

## AIM Announcement

18 May 2021

### HALF-YEARLY REPORT 2021

Tertiary Minerals plc, the AIM-traded company building a multi-commodity project portfolio, announces its unaudited interim results for the six months ended 31 March 2021.

#### **OPERATIONAL HIGHLIGHTS:**

##### **NEVADA, USA**

##### **Pyramid Gold-Silver Project, Nevada (Lease held 100% by Tertiary)**

- Soil sampling and follow-up prospecting completed.
- Rock chip samples from the North Ruth and Western Line soil anomalies returned high grade silver values.
- Additional soil sampling completed over possible strike extension to the Western Line Anomaly. Results awaited.
- Phase 1 trenching and mapping completed on the North Ruth and Western Line anomalies. Results awaited.

##### **Paymaster Zinc-Silver Project, Nevada (100% owned by Tertiary)**

- Infill soil sampling completed over East Slope Prospect – Zinc-silver soil anomalies defined over 450m, open to the east.
- Magnetic Vector Inversion modelling has defined magnetic anomalies associated with the East Slope and Valley Prospects and provided additional targets for exploration.
- Field mapping and trenching proposed for spring/summer 2021.

##### **Brunton Pass Copper Project, Nevada (100% owned by Tertiary)**

- New project staked with copper mineralisation spread over a 1km x 0.6km target area.
- Samples collected by United States Bureau of Mines contain up to 6.91% copper. Follow up sampling by the Company confirmed widespread copper mineralisation and included an 8ft channel sample grading 4.66% copper over 2.44m (8ft).
- Drone magnetic survey and soil sampling completed. Results awaited.

##### **Mt Tobin Silver Prospect, Nevada (100% owned by Tertiary)**

- Associated silver-in-soil and magnetic anomalies defined over a strike length of 1,200m and widths of 75-200m.
- Anomalies are open along strike. Field evaluation planned for summer 2021.

##### **Lucky Copper Project, Nevada (100% owned by Tertiary)**

- Hole 21TLRC001 was drilled to a depth of 108.24m.
- Two magnetic gossan zones intersected containing low-grade copper (+/-gold) mineralisation.
- Follow up magnetic survey completed to target replacement style mineralisation. Results awaited.

## **ZAMBIA**

- New subsidiary, Luangwa Minerals Limited, formed after period-end to acquire copper exploration and development projects in Zambia.

### **FINANCIAL SUMMARY FOR THE SIX MONTHS ENDED 31 MARCH 2021:**

- Operating Loss of £223,690 comprises:
  - Revenue of £81,495; less Administration costs of £243,851 (which includes non-cash share-based payments of £11,608).
  - Pre-licence and reconnaissance exploration costs totalling £48,449.
  - Impairment of deferred exploration asset of £12,885.
- Total Group Loss of £223,663 is after crediting interest income of £27.
- Project expenditure of £112,494 was capitalised during the 6-month period.

### **Funding and Cash Position:**

- The Company completed a fundraising in the period with Peterhouse Capital Limited raising £450,000 before expenses.
- Warrants were exercised providing £13,750 of funds.
- Precious Metal Capital Group LLC (PMCG) subscribed for shares during the six months period in the amount of £420,000, which was prepaid in April 2020. No further share issues are due to PMCG.
- The closing cash (and cash equivalent) position at the end of the period was £743,497.

For more information please contact:

### **Enquiries**

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## **COVID-19**

The Company has applied all government guidelines in its day-to-day operations and administration. The restrictions on international travel have impacted the ability of the Company to supervise local operations. Fortunately, this has caused only minor delays and setbacks in the advancement of corporate objectives. Management and staff have carried out their duties diligently and efficiently in the circumstances of the "work-from-home" rules and social distancing. The Company is pleased to report that, to date, it has not incurred any positive cases of Coronavirus amongst its staff.

## **CAUTIONARY NOTICE**

The news release may contain certain statements and expressions of belief, expectation or opinion which are forward looking statements, and which relate, inter alia, to the Company's proposed strategy, plans and objectives or to the expectations or intentions of the Company's directors. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the control of the

Company that could cause the actual performance or achievements of the Company to be materially different from such forward-looking statements. Accordingly, you should not rely on any forward-looking statements and save as required by the AIM Rules for Companies or by law, the Company does not accept any obligation to disseminate any updates or revisions to such forward-looking statements.

