/liabilities	11,845,842	(219,907)	1	11,625,936	11,975,010	(201,215)	1	11,773,796

4 Loss before taxation

The loss before taxation for the year has been arrived at after charging/(crediting):

	2020	2019
	£	£
Fees payable to the group's auditor:		
for the audit of the annual accounts	37,000	22,000
for the audit of subsidiaries' accounts	5,000	3,000
for other services	-	-
Directors' remuneration	-	-
Foreign exchange movement	(28)	(20)

5 Staff costs

The average monthly number of persons employed (including executive directors) was:

	2020	2019
Administrative	3	3
	3	3

Their aggregate remuneration was:	£	£
Wages and salaries	11,000	11,175
Social security costs	390	431
Other pension costs	-	-
	11,390	11,606

The directors did not receive any remuneration during the year. Further details are provided in the directors' remuneration report together with information on share options.

6 Investment income

	2020	2019
Loans and receivables	£	£
Interest on site re-instatement deposit	287	233
	287	233

7 Finance costs

	2020	2019
Loans and payables	£	£
Loan interest to Juno Limited	154,153	144,234
Loan interest to Eurmag AB	15,876	15,102
	170,029	159,336

For both loans the interest shown is accrued and will be repaid together with the loan principal.

8 Taxation

Activity during the year has generated trading losses for taxation purposes which may be offset against investment income and other revenues. Accordingly no provision has been made for Corporation Tax. There is an unrecognised deferred tax asset at 31 March 2020 of £1.3 million (2019 - £1.3 million) which, in view of the group's trading results, is not considered by the directors to be recoverable in the short term. There are also capital allowances, including mineral extraction allowances, of £12.8 million unclaimed and available at 31 March 2020 (2019 - £12.7 million). No deferred tax asset is recognised in respect of these allowances.

	2020	2019
	£	£
Current tax	-	-
Deferred tax	-	-
Total tax	-	-

Domestic income tax is calculated at 19% (2019 - 19%)of the estimated assessed profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.
The total charge for the year can be reconciled to the accounting profit or loss as follows:

Loss for the year	(304,510)	(234,621)
Tax at the domestic income tax rate of 19%	(57,857)	(44,578)
Tax effect of:		
Unrecognised deferred tax on losses	57,857	44,578
Total tax	-	-

9 Earnings per ordinary share

	2020	2019
	£	£
Earnings		
Loss for the year	(304,510)	(234,621)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	185,772,778	177,608,051
Weighted average number of ordinary shares for the purposes of diluted earnings per share	185,772,778	177,608,051
Basic earnings per share	(0.2)p	(0.1)p
Diluted earnings per share	(0.2)p	(0.1)p

As the group has a loss for the year ended 31 March 2020 the effect of the outstanding share options is anti-dilutive and diluted earnings are reported to be the same as basic earnings.

10 Mineral property exploration and evaluation costs - group

	Parys Mountain
Cost	£
At 31 March 2018	15,111,141
Additions - site	29,726
Additions - rentals & charges	25,021
At 31 March 2019	15,165,888
Additions - site	24,341
Additions - rentals & charges	25,494
At 31 March 2020	15,215,723
Carrying amount	
Net book value 2020	15,215,723
Net book value 2019	15,165,888

Included in the additions are mining lease expenses of £16,858 (2019 - £16,626).

Potential impairment of mineral property

Accumulated exploration and evaluation expenditure in respect of the Parys Mountain property is carried in the financial statements at cost less any impairment provision.

The directors assessed the carrying value of the Parys Mountain exploration and evaluation assets at the reporting date to determine whether specific facts and circumstances suggest there is an indication of impairment and concluded as described in the Strategic Report that those facts and circumstances have not materially changed during the year and there are no indicators of impairment

11 Property, plant and equipment

Group	Freehold land & property	Plant & equipment	Office equipment	Total
Cost	£	£	£	£
At 31 March 2018, 2019 and 2020	204,687	17,434	5,487	227,608
Depreciation				
At 31 March 2018, 2019 and 2020	-	17,434	5,487	22,921
Carrying amount				
At 31 March 2018, 2019 and 2020	204,687	-	-	204,687

Company	Freehold land & property	Plant & equipment	Office equipment	Total
Cost	£	£	£	£
At 31 March 2018, 2019 and 2020	-	17,434	5,487	22,921
Depreciation				
At 31 March 2018, 2019 and 2020	-	17,434	5,487	22,921
Carrying amount				
At 31 March 2018, 2019 and 2020	-	-	-	-

12 Subsidiaries - company

The subsidiaries of the company at 31 March 2020 and 2019 were as follows:

