RNS Number : 1205M
Alba Mineral Resources PLC
19 May 2022

Alba Mineral Resources plc

("Alba" or the "Company")

Final Results

Alba Mineral Resources plc (AIM: ALBA) is pleased to announce its Final Results for the year ended 30 November 2021.

OVERVIEW

Multiple projects advanced in the UK and Ireland

- Clogau-St David's Gold Mine
  - Circa 3,500 metres drilling undertaken from surface and underground since 2018, just under half of which was done during 2021
  - Drilling resulted in identification of high-priority development targets, including discovery of Upper Lode in Llechfraith Payshoot and New Branch Lode in Main Lode System
  - Ongoing discussions with Natural Resources Wales to dewater Llechfraith Shaft
  - Waste tip returned elevated gold grades of up to 9.89 g/t from initial sampling programme in June 2021 and up to 11.35 g/t from bulk sample taken post year end
  - Estimated up to 4,000 tonnes of fine material could be available for processing from waste tip
- Dolgellau Gold Exploration Project
  - Granted additional exclusive mineral exploration licence for a further six years
  - Refined existing regional geological model into six primary gold targets for follow-up investigation
  - Identified new high-grade regional gold target, Hafod Owen, with grab samples grading up to 24 g/t
- Limerick Base Metals Project
  - Identified three principal exploration target areas for follow-up exploration activities, with exploration drilling planned to commence H2 2022
- Gwynfynydd Gold Mine
  - Undertook work comprising digitisation of a mine plan and 3D modelling, stream sediment sampling, and data compilation

Investee companies making excellent progress

- GreenRoc Mining plc ("GreenRoc") (Alba: 54% interest), which is developing critical mineral projects in Greenland:
  - Amitsoq Graphite Project -
    - Maiden Resource declared at Amitsoq Island Deposit of 8.28 Mt at an average grade of 19.75%, giving a total graphite content of 1.63Mt.
    - Exploration Target increased to a tonnage range of 5-15 Mt at a grade range of 18-22% Graphitic Carbon - to be tested by further exploration drilling in 2022
  - Thule Black Sands Ilmenite Project -
    - Phase 2 drilling completed in 2021, with significant upgrade in existing Mineral Resource expected

- Key EIA/SIA contractors appointed, which will ultimately provide basis for Mining Licence application

· Horse Hill Oil Field (Alba: 11.765% interest) - UK based producing oil field
  · Environment Agency ("EA") granted full Production Permit ("PP") to the Operator, enabling production and water re-injection operations and drilling of further development wells. Operator can now proceed with conversion of Horse Hill-2z well into water injector 2022, which would remove the need for costly transportation and disposal of produced saline formation water.

Spin-out of Greenland assets to create value for Alba

· Admission of GreenRoc to AIM in Q3 2021, raising over £5 million (before costs) and Alba disposing of its four Greenland projects to GreenRoc for £6 million in shares, against a book value of £2.7 million, such that Alba now owns 54% majority stake in GreenRoc
· Spin-out has created a Greenland-focused vehicle with the sole purpose of fast-tracking GreenRoc's advanced graphite and ilmenite projects through development and production

Focus on securing additional complementary assets

· Continuing to evaluate potential new projects to strengthen portfolio

CHAIRMAN'S STATEMENT

Our overall objective is to unearth hidden value from previously drilled or mined projects and to this end we are advancing multiple projects in the UK and Ireland including the Clogau-St David's Gold Mine, the Gwynfynydd Gold Mine, the Dolgellau Gold Exploration Project, and the Limerick Base Metals Project. Additionally, we hold significant stakes in two investee companies: GreenRoc Mining plc ('GreenRoc'), a Greenland-dedicated listed vehicle, which we spun out during the year to fast-track the development of its advanced graphite and ilmenite projects; and Horse Hill Developments Ltd ('Horse Hill'), a UK based oil producer.

Much of our energy has been focused on our most advanced asset, the Clogau-St David's Gold Mine, where we hope to commence commercial processing/production in the near future and take advantage of the strong gold price. Notably, Welsh gold fetches a premium over normal gold spot price, placing us in a strong position to pursue commercialisation opportunities such as entering into a JV/offtake with a luxury international brand or producing gold coins/bars for investment.

Since mid-2018, we have undertaken circa 3,500 metres drilling from surface and underground at Clogau, just under half of which was done during 2021, resulting in the identification of several high-priority development targets. New discoveries include the Upper Lode in the Llechfraith Payshoot and the New Branch Lode in the Main Lode System. As shareholders will be aware, Natural Resources Wales ('NRW') turned down our permit application to dewater the Llechfraith Shaft, but we remain hopeful of resolving the outstanding issues and proceeding with the dewatering so that we can access the Llechfraith Payshoot.

Notwithstanding this setback, having acquired and installed an operating pilot processing plant in late 2020, we have used the plant this year to process material from Clogau's historic waste tip this coming year. The waste tip returned elevated gold grades of up to 9.89 g/t from an initial sampling programme in mid-June 2021, and gold grades of up to 11.35 g/t from a second programme post period end. Given the fine nature of the material that has the potential to filter

downwards, we are exploring options to take a second bulk sample from the lower reaches of the waste tip that could further strengthen the project's economic viability in tandem with developing a mining plan. Current estimations of the higher-grade portion of the dump indicate an in-situ tonnage of approximately 11,000 tonnes, of which up to 4,000 tonnes of fine material (<20mm) could be available for processing for gold.

We also made advances at our exploration licence which hosts the Gwynfynyndd Gold Mine located north of Clogau, as well as other exciting regional gold prospects, with work comprising digitisation of a mine plan and 3D modelling, stream sediment sampling, and data compilation including regional geophysics from the 1970s. We are now laying the groundwork to advance plans for more exploration work to define resources in previously unmined areas as well as in-mine targets.

The wider 188 km2 Dolgellau Gold Exploration Project, where there are some 300 historical workings and circa 11 past producing gold mines including Clogau and Gwynfynydd, is equally exciting. During the year, we were granted an additional exclusive mineral exploration licence for a further six years in line with our overall plan for continued regional exploration of the Dolgellau Gold Field. Having previously undertaken an extensive regional exploration campaign, including collecting and assaying circa 2,000 soil samples, our work in the year has refined the resulting data into six primary gold targets for follow-up investigation. This includes a 1.8 km long structure to the east of the Brintirion Fault, which cuts through and displaces the lodes between the Clogau and St David's workings, and a 2 km long target in the north-east of the project area, previously partially tested by trenching in late 2020.