#### **MARKET ABUSE REGULATION (MAR) DISCLOSURE**

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 ('MAR'). Upon the publication of this announcement via Regulatory Information Service ('RIS'), this inside information is now considered to be in the public domain.

## **Chairman's Statement**

I am pleased to present our Interim Report for the six-month period ended 31 March 2021 and to be reporting further progress in the Company's transition from a fluorspar focused company to a broader based company exploring for copper, gold, and silver. We now hold five active projects in Nevada, USA, with exploration programmes in progress across the portfolio.

We have maintained our position in the Storuman fluorspar development project in Sweden where the Company's mining concession application remains under government review, although, it seems, with little prospect of an imminent decision.

At the Pyramid Gold-Silver Project near Reno, Nevada, which we hold under lease, we are awaiting assay results from a trenching programme completed to test mineralisation found at surface in a follow-up of an earlier soil sampling programme. Infill soil sampling has also been completed, analytical results are awaited and are expected to generate targets for a second phase of trenching.

The Brunton Pass Copper-Gold Project is a newly acquired project which we staked to follow up widespread occurrences of copper oxide minerals at surface and where our own sampling included a 2.44m channel sample grading 4.66% copper. We have moved quickly to carry out a drone magnetic survey and a project-wide soil sampling programme where results are awaited.

An initial drill hole was recently completed at the Lucky Copper Project intersecting narrow zones of gossan containing low copper values. The mineralisation has a magnetic response and is of a replacement type that can include large copper deposits and a drone magnetic survey is now underway to identify larger targets for drilling.

Further work is also scheduled for the Paymaster base metal and Mt Tobin silver projects where there is a strong association of magnetic and geochemical anomalies which present exciting exploration targets and where follow up field evaluation is now planned for the summer.

Copper is increasingly a focus for the Company. It is a key metal in electric vehicles, prices are at record levels and the long-term market outlook is very favourable. After reviewing data on a number of projects around the world, the Company has formed a Zambian subsidiary, Luangwa Minerals Limited, which will target copper exploration and development opportunities in Zambia, one of the world's top 10 copper producing countries with nearly 900,000 tonnes of copper produced in 2020. Tertiary's Board has many years of experience with Zambian mining projects and has put together a small team with a successful background in exploring and developing copper projects in Zambia.

We continue to hold our pre-production and production royalties on the Kaasselkä and Kiekerömaa gold projects in Finland which are being explored by Aurion Resources and an Aurion/B2B Gold joint venture company respectively. These project areas are close to Rupert Resources' Ikkari gold discovery which is attracting strong investor interest.

Our activities during the period have been funded through existing cash resources, a share placing with joint broker Peterhouse Capital Limited that raised £450,000 (before expenses), and also an exercise of warrants which raised £13,750. Precious Metals Capital Group (PMCG) was issued with shares during the reporting period to the value of £420,000 and the £600,000 placing & prepayment agreement signed in April 2020 is now settled in full. No further share issues are due to PMCG.

The Net Current Assets of the Group at the period end were £761,220 including cash and cash equivalents of £743,497.

On the corporate front we were pleased that Dr Mike Armitage has joined the Board as an independent non-executive director during the reporting period and we expect Mike's wide global experience with SRK Consulting will be a valuable asset for the Company going forward.

We anticipate regular news flow over the remainder of the financial year and look forward to advising shareholders of our progress.

**Patrick L Cheetham**  
**Executive Chairman**  
26 May 2021

## Consolidated Income Statement

for the six months to 31 March 2021

	Six months to 31 March 2021 Unaudited £	Six months to 31 March 2020 Unaudited £	Twelve months to 30 September 2020 Audited £
Revenue	81,495	94,691	175,750
Administration costs	(243,851)	(352,914)	(597,994)
Pre-licence exploration costs/impairment costs	(48,449)	(20,711)	(49,360)
Impairment of deferred exploration asset	(12,885)	-	(2,027,000)
<b>Operating loss</b>	<b>(223,690)</b>	<b>(278,934)</b>	<b>(2,498,604)</b>
Gain on disposal of available for sale investment	-	-	-
Interest receivable	27	154	437
Loss before income tax	(223,663)	(278,780)	(2,498,167)
Income tax	-	-	-
<b>Loss for the period attributable to equity holders of the parent</b>	<b>(223,663)</b>	<b>(278,780)</b>	<b>(2,498,167)</b>
Loss per share – basic and diluted (pence) (Note 2)	<b>(0.02)</b>	(0.05)	(0.38)