Name of company	Country of incorporation	Percentage owned	Principal activity
Parys Mountain Mines Limited[1]	England & Wales	100%	Development of the Parys Mountain mining property
Parys Mountain Land Limited[1]	England & Wales	100%	Holder of part of the Parys Mountain property
Parys Mountain Heritage Limited[1]	England & Wales	100%	Holder of part of the Parys Mountain property
Labrador Iron plc[2]	Isle of Man	100%	Holder of the company's investment in Labrador Iron Mines Holdings Limited
Angmag AB[3]	Sweden	100%	Holder of the company's investment in GIAB
Anglo Canadian Exploration (Ace) Limited[1]	England & Wales	100%	Dormant

Registered office addresses:

1. - Parys Mountain, Amlwch, Anglesey, LL68 9RE
2. - Fort Anne, Douglas, Isle of Man, IM1 5PD
3. - Box 1703, 111 87 Stockholm, Sweden

13 Investments - company

	Shares at cost	Capital contributions	Total
	£	£	£
At 1 April 2018	104,025	14,221,091	14,325,116
Advanced	-	64,026	64,026
At 31 March 2019	104,025	14,285,117	14,389,142
Advanced	-	71,500	71,500
At 31 March 2020	104,025	14,356,617	14,460,642

The realisation of investments is dependent on finance being available for development and on a number of other factors. Interest is not charged on capital contributions.

14 Investments - group

	Labrador	Grangesberg	Total
	£	£	£
At 1 April 2018	1	86,659	86,660
Change during the period	-	11,135	11,135
At 31 March 2019	1	97,794	97,795
Change during the period	-	2,304	2,304
At 31 March 2020	1	100,098	100,099

LIM

The directors consider the fair value of 12% investment in LIM for the purposes of these accounts to be £1.

Grangesberg

The group has, through its Swedish subsidiary Angmag AB, an 10.0% ownership interest in GIAB (2019 – 8.7%), a Swedish company which holds rights over the Grangesberg iron ore deposits. The directors assessed the fair value of its investment in Grangesberg under IFRS 9 and consider the cost at the date of transition and at the year-end to approximate its fair value at these dates. The group has, until June 2021, a right of first refusal over a further 50.1% of the equity of GIAB together with management direction of the activities of GIAB, subject to certain restrictions. The group has significant influence over certain relevant activities of GIAB however equity accounting has not been applied in respect of this influence as the directors consider this would not have any material affect.

During the year the group subscribed £11,713 (2019 - £12,472) for new shares in GIAB, obtained further shares in exchange for services provided by it to Grangesberg and transferred shares to Eurang AB as consideration for a reduction in the loan due to Eurang.

15 Deposit

	Group	
	2020	2019
	£	£
Site re-instatement deposit	123,748	123,460

This deposit was required and made under the terms of a Section 106 Agreement with the Isle of Anglesey County Council which has granted planning permissions for mining at Parys Mountain. The deposit is refundable upon restoration of the permitted area to the satisfaction of the Planning Authority. The carrying value of the deposit approximates to its fair value.

16 Cash and cash equivalents

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Held in sterling	94,210	4,933	92,885	3,979
Held in Canadian dollars	1	1	-	-
Held in US dollars	443	417	-	-
Held in Swedish krona	657	661	-	-
	95,311	6,012	92,885	3,979

The carrying value of the cash approximates to its fair value.

17 Trade and other payables

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Trade payables	(13,537)	(30,067)	(11,939)	(24,477)
Other accruals	(84,707)	(56,472)	(55,252)	(42,000)
	(98,244)	(86,539)	(67,191)	(66,477)

The carrying value of the trade and other payables approximates to their fair value.

18 Loans

	Group		Company	
	2020	2019	2020	2019
	£	£	£	£
Loan from Juno Limited	(3,660,788)	(3,406,635)	(3,660,788)	(3,406,635)
Loan from Eurmag AB	(321,105)	(300,087)	-	-
	(3,981,893)	(3,706,722)	(3,660,788)	(3,406,635)

Juno: The loan is provided under a working capital agreement, denominated in sterling, unsecured and carries interest at 10% per annum on the principal only. It is repayable from any future financing undertaken by the company, or on demand following a notice period of 367 days. The terms of the facility were approved by an independent committee of the board. The carrying value of the loan approximates to its fair value.

Eurmag: The loan arose in connection with the acquisition of the investment in Grangesberg. It is the subject of a letter agreement, denominated in Swedish Krona, is unsecured and carries interest at 6.5% per annum on the principal only. It is repayable from any future financing undertaken by the company, or on demand following a notice period of 367 days. The terms of the facility were approved by an independent committee of the board. The carrying value of the loan approximates to its fair value.

Changes in liabilities arising from financing activities

	1 April 2019	Cash flows	Non cash movements	31 March 2020
	£	£	£	£
Loan from Juno Limited	(3,406,635)	(100,000)	(154,153)	(3,660,788)
Loan from Eurmag AB	(300,087)	-	(21,018)	(321,105)
	(3,706,722)	(100,000)	(175,171)	(3,981,893)

The Juno loan relates to the group and company. The cash flow is in respect of a single loan drawdown of £100,000 and the non cash movement represents accrued interest.