A new high-grade regional gold target, Hafod Owen, was also identified within the exploration licence in July 2021, with grab samples grading up to 24 g/t. We are now planning a high-resolution UAV (drone-based) aeromagnetic geophysical survey to pinpoint the bedrock sources of geochemical anomalies and refine targets for follow up groundwork including drilling.

As we move further into 2022, our Limerick Base Metals Project is also gaining traction. Located in the Irish Ore Field, home to some of Europe's largest zinc-lead projects, this project is surrounded by active zinc-lead exploration projects including Stonepark, Carricklittle and Bulgadden. We have identified three principal exploration target areas for follow-up exploration activities and are currently in the process of planning for exploration drilling, which we hope will commence H2 2022.

A key event during the year was our successful spin-out listing on AIM of our portfolio of Greenlandic assets. The new AIM-quoted vehicle which now holds 100% of those assets, GreenRoc Mining plc, is led by an experienced, Greenland-focused senior management team. Post period end, GreenRoc announced the departure of CEO Kirk Adams and that Director Lars Brünner would be taking over as interim CEO pending confirmation of a permanent appointment. We are confident that GreenRoc is well positioned for significant growth in the year ahead. Alba has a 54% stake in GreenRoc.

GreenRoc's graphite and ilmenite projects are particularly exciting:

- Amitsoq, in southern Greenland, is one of the highest-grade graphite deposits in the world. Post period end, having completed a drill programme during 2021, GreenRoc announced a maiden Mineral Resource at the Amitsoq Island Deposit of 8.28 million tonnes (Mt) at an

average grade of 19.75%, giving a total graphite content of 1.63 Mt. This includes a particularly high-grade contribution from the Lower Graphite Layer of 3.67 Mt at a grade of 21.19%, for 0.775 Mt of contained graphite. The Exploration Target at the Amitsoq Island Deposit has also increased to a tonnage range of 5-15 Mt at a grade range of 18-22% Graphitic Carbon (Cg). GreenRoc is now in the process of planning and procuring drilling services to drill out the remaining extent of the Exploration Target area at the Amitsoq Island deposit this summer, after which it is hoped to have the resource basis to undertake a detailed feasibility study on the deposit. Further upside is expected from the as yet undrilled Kalaaq Deposit to the south of Amitsoq.

· Thule Black Sands (or TBS) is a high-grade ilmenite project in north-west Greenland, extensively drilled with 10km of mineralised strike length and moving into the development phase. With Phase 2 drilling completed in 2021 to provide the basis for a Scoping Study, EIA/SIA and, ultimately, mining licence application, we are hopeful of a significant upgrade in the quantum and classification of the existing Mineral Resource at TBS.

Recent welcome news from the Horse Hill oil field, in which we have an investment of 11.675% via our holding in Horse Hill Developments Limited, is the grant of a full Production Permit ("PP") from the Environment Agency, enabling production and water re-injection operations, incineration of waste gas, maintenance/workovers and the drilling of further development wells under a single permit, a move forward from the umbrella of testing permits in place to date. We look forward to hearing of the Operator's plans for enhancing productivity and delivering on the inherent, and to date largely untapped, value of the Horse Hill Oil Field.

As well as developing our existing assets and supporting our investee companies, all with a view to moving from explorer to developer/producer, we remain focused on securing additional complementary assets that meet our requirements of being either brownfield (ex-production) sites or advanced exploration (previously drilled) assets. We will update the market in this regard when appropriate.

Financial Review

The most significant financial event during the year ended 30 November 2021 was the group reorganisation and IPO to create the new Greenland-focused, AIM listed group, GreenRoc Mining plc. As Alba owns 54 per cent of the GreenRoc group after the IPO, GreenRoc group is fully consolidated within Alba Group with a significant non-controlling interest arising in the balance sheet.

GreenRoc paid Alba £6 million in shares before costs for the Greenlandic projects, against a book value of £2.7 million, a tangible vote of confidence in Alba's strategy to unearth hidden value from previously drilled or mined projects. That market valuation cannot be reflected in the balance sheet of the new Group (as it is treated as intragroup profit and eliminated from the accounts), but the benefits of the transaction to the Group are clear with a cash injection of £5 million from the IPO to progress the Greenland projects.

Outlook

Our objective remains to expose our shareholders to a continuous stream of high impact activity, and in line with this we are focused on ensuring 2022 builds on the successes we have had over the past few years with multiple exploration and development programmes underway or planned. We also anticipate a steady stream of news flow from our investee companies,

principally GreenRoc, as it fast-tracks the development of its exciting projects in the critical minerals space. As recent events in eastern Europe have reminded us, the need for Britain, Europe and the US to ensure ongoing security of supply of critical natural resources and to phase out overreliance on any one producer state, is set to become ever more pressing in the months and years ahead.

Our focus at Alba on near-term projects in safe jurisdictions with multiple follow-up targets, access to existing infrastructure and relatively short timelines to achieving value-enhancing development milestones has served us well. We intend to build on this going forward and while there is still much value to be generated in our existing assets, we continue to evaluate potential new projects to strengthen our portfolio further.

I look forward to providing shareholders with further updates on our progress as we focus on ensuring the underlying value of our assets and investments is more fully reflected in our share price.

Finally, I would like to take this opportunity to thank the Board and our management team for their continued dedication and support over the course of the year. I look forward to continuing our work in the year ahead as we focus on delivering on our overriding objective, which is to generate significant value for all our shareholders.

George Frangeskides
Executive Chairman
18 May 2022

EXTRACTS FROM THE STRATEGIC REPORT

FINANCIAL REVIEW

Income Statement
Group operating losses of £1,044,000 during the period reflect the growth of the group this year. A new Board at GreenRoc Mining, the newly created Greenland-focused subsidiary, plus the appointment of a COO at Alba and other new permanent employees of the group, mean increased staff costs. These new teams should relieve the pressure on the legacy Alba team and ensure the rapid development of the projects bringing commercial activities closer to reality.
Additionally, administrative expenses to 30 November 2021, although containing only two months of GreenRoc group, will inevitably be higher due to the costs of running a second listed entity and the advisory and exchange fees that necessitates.

At parent company level, the profit on disposal of the Greenlandic subsidiaries highlights the success of the transaction in realising value from the market for Alba's assets.

The significant exceptional cost in 2021 is the impairment of the Group's investment in Horse Hill, an impairment of £615,000 in line with that published by the majority owner and operator, UK Oil & Gas plc ("UKOG") in their recent results. There is of course intrinsic value in the oil underground at Horse Hill, and we look forward to any further developments there as they are reported by UKOG since the recent announcement of grant of a full Production Permit.