# Consolidated Statement of Comprehensive Income

for the six months to 31 March 2021

	Six months to 31 March 2021 Unaudited £	Six months to 31 March 2020 Unaudited £	Twelve months to 30 September 2020 Audited £
<b>Loss for the period</b>	<b>(223,663)</b>	<b>(278,780)</b>	<b>(2,498,167)</b>
<b>Items that could be reclassified subsequently to the Income Statement:</b>			
Foreign exchange translation differences on foreign currency net investments in subsidiaries	<b>(10,876)</b>	(10,352)	(94,278)
	<b>(10,876)</b>	(10,352)	(94,278)
<b>Items that will not be reclassified to the Income Statement:</b>			
Changes in the fair value of equity investments	<b>(6,587)</b>	(12,963)	23,263
	<b>(6,587)</b>	(12,963)	23,263
Total comprehensive loss for the period attributable to equity holders of the parent	<b>(241,126)</b>	(302,095)	(2,569,182)

**Company Registration Number 03821411**  
**Consolidated Statement of Financial Position**

at 31 March 2021

	As at 31 March 2021 Unaudited £	As at 31 March 2020 Unaudited £	As at 30 September 2020 Audited £
<b>Non-current assets</b>			
Intangible assets	627,631	2,492,717	541,958
Property, plant & equipment	2,346	4,220	3,369
Other investments	49,398	19,759	55,985
	<b>679,375</b>	<b>2,516,696</b>	<b>601,312</b>
<b>Current assets</b>			
Receivables	82,855	55,348	71,695
Cash and cash equivalents	743,497	407,807	622,859
	<b>826,352</b>	<b>463,155</b>	<b>694,554</b>
<b>Current liabilities</b>			
Trade and other payables	(50,181)	(89,506)	(66,189)
Share subscription loan	-	-	(420,000)
Reclamation liability	(14,951)	-	-
	<b>761,220</b>	<b>373,649</b>	<b>208,365</b>
<b>Net current assets</b>	<b>761,220</b>	<b>373,649</b>	<b>208,365</b>
<b>Net assets</b>	<b>1,440,595</b>	<b>2,890,345</b>	<b>809,677</b>
<b>Equity</b>			
Called up Ordinary Shares	118,332	73,383	83,164
Deferred Shares	-	2,644,062	-
Share premium account	11,567,054	10,569,399	10,740,972
Capital redemption reserve	2,644,061	-	2,644,061
Merger reserve	131,096	131,096	131,096
Share option reserve	78,088	66,830	71,897
Fair value reserve	8,232	(21,407)	14,819
Foreign currency reserve	314,598	409,400	325,474
Accumulated losses	(13,420,866)	(10,982,418)	(13,201,806)
<b>Equity attributable to the owners of the parent</b>	<b>1,440,595</b>	<b>2,890,345</b>	<b>809,677</b>