The Eurmag loan relates to the group only and its non-cash movement comprises accrued interest, the value of GIAB shares transferred to Eurang AB which reduced the loan amount and foreign exchange changes.

19 Long term provision

	Group 2020 £	Group 2019 £
Provision for site reinstatement	(50,000)	(50,000)

The provision for site reinstatement covers the estimated costs of reinstatement at the Parys Mountain site of the work done and changes made by the group up to the date of the accounts. These costs would be payable on completion of mining activities (which is estimated to be more than 20 years after mining commences) or on earlier abandonment of the site. The provision has not been discounted because the impact of doing so is not material to the financial statements. There are significant uncertainties inherent in the assumptions made in estimating the amount of this provision, which include judgements of changes to the legal and regulatory framework, magnitude of possible contamination and the timing, extent and costs of required restoration and rehabilitation activity.

20 Share capital

	Ordinary shares of 1p		Deferred shares of 4p		Total
Issued and fully paid	Nominal value £	Number	Nominal value £	Number	Nominal value £
At 1 April 2019	1,776,081	177,608,051	5,510,833	137,770,835	7,286,914
Issued in the period	93,677	9,367,681			93,677
At 31 March 2020	1,869,758	186,975,732	5,510,833	137,770,835	7,380,591

The deferred shares are non-voting, have no entitlement to dividends and have negligible rights to return of capital on a winding up.

On 17 May 2019 a placing of 9,367,681 new ordinary shares was made to an institution, representing approximately 5.3% of the company's current issued share capital, at 2.135 pence per share to raise a total of £200,000 gross and £180,000 net.

On 24 August 2020 a private placing of £200,000 gross together with warrants that could raise an additional £225,000 gross during the following 12 months was announced.

21 Equity-settled employee benefits

The 2014 Unapproved share option plan provides for a grant price equal to or above the average quoted market price of the ordinary shares for the three trading days prior to the date of grant. All options granted to date have carried a performance criterion, namely that the company's share price performance from the date of grant must exceed that of the companies in the top quartile of the FTSE 100 index. The vesting period for any options granted since 2014 has been one year. Options are forfeited if the employee leaves employment with the group before the options vest. No options were granted, lapsed or forfeited in respect of the 2014 plan during the year.

	2020			2019		
	Options	Weighted average exercise price in pence	Remaining contractual life in years	Options	Weighted average exercise price in pence	Remaining contractual life in years
Outstanding at beginning of period	3,500,000	2.50	2.5	4,200,000	2.50	3.1
Granted during the period	-	-		-	-	
Forfeited during the period	-	-		-	-	
Exercised during the period	-	-		-	-	
Expired during the period	-	-		700,000	-	
Outstanding at the end of the period	3,500,000	2.00	1.5	3,500,000	2.50	2.5
Exercisable at the end of the period	3,500,000	2.00	1.5	3,500,000	2.50	2.5

There were no expenses in respect of equity-settled employee remuneration for the year ended 31 March 2020 (2019 – nil).

Note 21 Equity-settled employee benefits - continued

A summary of options granted and outstanding, all of which are over ordinary shares of 1 pence, is as follows:

Scheme	Number	Nominal value £	Exercise price	Exercisable from	Exercisable until
2014 Unapproved	3,500,000	35,000	2.00p	30 September 2017	30 September 2021

22 Results attributable to Anglesey Mining plc

The loss after taxation in the parent company amounted to £275,206 (2019 loss £220,241). The directors have taken advantage of the exemptions available under section 408 of the Companies Act 2006 and not presented an income statement for the company alone.

23 Financial instruments

Capital risk management

There have been no changes during the year in the group's capital risk management policy.

The group manages its capital to ensure that entities in the group will be able to continue as going concerns while optimising the debt and equity balance. The capital structure of the group consists of debt, which includes the borrowings disclosed in note 19, the cash and cash equivalents and equity comprising issued capital, reserves and retained earnings.

The group does not enter into derivative or hedging transactions and it is the group's policy that no trading in financial instruments be undertaken. The main risks arising from the group's financial instruments are currency risk and interest rate risk. The board reviews and agrees policies for managing each of these risks and these are summarised below.

Interest rate risk

The amounts advanced under the Juno loans are at a fixed rate of interest of 10% per annum and those from Eurmag are at a fixed rate of 6.5% per annum. As a result the group is not exposed to interest rate fluctuations. Interest received on cash balances is not material to the group's operations or results.

The company (Anglesey Mining plc) is exposed to minimal interest rate risks.

Liquidity risk

The group has ensured continuity of funding through a mixture of issues of shares and the working capital agreement with Juno Limited.