Balance sheet

Group net assets have increased to £12.9 million from £10 million at last year end. As stated above, the investment in HHDL has been impaired to £3.4 million. The assets of GreenRoc Mining plc, being the Greenlandic projects, are retained at book valuation being capitalised exploration spend to date, not taking account of the "market" valuation uplift arising when GreenRoc purchased them for £6 million. This fair value uplift of £4m net of tax is shown in GreenRoc's standalone published accounts but is deemed to be intragroup profit and is eliminated in this group consolidation, so that GreenRoc's project assets are shown at a lower value in Alba's group balance sheet through accounting convention.

During the period significant capital project spend was made - additions of £2.6 million across the Group, the majority being cash outflows. Spend was principally on drilling and other exploration at Clogau, and in two field programmes in Greenland which were planned, executed and part funded by Alba before being passed on to GreenRoc.

To have funded such extensive activity is testament to the Group's focus on value-for-money and cash management.

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2021

	Note	2021 £'000	2020 £'000
Other income		23	10
Administrative expenses	4	(1,067)	(554)
Operating loss		(1,044)	(544)
Revaluation of financial liability	16	(180)	-
Revaluation of investment	11	(615)	(1,430)
Finance costs		(1)	(106)
Loss for the year before tax		(1,840)	(2,080)
Taxation	7	-	-
Loss for the year		(1,840)	(2,080)
Attributable to:			
Equity holders of the parent		(1,699)	(2,079)
Non-controlling interests		(141)	(1)
		(1,840)	(2,080)
Earnings per ordinary share			
Basic and diluted	8	(0.027) pence	(0.047) pence

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 NOVEMBER 2021

	2021	2020
	£'000	£'000
Income for the year	(1,840)	(2,080)
Items that may subsequently be reclassified to profit or loss:		
- Foreign exchange movements	(1)	(61)
Total comprehensive income	(1,841)	(2,141)
Total comprehensive income attributable to:		
Equity holders of the parent	(1,700)	(2,140)
Non-controlling interests	(141)	(1)
	(1,841)	(2,141)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
30 NOVEMBER 2021

	Note	2021	2020
		£'000	£'000
Non-current assets			
Property, plant and equipment	9	137	111
Intangible fixed assets	10	6,110	3,526
Investments - Horse Hill Developments Limited	11	3,385	4,000
Total non-current assets		9,632	7,637
Current assets			
Trade and other receivables	13	178	1,196
Cash and cash equivalents	14	3,948	1,512
Total current assets		4,126	2,708
Current liabilities			
Trade and other payables	15	(671)	(257)
Financial liabilities	16	(221)	(41)
Total current liabilities		(892)	(298)
Net current assets		3,234	2,410
Net assets		12,866	10,047
Capital and reserves			
Share capital	17	5,005	4,984
Share premium		9,877	9,360
Warrant reserve		1,425	1,287
Warrants to be issued reserve		-	416
Dilution of ownership reserve	5	991	-
Other reserves		89	-
Retained losses		(7,421)	(6,153)
Foreign currency reserve		168	169
Equity attributable to equity holders of the parent		10,134	10,063
Non-controlling interests	18	2,732	(16)

Total equity	12,866	10,047

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 NOVEMBER 2021

	Share capital	Share premium	Warrant reserve	Warrants to be issued reserve	Dilution of ownership reserve	Other reserves	Retained losses	Foreig currenc reserv
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'00
At 30 November 2019	**4,583**	**7,128**	**723**	**-**	**-**	**-**	**(4,274)**	**230**
Loss for the year	-	-	-	-	-	-	(2,079)	-
Other comprehensive income	-	-	-	-	-	-	-	(61)
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(2,079)**	**(61)**
Shares and warrants issued	240	2,301	745	416	-	-	-	-
Shares issued on conversion	161	137	-	-	-	-	(75)	-
Share issue costs	-	(206)	-	-	-	-	-	-
Equity settled share-based payments	-	-	94	-	-	-	-	-
Transfer on exercise or expiry of warrants	-	-	(275)	-	-	-	275	-
Total transactions with owners	401	2,232	564	416	-	-	200	-
At 30 November 2020	**4,984**	**9,360**	**1,287**	**416**	-	**-**	**(6,153)**	**169**
Loss for the year	-	-	-	-	-	-	(1,699)	-
Other comprehensive income	-	-	-	-	-	-	-	(1)
Total comprehensive income for the year	-	-	-	-	-	-	(1,699)	(1)
Shares and warrants issued	7	162	416	(416)	-	-	-	-
Shares issued in exchange for ownership interests (not resulting in change in control)	14	355	-	-	-	-	-	-
Equity settled share-based payments	-	-	153	-	-	-	-	-
Transfer on exercise or expiry of warrants	-	-	(431)	-	-	-	431	-
Dilution of ownership (not resulting in change in control)	-	-	-	-	991	-	-	-
Subsidiary equity settled share-based payments	-	-	-	-	-	89	-	-
Total transactions with owners	21	517	138	(416)	991	89	431	-
At 30 November 2021	**5,005**	**9,877**	**1,425**	**-**	**991**	**89**	**(7,421)**	**168**

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2021

	Note	2021	2020
		£'000	£'000
Cash flows from operating activities			
Operating loss		(1,044)	(544)
Loss on disposal	5	9	-
Fees settled in shares		32	12
Share based payment charges		237	94
Change in fair value of other investments		-	11
Depreciation	9	5	-
Foreign exchange revaluation adjustment		(1)	(61)
Increase/(decrease) in creditors		386	(89)
Decrease/(increase) in debtors	13	(110)	13
Net cash used in operating activities		(486)	(564)
Cash flows from investing activities			
Payments for deferred exploration expenditure		(2,544)	(483)
Payments for tangible fixed assets		(31)	(26)
Net cash used in investing activities		(2,575)	(509)
Cash flows from financing activities			
Proceeds from the issue of shares and exercise of warrants		1,295	2,423
Costs of issue		(72)	(105)
Proceeds from the issue of shares and warrants - GreenRoc		5,075	-
IPO transaction costs		(800)	-
Proceeds from issue of convertible loan notes		-	192
Finance expense		(1)	(37)
Repayment of short-term borrowings plus financing costs		-	(99)
Net cash generated from financing activities		5,497	2,374
Net increase/(decrease) in cash and cash equivalents		2,436	1,301
Cash and cash equivalents at beginning of period		1,512	211
Cash and cash equivalents at end of year	**14**	3,948	1,512

Significant non-cash transactions in the period not reflected above are:

- Revaluation of the Group's and Company's investment in Horse Hill Developments Limited, impairing the investment value by £615,000 (2020: £1,430,000). The impairment of investment is not included in operating costs so is not reflected in the cash flow statement above. See Note 11.
- Group reorganisation and dilution of ownership as detailed in Note 5, leading to creation of an NCI of £2,806,000 and a Dilution of ownership reserve of £991,000.