## Consolidated Statement of Changes in Equity

	Ordinary Share Capital £	Deferred Shares £	Share Premium Account £	Capital redemption reserve £	Merger Reserve £	Share Warrant Reserve £	Fair Value Reserve £	Foreign Currency Reserve £	Accumulated Losses £	Total £
<b>At 30 September 2019</b>	<b>44,307</b>	<b>2,644,062</b>	<b>10,008,687</b>	-	<b>131,096</b>	<b>67,468</b>	<b>(8,444)</b>	<b>419,752</b>	<b>(10,729,500)</b>	<b>2,577,428</b>
Loss for the period	-	-	-	-	-	-	-	-	(278,780)	(278,780)
Change in fair value	-	-	-	-	-	-	(12,963)	-	-	(12,963)
Exchange differences	-	-	-	-	-	-	-	(10,352)	-	(10,352)
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	-	<b>(12,963)</b>	<b>(10,352)</b>	<b>(278,780)</b>	<b>(302,095)</b>
Share issue	29,076	-	560,712	-	-	-	-	-	-	589,788
Share based payments expense	-	-	-	-	-	25,224	-	-	-	25,224
Transfer of expired warrants	-	-	-	-	-	(25,862)	-	-	25,862	-
<b>At 31 March 2020</b>	<b>73,383</b>	<b>2,644,062</b>	<b>10,569,399</b>	-	<b>131,096</b>	<b>66,830</b>	<b>(21,407)</b>	<b>409,400</b>	<b>(10,982,418)</b>	<b>2,890,345</b>
Loss for the period	-	-	-	-	-	-	-	-	(2,219,388)	(2,219,388)
Change in fair value	-	-	-	-	-	-	36,226	-	-	36,226
Exchange differences	-	-	-	-	-	-	-	(83,926)	-	(83,926)
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	-	<b>36,226</b>	<b>(83,926)</b>	<b>(2,219,388)</b>	<b>(2,267,088)</b>
Share issue	9,781	-	171,572	-	-	-	-	-	-	181,353
Cancellation of deferred shares	-	(2,644,062)	1	2,644,061	-	-	-	-	-	-
Share based payments expense	-	-	-	-	-	5,067	-	-	-	5,067
Transfer of expired warrants	-	-	-	-	-	-	-	-	-	-
<b>At 30 September 2020</b>	<b>83,164</b>	<b>-</b>	<b>10,740,972</b>	<b>2,644,061</b>	<b>131,096</b>	<b>71,897</b>	<b>14,819</b>	<b>325,474</b>	<b>(13,201,806)</b>	<b>809,677</b>
Loss for the period	-	-	-	-	-	-	-	-	(223,663)	(223,663)
Change in fair value	-	-	-	-	-	-	(6,587)	-	-	(6,587)
Exchange differences	-	-	-	-	-	-	-	(10,876)	-	(10,876)
<b>Total comprehensive loss for the period</b>	-	-	-	-	-	-	<b>(6,587)</b>	<b>(10,876)</b>	<b>(223,663)</b>	<b>(241,126)</b>
Share issue	35,168	-	826,082	-	-	-	-	-	-	861,250
Share based payments expense	-	-	-	-	-	10,794	-	-	-	10,794
Transfer of expired warrants	-	-	-	-	-	(4,603)	-	-	4,603	-
<b>At 31 March 2021</b>	<b>118,332</b>	<b>-</b>	<b>11,567,054</b>	<b>2,644,061</b>	<b>131,096</b>	<b>78,088</b>	<b>8,232</b>	<b>314,598</b>	<b>(13,420,866)</b>	<b>1,440,595</b>



# Consolidated Statement of Cash Flows

for the six months to 31 March 2021

	Six months to 31 March 2021 Unaudited £	Six months to 31 March 2020 Unaudited £	Twelve months to 30 September 2020 Audited £
<b>Operating activity</b>			
Total loss after tax excluding interest received	<b>(223,690)</b>	(278,934)	(2,498,604)
Depreciation charge	<b>1,023</b>	886	1,850
Shares issued in settlement of outstanding salaries	-	2,738	4,090
Share based payment charge	<b>10,794</b>	25,224	30,290
Impairment of deferred exploration asset	<b>12,885</b>	-	2,027,000
Provision for reclamation cost	<b>14,951</b>	-	-
(Increase)/decrease in receivables	<b>(11,160)</b>	(13,779)	(30,127)
Increase/(decrease) in payables	<b>(16,007)</b>	18,820	(4,497)
<b>Net cash outflow from operating activity</b>	<b>(211,204)</b>	(245,045)	(469,998)
<b>Investing activity</b>			
Interest received	<b>27</b>	154	437
Exploration and development expenditures	<b>(112,494)</b>	(43,513)	(200,071)
Disposal of other investments	-	57,052	57,053
Purchase of property, plant & equipment	-	(924)	(1,037)
<b>Net cash (outflow)/inflow from investing activity</b>	<b>(112,467)</b>	12,769	(143,618)
<b>Financing activity</b>			
Issue of share capital (net of expenses)	<b>441,250</b>	587,050	767,051
Share subscription loan	-	-	420,000
<b>Net cash inflow from financing activity</b>	<b>441,250</b>	587,050	1,187,051
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>117,579</b>	354,774	573,435
Cash and cash equivalents at start of period	<b>622,859</b>	50,617	50,617
Exchange differences	<b>3,059</b>	2,416	(1,193)
<b>Cash and cash equivalents at end of period</b>	<b>743,497</b>	407,807	622,859