Trade creditors are payable on normal credit terms which are usually 30 days. The loans due to Juno and Angmag carry a notice period of 367 days. Juno, in keeping with its long-established practice has indicated that it has no current intention of demanding repayment. No such notice had been received by 25 September 2020 in respect of either of the loans and they are classified as having a maturity date between one and two years from the period end.

Currency risk

The presentational currency of the group and company is pounds sterling. The loan from Juno Limited is denominated in pounds sterling. As a result, the group has no currency exposure in respect of this loan. Currency risk in respect of the book value of the investment in LIM is not significant.

In respect of the investment in Grangesberg in Sweden, if the rate of exchange between the Swedish Krona and sterling were to weaken against sterling by 10% there would be a loss to the group of £9,374 (2019 - £8,925) and if it were to move in favour of sterling by a similar amount there would be a gain of £11,457 (2019 - £10,908). Regarding liabilities denominated in Krona if the rate of exchange between the Swedish Krona and sterling were to weaken against sterling by 10% there would be a gain to the group of £29,191 (2019 - £27,281) and if it were to move in favour of sterling by a similar amount there would be a loss of £35,678 (2019 - £33,343). These gains or losses would be recorded in other comprehensive income.

Potential exchange variations in respect of other foreign currencies are not material.

Credit risk

The directors consider that the entity has limited exposure to credit risk as the entity has immaterial receivable balances at the year-end on which a third party may default on its contractual obligations. The carrying amount of the group's financial assets represents its maximum exposure to credit risk. Cash is deposited with BBB or better rated banks.

Note 23 *Financial instruments - continued*

Group	Financial assets classified at fair value through other comprehensive income		Financial assets measured at amortised cost	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	£	£	£	£
Investments	100,099	97,795	-	-
Deposit	-	-	123,748	123,460
Other receivables	-	-	16,505	19,215
Cash and cash equivalents	-	-	95,311	6,012
	100,099	97,795	235,564	148,687

	Financial liabilities measured at amortised cost	
	31 March 2020	31 March 2019
	£	£
Trade payables	(13,537)	(30,067)
Other payables	(84,707)	(56,472)
Loans	(3,981,893)	(3,706,722)
	(4,080,137)	(3,793,261)

Company

	Financial assets measured at amortised cost		Financial liabilities measured at amortised cost	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	£	£	£	£
Other receivables	5,960	6,705	-	-
Cash and cash equivalents	92,885	3,979	-	-
Trade payables	-	-	(11,939)	(24,477)
Other payables	-	-	(55,252)	(42,000)
Loan	-	-	(3,660,788)	(3,406,635)
	98,845	10,684	(3,727,979)	(3,473,112)

24 Related party transactions

Transactions between Anglesey Mining plc and its subsidiaries are summarised in note 13.

Juno Limited

Juno Limited (Juno) which is registered in Bermuda holds 29% of the company's issued ordinary share capital. The group has the following agreements with Juno: (a) a controlling shareholder agreement dated September 1996 and (b) a consolidated working capital agreement of 12 June 2002. Interest payable to Juno is shown in note 7 and the balance due to Juno is shown in note 18. There were no transactions between the group and Juno or its group during the year. Danesh Varma is a director and, through his family interests, a significant shareholder of Juno.

Grangesberg

Bill Hooley and Danesh Varma are directors of Grangesberg Iron AB and of the special purpose vehicle Eurmag AB; Danesh Varma has been associated with the Grangesberg project since 2007 when he became a director of Mikula Mining Limited, a company subsequently renamed Eurang Limited, previously involved in the Grangesberg project. He did not take part in the decision to enter into the Grangesberg project when this was approved by the board. The group has a liability to Eurmag AB a subsidiary of Eurang amounting to £321,105 at the year-end (2019 – £300,087) – see note 18. During the year £11,713 (2019 - £12,472) was subscribed for new shares in GIAB.

Key management personnel

All key management personnel are directors and appropriate disclosure with respect to them is made in the directors' remuneration report.

There are no other contracts of significance in which any director has or had during the year a material interest.

25 Mineral holdings

Parys

(a) Most of the mineral resources delineated to date are under the western portion of Parys Mountain, the freehold and minerals of which are owned by the group. A royalty of 6% of net profits after deduction of capital allowances, as defined for tax purposes, from production of freehold minerals is payable. The mining rights over and under this area, and the leasehold area described in (b) below, are held in the Parys Mountain Mines Limited subsidiary.

(b) Under a mining lease from Lord Anglesey dated December 2006, the subsidiary Parys Mountain Land Limited holds the eastern part of Parys Mountain, formerly known as the Mona Mine. An annual certain rent of £11,858 is payable for the year beginning 23 March 2019; the base part of this rent increases to £20,000 when extraction of minerals at Parys Mountain commences; this rental is index-linked. A royalty of 1.8% of net smelter returns from mineral sales is also payable. The lease may be terminated at 12 months' notice and otherwise expires in 2070.