1. ACCOUNTING POLICIES AND BASIS OF PREPARATION

Alba Mineral Resources plc is a public limited company incorporated and domiciled in England & Wales, whose shares are publicly traded on the AIM market of the London Stock Exchange plc. The registered office address is 6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR. The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been applied consistently to all the years presented.

a. Basis of preparation

These consolidated financial statements of Alba Mineral Resources plc have been prepared in accordance with International Financial Reporting Standards in conformity with the requirements of the Companies Act 2006 ("IFRSs") as they apply to the Group for the year ended 30 November 2021 and with the Companies Act 2006. Numbers have been rounded to £'000.

The consolidated financial statements have been prepared on the historical cost basis, save for the revaluation of certain financial assets and liabilities at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 2.

New and amended Standards and interpretations effective at 1 December 2020

During the year, the Group adopted the following new and amended IFRSs for the first time for the reporting period commencing 1 December 2020:

- Amendments to IAS 1 and IAS 8 - Definition of material
- Amendments to IFRS 3 - Definition of a business
- Amendments to the Conceptual framework for Financial Reporting

There is no material impact on the financial statements following the adoption of these new standards and interpretations.

New standards, amendments, and interpretations not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 November 2021 reporting periods and have not been early adopted by the Group. These standards include:

- Interest Rate Benchmark Reform - IBOR 'phase 2' (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) that addresses issues that might affect financial reporting after the reform of an interest rate benchmark including its replacement with an alternative benchmark rate. These amendments are mandatorily effective for periods beginning 1 January 2021.
- IAS 37 - Onerous Contracts - Cost of Fulfilling a Contract amending the standard regarding costs a company should include as the cost of fulfilling a contract when assessing whether a contract is onerous. These amendments are mandatorily effective for periods beginning 1 January 2022.
- IAS 16 - Property, Plant and Equipment - Proceeds before Intended Use regarding proceeds from selling items produced while bringing as asset into the location and condition necessary for it to be capable of operating in the manner intended by management. These amendments are mandatorily effective for periods beginning 1 January 2022.
- IAS 1 - Presentation of Financial statements - The classification of liabilities as current or non-current basing the classification on contractual arrangements at the reporting date. These amendments are effective for periods beginning 1 January 2023.

The Directors do not anticipate that the adoption of these amendments will have a material impact on the financial statements of the Company and the Group in the period of initial application or in future reporting periods. Other amendments, standards and interpretations are in issue, both endorsed and not yet endorsed, but they are not relevant to the Group and as such they are not commented on.

b. Going concern

Based on financial projections prepared by the Directors, the Group's current cash resources are insufficient to enable the Group to meet its recurring outgoings and projected exploration expenditure for the entirety of the next twelve months. The Directors have prepared 12-month cash flow forecasts to 31 May 2023 which take into account planned exploration spend, costs and external funding. The need for external funding is a material uncertainty that may cast doubt on the Group's ability to continue as a going concern. At this stage as an explorer the Group does not have a steady income stream and is reliant on external funding sources such as capital raisings or asset transactions to fund activities. The nature of these is ad-hoc and as such the Group does not carry a cash balance sufficient for 12 months of expenditure. However, the Board has a reasonable expectation that the Group will continue to be able to meet its commitments for the foreseeable future by raising funds when required from the equity capital markets and based on the following:

- The Group has a strong track record in sourcing external funding.
- Forecasts contain a level of discretionary spend such that in the event that cash flow becomes constrained action can be taken to enable the Group to operate within available funding. The Group demonstrated this during the Covid-19 pandemic when sourcing capital was uncertain.
- The Group and Company may also consider future joint venture funding arrangements in order to share the costs of the development of its exploration assets, or to consider divesting of certain of its assets and realising cash proceeds in that way in order to support the balance of its exploration and investment portfolio.

For these reasons the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

c. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and companies controlled by the Company, the Subsidiary Companies, drawn up to 30 November each year.

Control is recognised 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. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, where 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.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity within the dilution of ownership reserve.

Non-controlling interests consist of the amounts of those interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination.

d. Foreign currency

For the purposes of the consolidated financial statements, the results and financial position of each Group entity are expressed in pounds sterling, which is the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Exchange differences arising are included in profit or loss for the period.

For the purposes of preparing consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Gains and losses from exchange differences so arising are shown through the Consolidated Statement of Changes in Equity.

e. Share based payments

Share-based compensation benefits are made on an ad-hoc basis on the recommendations of the Remuneration Committee or via the Enterprise Management Incentive Scheme where the employee meets the qualifying conditions. The fair value of warrants or options granted is recognised as an employee benefits expense, with a corresponding increase in the warrant reserve. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (eg the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (eg profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (eg the requirement for employees to save or hold shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to the warrant reserve.

f. Non-current assets

Intangible assets: Deferred exploration and evaluation costs

Pre-licence costs are expensed in the period in which they are incurred. Expenditure on licence renewals and new licence applications covering an area previously under licence are capitalised in accordance with the policy set out below.

Once the legal right to explore has been acquired, exploration costs and evaluation costs arising are capitalised on a project-by-project basis, pending determination of the technical feasibility and commercial viability of the project. Costs include appropriate technical and administrative expenses. If a project is successful, the related expenditures will be reclassified as development and production assets and amortised over the estimated life of the commercial reserves. Prior to this, no amortisation is recognised in respect of such costs. When all licences comprising a project are relinquished, a project abandoned, or is considered to be of no further commercial value to the Company, the related costs will be written off to administrative expense within profit or loss. Deferred exploration costs are carried at historical cost less any impairment losses recognised.

Where the Group has entered into a farm out agreement, the Group does not record any expenditure made by the farmee on its account. It also does not recognise any gain or loss on its exploration and evaluation farm-out arrangements but redesignates any costs previously capitalised in relation to the whole interest as relating to the partial interest retained. Any cash consideration received directly from the farmee is credited against costs previously capitalised in relation to the whole interest with any excess accounted for as a gain on disposal.

Where the Group enters into a farm in agreement, the Group recognises all expenditure which it incurs under that agreement, with the expenditure being either capitalised or expensed in accordance with the policy detailed above.