# Notes to the Interim Statement

## 1. Basis of preparation

The consolidated interim financial information has been prepared in accordance with the accounting policies that are expected to be adopted in the Group's full financial statements for the year ending 30 September 2021 which are not expected to be significantly different to those set out in Note 1 of the Group's audited financial statements for the year ended 30 September 2020. These are based on the recognition and measurement principles of IFRS in issue as adopted by the European Union (EU) or that are expected to be adopted and effective on 30 September 2021. The implementation of new standards and interpretations has not led to any changes in the Group's accounting policies (other than presentation and disclosure) or had any other material impact on its financial position. The financial information has not been prepared (and is not required to be prepared) in accordance with IAS 34. The accounting policies have been applied consistently throughout the Group for the purposes of preparation of this financial information.

The financial information in this statement relating to the six months ended 31 March 2021 and the six months ended 31 March 2020 has neither been audited nor reviewed by the Auditors, pursuant to guidance issued by the Auditing Practices Board. The financial information presented for the year ended 30 September 2020 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for the year ended 30 September 2020 have been filed with the Registrar of Companies. The Independent Auditor's Report on the Annual Report and Financial Statement for the year ended 30 September 2020 was unqualified, although it did draw attention to matters by way of emphasis in relation to going concern, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The directors prepare annual budgets and cash flow projections for a 15 months' period. These projections include the proceeds of future fundraising necessary within the period to meet the Company's and Group's planned discretionary project expenditures and to maintain the Company and Group as a going concern. Although the Company has been successful in raising finance in the past, there is no assurance that it will obtain adequate finance in the future. These factors represent a material uncertainty related to events or conditions which may cast significant doubt on the entity's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business. However, the directors have a reasonable expectation that they will secure additional funding when required to continue meeting corporate overheads and exploration costs for the foreseeable future and therefore believe that the going concern basis is appropriate for the preparation of the financial statements.

## 2. Loss per share

Loss per share has been calculated on the attributable loss for the period and the weighted average number of shares in issue during the period.

	<b>Six months to 31 March 2021 Unaudited</b>	Six months to 31 March 2020 Unaudited	Twelve months to 30 September 2020 Audited
Loss for the period (£)	<b>(223,663)</b>	(278,780)	(2,498,167)
Weighted average shares in issue (No.)	<b>945,938,531</b>	513,084,724	661,815,154
Basic and diluted loss per share (pence)	<b>(0.02)</b>	(0.05)	(0.38)

The loss attributable to ordinary shareholders and the weighted average number of ordinary shares used for the purpose of calculating diluted earnings per share are identical to those used to calculate the basic earnings per ordinary share. This is because the exercise of share warrants would have the effect of reducing the loss per ordinary share and is therefore not dilutive under the terms of IAS33.

### **3. Share capital**

During the six months to 31 March 2021 the following share issues took place:

An issue of 43,181,818 0.01p Ordinary Shares at 0.22p per share to PMCG, pursuant to a subscription deed, for a total consideration of £95,000 (21 January 2021), prepaid in April 2020.

An issue of 173,076,923 0.01p Ordinary Shares at 0.26p per share, by way of a share placing, for a total consideration of £450,000 before expenses (26 January 2021).

An issue of 54,166,667 0.01p Ordinary Shares at 0.24p per share to PMCG, pursuant to a subscription deed, for a total consideration of £130,000 (3 February 2021), prepaid in April 2020.

An issue of 5,000,000 0.01p Ordinary Shares at 0.275p per share, following an exercise of warrants, for a total consideration of £13,750 (8 February 2021).

An issue of 56,250,000 0.01p Ordinary Shares at 0.24p per share to PMCG, pursuant to a subscription deed, for a total consideration of £135,000 (10 February 2021), prepaid in April 2020.

An issue of 20,000,000 0.01p Ordinary Shares at 0.3p per share to PMCG, pursuant to a subscription deed, for a total consideration of £60,000 (24 February 2021), prepaid in April 2020.

### **4. Event after the Balance Sheet date**

A new subsidiary, Luangwa Minerals Ltd, was formed after the period end to acquire copper exploration and development projects in Zambia.