(c) Under a mining lease from the Crown dated December 1991 there is an annual lease payment of £5,000. A royalty of 4% of gross sales of gold and silver from the lease area is also payable. The lease expired in early 2020 and negotiations in respect of the renewal of this lease or the granting of a new lease are continuing.

Lease payments

The group's mining leases may be terminated by the Group with 12 months' notice. If they are not so terminated, the minimum payments due in respect of the leases and royalty agreement are analysed as follows: within the year commencing 1 April 2020 - £19,095 ; between 1 April 2021 and 31 March 2026 - £101,141 . Thereafter the payments will continue at proportionate annual rates, in some cases with increases for inflation, for so long as the leases are retained or extended.

26 Material non cash transactions

There were no material non-cash transactions in the year. The arrangements with QME Limited in respect of Parys Mountain development which began in 2018 have a non-cash element and are described in the Strategic Report on pages 5 to 8.

27 Commitments

Other than commitments under leases (note 25) there is no capital expenditure authorised or contracted which is not provided for in these accounts (2019 - nil).

28 Contingent liabilities

There are no contingent liabilities (2019 - nil).

29 Events after the period end

Subsequent to the period end, on 24 August 2020, the Company made a private placing of 12,500,000 new ordinary shares at 1.6 pence per share, to raise a total of £200,000 gross, together with 12,500,000 warrants with a term of 12 months to subscribe for new ordinary shares at an exercise price of 1.8p per share that if exercised could raise an additional £225,000.

Annual General Meeting 2020

The 2020 Annual General Meeting of shareholders of Anglesey Mining plc will be held on 30 September 2020 and a General Meeting of Shareholders will be held on 30 October 2020.

In light of current measures relating to Covid-19 and the UK Government advice on physical distancing measures, no shareholder, except those designated as attending for the purposes of making up a quorum, will be admitted to the Annual General Meeting called for 30 September 2020 or to the General Meeting called for 30 October 2020. Shareholders should submit a proxy vote in advance of each meeting. Please note that naming a proxy, other than the Chairman of the meeting, will not enable such proxy to attend the meetings. Shareholders who wish to ask any questions relating to the business of either of the meetings are welcome to do so by means of an email to mail@angleseymining.co.uk with AGM as its subject. .

Due to the Covid-19 situation, the company's annual report and accounts will not be available for publication and distribution at the time of this notice and therefore the usual resolutions relating to the reception of those accounts and the directors' remuneration and remuneration policy reports will not be presented to the Annual General Meeting.

In June 2020, the UK government enacted legislation to give companies flexibility to hold their annual general meetings where lockdowns due to the coronavirus (COVID-19) pandemic would prevent such meetings in person. The *Corporate Insolvency and Governance Act 2020* introduced two key measures to help those companies required to hold an annual general meeting (AGM) during this time. Firstly, a company could extend the period in which its AGM must be held, and secondly, the Act allows companies to hold a closed AGM. However, the Act includes provisions relating to the holding of meetings of companies taking place between 26 March 2020 and 30 September 2020 (Relevant Period), that is primarily those companies with a December financial year end, and although the Act provides that further extensions will be granted to extend the Relevant Period in increments of up to three months, not to extend beyond 5 April 2021, such extension, which would have been relevant for those companies with a March, June or other financial year end, has not been granted.

To deal with this unusual situation the board is calling a General Meeting of shareholders to be held on 30 October 2020, the notice of which is also set out below, to conduct the business and resolutions which will not be considered at the Annual General Meeting on 30 September 2020.

Enclosed with these notices are proxy cards, one for each of the meetings. It is re-iterated that (a) shareholders cannot attend the meetings in person and (b) naming a proxy other than the Chairman of the meeting will not enable such proxy to attend the meeting. These arrangements appear to the board to be the best way to comply with the legal requirement to hold an AGM within six months of the end of the financial year; to provide shareholders with adequate time to consider the contents of the annual report before the accounts are presented at the meeting; and to give the required notice of the resolutions to be considered. Shareholders should visit the website www.angleseymining.co.uk for any further information and announcements which might be relevant to these general meetings.

Notice of Annual General Meeting to be held on 30 September 2020

Notice is given that the 2020 Annual General Meeting of Anglesey Mining plc will be held electronically in a physically distanced manner on 30 September 2020,30 September 2020 at 11.00 a.m. to consider and, if thought fit, to pass the resolutions set out below.

As ordinary business

1. To reappoint John F. Kearney as a director.
2. To reappoint Bill Hooley as a director.
3. To reappoint Howard Miller as a director.
4. To reappoint Danesh Varma as a director.
5. To reappoint Mazars LLP as auditor.
6. To authorise the directors to determine the remuneration of the auditor.