Intangible assets: Development and production assets

Development and production assets are accumulated into cost centres and represent the cost of developing the commercial reserves and bringing them into production together with any previously deferred exploration and evaluation.

On acquisition of development and production assets from a third party, the asset will be recognised in the financial statements on signature of the sale and purchase agreement, subject to satisfaction of any substantive conditions within the agreement.

Costs relating to each cost centre are depreciated on a unit of production method based on the commercial proven reserves for that cost centre. Changes in reserve quantities and cost estimates are recognised prospectively. On disposal of any part
of a development and production asset, proceeds are credited to the Statement of Comprehensive Income, less the percentage cost relating to the disposal.

A review is performed for any indication that the value of the development and production assets may be impaired. Where there are such indications, an impairment test is carried out on the relevant cost centre. Additional depletion is included within cost of sales within the Statement of Comprehensive Income if the capitalised costs of the cost centre exceed the associated estimated future discounted cash flows of the related commercial oil and gas reserves.

Property, plant and equipment

Land is shown at cost and is not depreciated as it is not a wasting asset. The land owned by the Group is an integral part of access to one of the Group's projects and as such its value is reviewed annually as part of the impairment review of that project value as a whole.

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

- Plant and equipment 10 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date. An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Investment in subsidiaries: Investment in subsidiaries, comprising equity instruments and capital contributions, are recognised initially at cost less any provision for impairment.

g. Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the Group becomes a party to the contractual provisions of the instrument. The classification is

dependent on the business model adopted for managing the financial assets and the contractual terms of the cash flows expected to be derived from the assets.

The Group classifies its financial instruments as follows:

Financial assets	
Trade and other receivables	Amortised cost
Loans to subsidiaries (Company only)	Amortised cost
Investments	At fair value through profit or loss (FVPL)
Financial liabilities	
Trade and other payables	Amortised cost
Borrowings	Amortised cost
Other borrowings	Amortised cost
Derivative financial instrument	At fair value through profit or loss (FVPL)

Trade and other receivables: Trade and other receivables are held for the collection of contractual cash flows and are classified as being measured at amortised cost. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

Loans to subsidiaries: Long-term loans to subsidiaries, other than capital contributions, are held for the collection of contractual cash flows and are classified as being measured at amortised cost, net of provision for impairment. Impairment is initially based on the expected lifetime credit loss as applied to the portfolio of loans. The loans are interest free and have no fixed repayment terms. As such the loans are assessed as being credit impaired on inception and lifetime expected credit losses are recognised with the amount of provision being recognised in the profit or loss.

A loan will be subject to impairment review if there is an indicator of impairment, such as the impairment of the value of the deferred exploration intangible asset within the relevant subsidiary. A loan is fully impaired when the relevant subsidiary recognises an impairment of its deferred exploration expenditure, such that the subsidiary is not expected to be able to repay the loan from its existing assets.

Investments: Investments in unlisted equity instruments whose fair value cannot be reliably measured are recognised initially at investment cost. Any shareholder loans made are included in the investment cost. Where a value can be reliably measured the investment is subsequently recognised at fair value through profit and loss. Information about the methods and assumptions used in determining fair value is provided in Note 11.

Trade and other payables: Trade and other payables are not interest bearing and are recognised initially at fair value and subsequently measured at amortised cost.

Derivative financial instrument

A derivative financial instrument is recognised for the 10% call option over the remaining shares in the Clogau gold project not owned by the Group. This has been valued based on management's best estimate and classified as fair value through profit and loss so that any future change in the valuation of the liability will be recognised through the profit and loss account. See Note 16 to the Accounts.

A 4% net smelter return royalty was also agreed as part of the consideration. The Company has a buy-back right in respect of any proposed sale of the royalty. No value has been attributed to this right in these accounts as it cannot be quantified due to uncertainty in reaching commercial production and what the resulting royalty quantum would be likely to be

Borrowings: Initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest-bearing liabilities are then subsequently measured at amortised cost using the effective interest rate method. Interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Liability components of convertible loan notes are measured as described further below.

Other borrowings: recognised initially at fair value and subsequently measured at amortised cost.

Convertible debt: The proceeds received on issue of the Group's convertible debt are allocated into their liability and equity components. The amount initially attributed to the liability component equals the discounted cash flows using a market rate of interest that would be payable on a similar instrument that does not include an option to convert. Subsequently, the liability component is measured at amortised cost until extinguished on conversion or maturity of the bond. The balance of the proceeds is allocated to the conversion option and is recognised within shareholders' equity. (The Company issued a convertible loan note during the prior period that that was fully converted prior inside that reporting period).

Leases: The Group does not have any leases within the scope of IFRS16.

h. Equity

Share capital represents the nominal value of equity shares, both ordinary and preference.

Share premium representing the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.

Dilution of ownership reserve represents the difference between the fair value of any consideration paid and the relevant share of the fair value of net assets acquired in a dilutive transaction where control is retained.
The nature and purpose of other reserves is shown in Note 19.

i. Taxation

The charge for taxation is based on the profit or loss for the year and takes into account deferred tax**.** The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in equity. In this case the tax is also recognised directly in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

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 or loss, and is accounted for using the liability method.

Deferred tax assets are only recognised to the extent that it is probable that future taxable profit will be available in the foreseeable future against which the temporary differences can be utilised.

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, the deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities, and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

j. Segmental information

An operating segment is a distinguishable component of the Group which is subject to risks and rewards that are different from those of other segments. In the Group's current portfolio, the geographical location of exploration projects provides the basis for grouping into segments.

Operating segments are reported in a manner consistent with internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company.

2 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements in conformity with generally accepted accounting practice requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Actual outcomes could differ from those estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The areas of judgement that have the most significant effect on the amounts recognised in the financial statements are as follows:

i) JUDGEMENTS

Capitalisation of exploration and evaluation costs - £2,584,000

The capitalisation of exploration costs relating to the exploration and evaluation phase requires management to make judgements as to the future events and circumstances of a project, especially in relation to whether an economically viable extraction operation can be established. In making such judgements, the Directors take comfort from the findings from exploration activities undertaken, the fact the Group intends to continue these activities and that the Company expects to be able to raise additional funding to enable it to continue the exploration activities.

Impairment assessment of exploration and evaluation costs - £6,110,000

At each reporting date, management make a judgment as to whether circumstances have changed following the initial capitalisation and whether there are indicators of impairment. If there are such indicators, an impairment review will be performed which could result in the relevant capitalised amount being written off to the income statement.