By order of the board
Danesh Varma
Company secretary
10 September 2020

Notices of General Meetings

Notice of a General Meeting to be held on 30 October 2020

Notice is given that a general meeting of shareholders of Anglesey Mining plc will be held electronically in a physically distanced manner on 30 October 2020 at 11.00 a.m. to consider and, if thought fit, to pass the resolutions set out below.
Resolutions 1 to 3 will be proposed as ordinary resolutions and resolutions 4 and 5 will be proposed as special resolutions:

As ordinary business

1. To receive the annual accounts and directors' and auditor's reports for the year ended 31 March 2020.
2. To approve the directors' remuneration report for the year ended 31 March 2020.
3. To approve the directors' remuneration policy in the directors' remuneration report for the year ended 31 March 2020.

As special business

4. That, pursuant to section 551 of the Companies Act 2006 ("Act"), the directors be and are generally and unconditionally authorised to exercise all powers of the company to allot shares in the company or to grant rights to subscribe for or to convert any security into shares in the company up to an aggregate nominal amount of £660,000, provided that (unless previously revoked, varied or renewed) this authority shall expire on 31 December 2021, save that the company may make an offer or agreement before this authority expires which would or might require shares to be allotted or rights to subscribe for or to convert any security into shares to be granted after this authority expires and the directors may allot shares or grant such rights pursuant to any such offer or agreement as if this authority had not expired.

This authority is in substitution for all existing authorities under section 551 of the Act (which, to the extent unused at the date of this resolution, are revoked with immediate effect).

5. That pursuant to section 570 of the Act, the directors be and are generally empowered to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority granted under section 551 of the Act pursuant to resolution 4 above as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

(a) in connection with an offer of equity securities (whether by way of a rights issue, open offer or otherwise) (i) to holders of ordinary shares in the capital of the company in proportion (as nearly as practicable) to the respective numbers of ordinary shares held by them; and (ii) to holders of other equity securities in the capital of the company, as required by the rights of those securities or, subject to such rights, as the directors otherwise consider necessary but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to treasury shares, fractional entitlements, record dates or any legal or practical problems under the laws of any territory or the requirements of any regulatory body or stock exchange; and

(b) otherwise than pursuant to paragraph 12(a) above, up to an aggregate nominal amount of £498,000

and (unless previously revoked, varied or renewed) this power shall expire on 31 December 2021, save that the company may make an offer or agreement before this power expires which would or might require equity securities to be allotted for cash after this power expires and the directors may allot equity securities for cash pursuant to any such offer or agreement as if this power had not expired. This power is in substitution for all existing powers under section 570 of the Act which, to the extent effective at the date of this resolution, are revoked with immediate effect.

By order of the board
Danesh Varma
Company secretary
10 September 2020

Notes to the notice of AGM and the subsequent General Meeting

Entitlement to attend and vote

1. The right to vote at the meeting is determined by reference to the register of members. Only those shareholders registered in the register of members of the Company as at the close of business on 28 September 2020 in respect of the AGM and 28 October 2020 in respect of the subsequent General Meeting (or, if either meeting is adjourned, 48 hours (excluding any part of a day that is not a working day) before the date and time of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting.

Proxies

2. A shareholder is entitled to appoint another person as his or her proxy to exercise all or any of his or her rights to attend and to speak and vote at the meeting. However any person appointed other than the Chairman will, on this unusual occasion, not be able to attend and vote at the meeting. Shareholders are therefore recommended to use their proxy card to vote directly in the way they see fit. A proxy need not be a member of the Company. A shareholder may appoint more than one proxy in relation to the meeting, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the numbers of shares set out in the other proxy appointments is in excess of the number of shares held by the shareholder may result in the proxy appointment being invalid. A proxy may be appointed only in accordance with the procedures set out in note 3 and the notes to the proxy form. The appointment of a proxy will not preclude a shareholder from attending and voting in person at the meeting.
3. A form of proxy for each meeting is enclosed. When appointing more than one proxy, complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by contacting the Company's registrar Link Asset Services, Proxies, The Registry, 34 Beckenham Road, Kent BR3 4TU or the proxy form may be photocopied. State clearly on each proxy form the number of shares in relation to which the proxy is appointed. To be valid, a proxy form must be received by post or (during normal business hours only) by hand at the offices of the Company's registrar, Link Asset Services, Proxies, The Registry, 34 Beckenham Road, Kent BR3 4TU, no later than 11.00 a.m. on 28 September 2020 in respect of the AGM and 28 October 2020 in respect of the subsequent General Meeting (or, if either meeting is adjourned, no later than 48 hours (excluding any part of a day that is not a working day) before the time of any adjourned meeting).

Corporate representatives

4. A shareholder which is a corporation may authorise one or more persons to act as its representative(s) at either meeting. Each such representative may exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual shareholder, provided that (where there is more than one representative and the vote is otherwise than on a show of hands) they do not do so in relation to the same shares.

Total voting rights

5. As at 14 September 2020 (being the last practicable date before the publication of this notice), the issued share capital consists of 199,475,732 ordinary shares of £0.01 each, carrying one vote each and 21,529,451 Deferred A Shares and 116,241,384 Deferred B Shares which do not carry any rights to vote. Therefore, the total voting rights as at 14 September 2020 are 199,475,732.

Nominated Persons

6. Where a copy of this notice is being received by a person who has been nominated to enjoy information rights under section 146 of the Companies Act 2006 ("Act") ("Nominated Person"):
(a) the Nominated Person may have a right under an agreement between him/her and the shareholder by whom he/she was nominated, to be appointed, or to have someone else appointed, as a proxy for the meeting; or
(b) if the Nominated Person has no such right or does not wish to exercise such right, he/she may have a right under such an agreement to give instructions to the shareholder as to the exercise of voting rights. The statement of the rights of shareholders in relation to the appointment of proxies in note 2 does not apply to a Nominated Person. The rights described in such notes can only be exercised by shareholders of the Company.

Shareholders' right to require circulation of resolutions to be proposed at the AGM only

7. A shareholder or shareholders meeting the qualification criteria set out in note 10 below may require the Company to give shareholders notice of a resolution which may properly be proposed and is intended to be proposed at the meeting in accordance with section 338 of the Act. A resolution may properly be proposed unless (i) it would, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise), (ii) it is defamatory of any person, or (iii) it is frivolous or vexatious. The business which may be dealt with at the meeting includes a resolution circulated pursuant to this right. Any such request must (i) identify the resolution of which notice is to be given, by either setting out the resolution in full or, if supporting a resolution requested by another shareholder, clearly identifying the resolution which is being supported (ii) comply with the requirements set out in note 11 below, and (iii) be received by the Company no later than six weeks before the meeting.

Shareholders' right to have a matter of business dealt with at the AGM only

8. A shareholder or shareholders meeting the qualification criteria set out in note 10 below may require the Company to include in the business to be dealt with at the meeting any matter (other than a proposed resolution) which may properly be included in the business in accordance with section 338A of the Act. A matter may properly be included unless (i) it is defamatory of any person, or (ii) it is frivolous or vexatious. Any such request must (i) identify the matter to be included in the business, by either setting out the matter in full or, if supporting a matter requested by another shareholder, clearly identifying the matter which is being supported (ii) set out the grounds for the request (iii) comply with the requirements set out in note 11 below and (iv) be received by the Company no later than six weeks before the meeting.

Notices of General Meetings

Website publication of audit concerns

9. A shareholder or shareholders who meet the qualification criteria set out in note 10 below may require the Company to publish on its website a statement setting out any matter that such shareholders propose to raise at the subsequent General Meeting relating to either the audit of the Company's accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting or any circumstances connected with an auditor of the Company ceasing to hold office since the last annual general meeting of the Company in accordance with section 527 of the Act. Any such request must (i) identify the statement to which it relates, by either setting out the statement in full or, if supporting a statement requested by another shareholder, clearly identify the statement which is being supported (ii) comply with the requirements set out in note 11 below and (iii) be received by the Company at least one week before the meeting. Where the Company is required to publish such a statement on its website (i) it may not require the shareholders making the request to pay any expenses incurred by the Company in complying with the request (ii) it must forward the statement to the Company's auditors no later than the time when it makes the statement available on the website and (iii) the statement may be dealt with as part of the business of the meeting.

Notes 7, 8 and 9 above: qualification criteria and methods of making requests

10. In order to require the Company (i) to circulate a resolution to be proposed at the meeting as set out in note 7, (ii) to include a matter in the business to be dealt with at the meeting as set out in note 8, or (iii) to publish audit concerns as set out in note 9, the relevant request must be made by (i) a shareholder or shareholders having a right to vote at the meeting and holding at least five per cent of the total voting rights of the Company or (ii) at least 100 shareholders having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital. For information on voting rights, including the total voting rights of the Company, see note 5 above and the website referred to in note 15 below.

11. Any request by a shareholder or shareholders to require the Company (i) to circulate a resolution to be proposed at either of the meetings as set out in note 7 (ii) to include a matter in the business to be dealt with at the meeting as set out in note 8 or (iii) to publish audit concerns as set out in note 9 may be made either (a) in hard copy, by sending it to Anglesey Mining plc, Tower Bridge, St Katharine's Way, London E1W 1DD (marked for the attention of the Company Secretary); or (b) in electronic form, by sending an email to danesh@angleseymining.co.uk; and must state the full name(s) and address(es) of the shareholder(s) and (where the request is made in hard copy form) must be signed by the shareholder(s).