Accounting for investment in Horse Hill Developments Limited - £3,385,000

The Group and Company's investment in Horse Hill Developments Limited ("HHDL") is in the form of equity and a shareholder loan. However, the Directors judge that the loan is in substance part of the equity investment as governed by the HHDL investment agreement. As such the loan element of the investment is accounted for at fair value with movements in fair value being taken to profit or loss (FVTPL).

The Group and Company's shareholding in HHDL is less than 20%. A director of the Company is also a director of HHDL but does not act in an executive capacity. At the balance sheet date HHDL had a

majority shareholder with a 77.9% shareholding. The Directors judge that the Company does not have significant influence over HHDL and that it should not be equity accounted for as an associate.

Company only - Impairment assessment of investment in and loans to subsidiaries - £7,811,000
Impairment charges for the year - release of provision £454,000
In preparing the parent company financial statements, the Directors apply judgement to decide if any, or all of the company's investments in (and where applicable loans to) each of GreenRoc Mining plc, Aurum Mineral Resources Limited, Dragonfire Mining Limited group and GMOW Gwynfynydd Limited are impaired or not.

These companies have no source of funds other than their shareholders and the ability of the companies to repay their inter-company debt and for the Company to gain value from its investments in the companies is dependent on the future success of the companies' exploration activities. In undertaking their review, the Directors consider the outcome of their impairment assessment of the relevant licences as detailed above.

The Directors have used the Expected Credit Loss model to make a general provision against intercompany loans receivable based on historic credit losses and current data. In applying the expected credit loss model, the directors have judged that the loans to the subsidiaries were credit impaired on inception. See Note 12 for further details.

ii) ESTIMATES
Carrying value of investment in Horse Hill Developments Limited - £3,385,000
The Company's investment in Horse Hill Developments Limited is carried at fair value, as, in the judgement of the Directors, it has been possible to estimate a reliable fair value for the investment. For further details of the valuation see Note 11.

Valuation of put and call option over 10% of Gold Mines of Wales - £214,000
The Group has a put and call option over the 10% minority shareholding in Gold Mines of Wales. That option becomes live on the granting of planning permission for production or at an earlier date by agreement. The option expires on 24 August 2028 and was valued at £34,000 on the date of acquisition in 2018. Management has categorised this contingent consideration as a derivative financial instrument at fair value through profit or loss and has estimated the value of the 10% as based on 10% of the accumulated exploration spend on the project to date, being the approximate basis that management would use to value the option should they seek to exercise it.

3. ANALYSIS OF SEGMENTAL INFORMATION

The Group currently only has one primary reporting business segment, exploration and development. The Board of the Company evaluates the business on a sector basis, the two sectors being mining and oil and gas. The group exploration assets and investments along with capital expenditures are presented on this basis below:

	2021 £'000	2020 £'000
Total assets		
Exploration and development	6,247	3,637
Oil and gas	3,385	4,000
Current assets	4,126	2,708
	13,758	10,345
Capital expenditure		
Exploration and plant	2,615	502

The Group's primary business activities operate in three different geographical areas (and the Group has an investment in a fourth area) and the group exploration assets and investments along with capital expenditures are presented on the basis of geographical segments below:

	2021 £'000	2020 £'000
Total assets		
Republic of Ireland (fully impaired)	-	-

Greenland	3,451	1,687
England & Wales	10,307	8,658
	13,758	10,345

	2021	2020
	£'000	£'000
Capital expenditure		
Greenland	1,763	53
England & Wales	852	449
	2,615	502

The administrative expenditure in the income statement primarily relates to central costs or exploration costs that cannot be capitalised. During the period oil and gas investments were revalued downwards by £615,000 (2020: £1,430,000).

4. EXPENSES BY NATURE AND AUDITOR REMUNERATION

Auditor's remuneration:

	2021	2020
	£'000	£'000
Current auditor (PKF Littlejohn LLP)		
- Group audit services	35	-
- Subsidiary audit services	32	-
- Taxation advice	6	-
- Corporate finance services relating to IPO (costs in equity)	60	-
- Taxation advise relating to IPO (costs in equity)	12	
Auditor's remuneration (previous auditor)		
- Group audit services	-	33
	145	33

Tax and corporate finance services relating to the IPO were shared with the minority shareholders of GreenRoc Mining plc and respective shares of these costs are included within the Company's investment in GreenRoc Mining plc and the NCI share of assets.

Expenses by nature:

	2021	2020
	£'000	£'000
Staff costs (including share based payments and options)	628	255
Professional fees	260	243
Consultancy and exploration expenditure not capitalised	108	83
Office, travel, PR, other	90	93
Costs of FX	7	(61)
Depreciation	5	-
Settlement of historic claims	(31)	(59)
Administrative expenses	**1,067**	**554**

	2021	2020
	£'000	£'000
Other income		
Government grants	7	10
Services provided	16	-
	23	**10**

5. ACQUISITIONS, DISPOSAL, STRUCTURE CHANGES AND DILUTION WITHOUT LOSS OF CONTROL

Disposal of Brockham oil and gas asset

In June 2021 the Company announced that it was disposing of its 5% licence interest in the Brockham oil field to the Operator, Angus Energy. The consideration, in settlement of certain back costs and a contribution toward eventual abandonment costs, involved the payment by Alba to Angus of £32,000 plus VAT, settled as to £6,400 in cash and £32,000 by the issue of shares in Alba. The asset was fully written down in a prior period, and the net impact of the transaction was a loss of £9,000 within administrative expenses.

Acquisitions of non-controlling interests

On 21 July 2021 Alba announced the purchase of the non-controlling interests in Obsidian Mining Limited and White Fox Resources Limited, being 10% and 15% (49% with an agreed dilution applied for non-funding) respectively. Alba paid a total of £370,000 by the issue of shares for these non-controlling interests.

Under IFRS 3, for fully consolidated entities where the parent has control, any subsequent transactions in subsidiary equity interests between the parent and non-controlling interests (both acquisitions and disposals that do not result in a loss of control) are accounted for as equity transactions.

Consequently, there was no remeasurement of the net assets of the entities to fair value and the amounts paid are shown as additions in Note 12.

Group structure changes - GreenRoc Mining plc

On 28 September 2021 Alba sold its 100% holdings in Obsidian Mining Limited, White Eagle Resources Limited and White Fox Resources Limited to GreenRoc Mining plc for gross consideration of £5,950,000 in shares and £50,000 cash (offset against £50,000 unpaid on incorporation of that company).

As the Group did not lose control of the assets of the subsidiaries this transaction was not treated as a disposal in the consolidated accounts, and the fair valuation uplift accounted for by GreenRoc Mining plc in its group accounts has been eliminated within the Alba Group accounts.

The accounting for the transaction at Company level is shown below:

	Company accounts £'000
Consideration - Fair value of shares in GreenRoc	5,950
Consideration - Cash	50
Transaction fees borne by Alba	(500)
	5,500
Assets disposed of	
Investment in subsidiaries	(668)
Loans to subsidiaries - assigned	(2,003)
Profit on intragroup disposal in company income statement	**2,829**

Dilution without loss of control

On the same date as the transaction above, GreenRoc Mining plc issued further shares in an Initial Public Offering ("IPO") on the AIM section of the London Stock Exchange to raise funds of £5.1 million. That transaction diluted Alba's holding in GreenRoc Mining plc and generated a Non-controlling interest ("NCI"). Alba retains 54% of GreenRoc Mining plc and fully consolidates it.

Where control is retained, dilution/partial disposal is accounted for in owners' equity and a specific reserve has been created in the consolidated accounts for the movement generated by the various consolidation entries.

6. DIRECTORS' EMOLUMENTS AND STAFF COSTS

During the period the Company had on average 10.1 (2020: 4.25) employees each month, being the Directors (who are the key management personnel) plus finance, geological and local site staff. Where

eligible, Directors and other staff accrue benefits under a money purchase auto-enrolment scheme held in NEST.

	Costs incurred by:		2021	2020
	Alba Mineral Resources plc	GreenRoc Mining plc	**Total Group**	**Total Group**
	£'000	**£'000**	**£'000**	**£'000**
Directors' remuneration (see table below)	334	60	**394**	202
Directors' social security costs	19	4	**23**	14
Staff costs				
Salaries and wages	247	71	**318**	34
Share based payment charges	31	23	**54**	17
Social security costs	26	7	**33**	4
Defined contribution pension scheme	5	1	**6**	1
Fees classified as consultancy	(39)	-	**(39)**	(17)
Costs recharged to projects	(161)	-	**(161)**	-
Staff costs reported in administrative expenses (Note 4)	462	166	**628**	**255**
Average number of employees	10.1	6*	**10.9****	4.25

* GreenRoc employees from 28 September 2021 only, so this is an average based on two months only.
**Group average number of employees includes five employees from GreenRoc as one is already counted in Alba's employee numbers.

Directors' remuneration:

	Fees	**Salaries**	**Bonus**	**Pension**	**SBP**	**Total**	**Fees**	**Salaries**	**Pension**	**SBP**	**Total**
	2021	2021	**2021**	2021	2021	**2021**	2020	2020	2020	2020	**2020**
	£'000	£'000	**£'000**	£'000	£'000	**£'000**	£'000	£'000	£'000	£'000	**£'000**
G. Frangeskides	43	115	-	1	56	**215**	43	102	1	46	**192**
G. Frangeskides - GreenRoc	-	9	20	-	16	**45**	-	-	-	-	**-**
Fees capitalised	(15)	-	-	-	-	**(15)**	(32)	-	-	-	**(32)**
M. Nott	6	18	-	-	8	**32**	1	18	-	4	**23**
M. Lamboley	5	2	-	-	-	**7**	5	14	-	-	**19**
L. Brünner	-	19	2	-	25	**46**	-	-	-	-	**-**
L. Brünner - GreenRoc	-	5	10	-	-	**15**	-	-	-	-	**-**
E. Henson	-	23	-	1	25	**49**	-	-	-	-	**-**
Total	**39**	**191**	**32**	**2**	**130**	**394**	**17**	**134**	**1**	**50**	**202**

Note 24 gives further details of transactions with the Directors.

During the year the Company granted warrants or options to the Directors as follows:

	2021 No	**2020 No**
George Frangeskides	-	140,000,000
Michael Nott	-	15,000,000

Manuel Lamboley	-	-
Lars Brünner	8,000,000	-
Elizabeth Henson	8,000,000	-

The warrants issued to Mr Brünner and Ms Henson have an exercise price of 0.5 pence per share. The warrants vest(ed) as follows: 4,000,000 each on 8 June 2021 and 8 December 2021 and can be exercised until 7 December 2023. Mr Brünner waived the rights to his warrants when he stepped down from the Board.

The total estimated value of the share-based remuneration provided to Directors was £50,000 (2020: £174,000). These values were derived from a Black Scholes model as described in Note 17. The warrants were granted when the share price was 0.41 pence per share and the warrants were valued at 0.031 pence. The warrant value was high as a proportion of market price due to the historic share price volatility.

7. INCOME TAXES

The UK corporation tax rate has been applied throughout the workings below as substantially all of the losses during the year (and historic losses in retained earnings) have been incurred by the parent or other companies resident in the UK for tax purposes. Using a weighted average rate would not change the effective tax rate.

a) Analysis of charge in the period

	2021	2020
	£'000	£'000
United Kingdom corporation tax at 19% (2020: 19%)	-	-
Deferred taxation	-	-

b) Factors affecting tax charge for the period

The tax assessed on the loss for the year before tax differs from the standard rate of corporation tax in the UK which is 19% (2020: 19%). The differences are explained below:

	2021	2020
	£'000	£'000
Loss before tax	(1,840)	(2,080)
Profit/ (loss) multiplied by standard rate of tax	(350)	(395)
Effects of:		
Expenses not deductible	201	272
Deferred tax assets not recognised/capital allowances not claimed	149	123
	-	-

A deferred tax asset has not been recognised in respect of timing differences relating to tax losses and accelerated capital allowances, due to uncertainty that the potential asset will be recovered. The aggregated losses in each of the Group companies being Alba Mineral Resources plc and its subsidiaries as listed in Note 12 amounted to £6,436,000 before adjustments required by local tax rules and excluding losses on intra-group transactions (2020: £6,153,000).

8. EARNINGS PER SHARE

The calculation of the basic loss per share is calculated by dividing the consolidated loss attributable to the equity holders of the Company by the weighted average number of ordinary shares in issue during the year. The diluted earnings per share is the same as the basic earnings per share, as warrants/options are not dilutive due to the loss for the year.