Questions at the meeting

12. Shareholders have the right to ask questions at the meetings relating to the business being dealt with at the meetings in accordance with section 319A of the Act. The Company must answer any such question unless: (a) to do so would interfere unduly with the preparation for the meeting or would involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. Shareholders who wish to ask any questions relating to the business of either of the meetings are welcome to do so by means of an email to AGM@angleseymining.co.uk.

Documents available for inspection

13. The following documents will be available for inspection during normal business hours at the registered office of the Company from the date of this notice until the time of the meeting. They will also be available for inspection at the place of the meeting from at least 15 minutes before the meeting until it ends: (a) copies of the service contracts of the executive directors, (b) copies of the letters of appointment of the non-executive directors and (c) the Articles of Association of the Company which are also available on the Company's website.

Biographical details of directors

14. Biographical details of all those directors who are offering themselves for reappointment at the meeting are attached to this notice and will also be included in the annual report and accounts.

Website providing information about the meeting

15. The information required by section 311A of the Act to be published in advance of the meeting, which includes the matters set out in this notice and information relating to the voting rights of shareholders, is available at www.angleseymining.co.uk.

Directors

John F. Kearney	Irish, aged 69, is Chairman of Anglesey Mining plc and a number of other public companies, including Labrador Iron Mines Holdings Limited, Buchans Resources Limited, Minco Exploration plc and Xtierra Inc, and until 2019 was Chairman of Canadian Zinc Corporation. Over the course of his career he has served as a senior officer (usually Chairman and/or Chief Executive) of more than thirty public companies incorporated in Canada; Ireland; United Kingdom; United States; Australia and elsewhere, the shares of which were listed on various stock exchanges (including London Stock Exchange; AIM Market; Toronto Stock Exchange; New York Stock Exchange; American Stock Exchange; NASDAQ; Australian Stock Exchange). Mr. Kearney also served as a Director and Member of the Executive Committee of the Mining Association of Canada and as a director and two term President of the Northwest Territories and Nunavut Chamber of Mines. Mr. Kearney is a member of the Prospectors and Developers Association of Canada, the Canadian Institute of Mining and Metallurgy and the Law Society of Ireland. He holds degrees in law and economics from University College Dublin, an M.B.A. degree from Trinity College Dublin, and a Diploma in Mining Law from Osgoode Hall Law School, York University, Toronto. He qualified as a solicitor in Ireland and as a chartered secretary with the Institute of Chartered Secretaries and Administrators in London.
Bill Hooley	aged 73, Chief Executive, is a mining engineering graduate from the Royal School of Mines, London and has extensive experience in the minerals industry including mine and processing operations, planning, project management and corporate management in many countries including Australia, Saudi Arabia, Canada and the UK. He has also practised as a minerals industry consultant at a senior level and has managed other businesses developing and selling products and services to the minerals and related industries. He is Vice-Chairman and a director of Labrador Iron Mines Holdings Limited as well as Chairman and a director of Grangesberg Iron AB and Eurmag AB. He has been a director of a number of other companies involved in the minerals industry. He is a Fellow of the Australasian Institute of Mining and Metallurgy.
Danesh Varma	aged 70, Finance Director and Company Secretary is a chartered accountant in England and Wales, and Canada, with over 37 years of experience in financial management. He is currently a director of Brookfield Investment Corp., Canadian Manganese Corp., Labrador Iron Mines Holdings Limited, Anglesey Mining plc, Grangesberg Iron AB, Eurmag AB and Minco Exploration plc. He also serves as the Chief Financial Officer of Conquest Resources Limited, Buchans Resources Limited and Xtierra Inc. Previously he was President of American Resource Corporation and Westfield Minerals Limited and a director of Northgate Exploration Limited., Minco plc and Connemara Mining plc
Howard Miller	aged 76, non-executive director, a lawyer with over 40 years' experience in the legal and mining finance sector in Africa, Canada and the UK. He has extensive experience in the financing of resource companies. He is a member of the remuneration, audit and nomination committees and the senior independent director.

Solicitors
DLA Piper UK LLP
101 Barbirolli Square
Manchester
M2 3DL

Auditor
Mazars LLP
Tower Bridge House,
St. Katharine's Way, London
E1W 1DD

Anglesey Mining plc

	Parys Mountain Amlwch, Anglesey, LL68 9RE
	Phone 01407 831275 mail@angleseymining.co.uk
London office	Painters' Hall Chambers 8 Little Trinity Lane, London, EC4V 2AN Phone 020 7062 3782
Registrars	Link Asset Services The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU Share dealing phone 0371 664 0445 Helpline phone 0371 664 0300 Calls are charged at the standard geographic rate and will vary by provider. If you are outside the United Kingdom, please call +44 371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00am and 5.30pm, Monday to Friday excluding public holidays in England and Wales
Registered office	Tower Bridge House, St. Katharine's Way, London, E1W 1DD
Web site	www.angleseymining.co.uk
Company registered number	1849957
Shares listed	The London Stock Exchange - LSE:AYM