	2021	2020
	£'000	£'000
Loss attributable to group shareholders	(1,699)	(2,079)
Weighted average number of ordinary shares for calculating basic loss per share	6,303,890,811	4,421,614,727
Earnings per share	(0.027) pence	(0.047) pence

9. PROPERTY, PLANT AND EQUIPMENT

Group	Land	Plant and equipment	Total
	£'000	£'000	£'000
Cost			
At 1 December 2019	85	-	85
Additions	-	26	26
At 30 November 2020 and at 1 December 2020	85	26	111
Additions	-	31	31
At 30 November 2021	**85**	**57**	**142**
Accumulated Depreciation			
At 30 November 2020 and at 1 December 2021	-	-	-
Charge for the year	-	(5)	(5)
At 30 November 2021	**-**	**(5)**	**(5)**
Net Book Value at 30 November 2021	**85**	**52**	**137**
Net Book Value at 30 November 2020	85	26	111

The land is part of the Clogau gold project. At the year end the land is held at cost. No depreciation is charged as it is not a wasting asset. Plant is part of the Clogau gold project.

10. INTANGIBLE FIXED ASSETS

Group	Exploration and evaluation	Development and production	Total
	£'000	£'000	£'000
Cost			
At 30 November 2019	3,785	374	4,159
Additions	476	-	476
As 30 November 2020	**4,261**	**374**	**4,635**
Additions	2,584	-	2,584
Disposals	-	(374)	(374)
As 30 November 2021	**6,845**	**-**	**6,845**
Amortisation and impairment			
At 30 November 2019 and 30 November 2020	(735)	(374)	(1,109)
Disposals	-	374	374

At 30 November 2021	**(735)**	**-**	**(735)**
Net book value			
At 30 November 2021	**6,110**	**-**	**6,110**
At 30 November 2020	3,526	-	3,526

The Group's intangible fixed assets relate to the Welsh gold projects (Clogau, Dolgellau gold and Gwynfynydd) (£2,659,000), the Limerick base metals project that is fully impaired and the Greenland projects held by GreenRoc Mining plc (£3,451,000).
At the year end the amount of liabilities (being creditors and accruals) relating to the exploration and evaluation assets was £460,000.

The Development and Production asset disposed of during the period was the Group's 5% share of the Brockham Oil Project, which was fully written down in 2019. The disposal was made on 15 June 2021. Alba paid Angus Energy, the majority owner and operator of the project, £32,000 by issue of shares. That amount comprised Alba's share of the Plugging and Abandonment provision plus a settlement of invoices due for Alba's share of running costs.

11. INVESTMENTS

Group and Company	**£'000**
At 30 November 2019	5,430
Revaluation of investment	(1,430)
At 30 November 2020	4,000
Revaluation of investment	(615)
At 30 November 2021	**3,385**

The above investment represents an investment in 18.1%* (2020: 18.1%) of the issued share capital of Horse Hill Developments Limited ("HHDL") and associated loans to that company accruing interest at variable rates linked to the Bank of England base rate. Those loans and interest are treated as part of the overall investment and as such are classified as fair value through the profit and loss. Any interest due is subsumed within the overall investment valuation (see Note 22).

HHDL is a private company with no stock quote. Historically share transactions in the stock have provided bases for valuing the investment. During the period under review there have been no share transactions in HHDL stock nor transactions in licence interests.

The majority owner and operator of HHDL, UK Oil & Gas plc (UKOG) recently announced its results for year ended 30 September 2021 including an impairment of its investment in HHDL based on net present value calculations (utilising an internally generated depletion curve that was independently reviewed). Costs were based on current costs less any anticipated savings. A long-term Brent oil price of US$91/bbl was used being the spot rate at the time of assessment, with a discount rate of 6.3% used being the weighted average costs of capital of Horse Hill Developments Ltd, the holding company of the producing well HH-1). There is inherent uncertainty in any oil field valuation due to the uncertainty of future oil price movements.

The Directors believe that the intrinsic value of the oil field has not been diminished but recognise that UKOG's impairment of its investment in HHDL is an indicator of impairment of the Group's investment in HHDL and that UKOG has access to more information for valuation purposes than the Group.

Accordingly the Directors derived an impairment charge mirroring the per percentage point impairment applied in UKOG's Report and Accounts, approximately £34,000 per percentage point held, resulting in an impairment charge for the year of £615,000 against the prior year Level 3 valuation of the underlying oil field (based on market transactions in comparable UK Onshore oil & gas fields with primary inputs being: the market prices of proven and contingent reserves in recent comparable transactions; oil in place ("OIP") from the HHDL Field Development Plan; and an estimated Recovery Factor, the two combined giving net recoverable oil for HHDL which was then be compared to market values. The Recovery Factor is the overall proportion of oil expected to be extracted from the field and is calculated using a number of inputs derived from the test production and published in the FDP).

This revised valuation is also a Level 3 valuation under the IFRS 9 hierarchy, as defined in Note 22.

The registered office of HHDL is: The Broadgate Tower, 8th Floor, 20 Primrose Street, London, EC2A 2EW.

**In a prior period the Company elected not to contribute its share of a cash call. As a result the Company's shareholding could be diluted but the impact would be minimal, the reduction being less than 0.1% of the total issued share capital of HHDL.*

12. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS

	Notes	Investments £'000	Capital Contributions £'000	Loans £'000	Total £'000
Company					
At 30 November 2019		**298**	**1,116**	**1,032**	**2,446**
Additions		-	-	538	538
Foreign exchange movements		-	-	62	62
Provision for expected credit losses		**-**	**-**	(222)	(222)
Impairment of intercompany loan		**-**	**-**	(69)	(69)
At 30 November 2020		**298**	**1,116**	**1,341**	**2,755**
Additions - purchase of minorities	*5*	370	-	-	370
Additions - expenditure		-	-	1,965	1,965
Repayments		-	-	(500)	(500)
Disposals to another group company		(668)	-	(2,003)	(2,671)
Additional holding in subsidiary as consideration, net of costs		5,500	-	-	5,500
Foreign exchange movements		-	-	(49)	(49)
Adjustment to Expected Credit Loss provision		-	-	417	417
Impairment of intercompany loan		-	-	24	24
At 30 November 2021		**5,500**	**1,116**	**1,195**	**7,811**

Upon adoption of IFRS 9 the company recognised a provision for expected credit loss against the loans due from subsidiaries. These loans are interest-free and have no agreed terms. For the purposes of IFRS 9 the loans were assumed to be repayable on demand.

The loans are assessed as being credit impaired on inception as the subsidiaries have no income other than the receipt of inter-company funding and as the loans are primarily used to fund the subsidiaries deferred exploration expenditure. The subsidiaries would only be able to repay the loans if they can either sell their exploration assets or develop them to the point at which the assets generate cash flows, both of which would take time to achieve. Therefore, at inception, it is known that the loans will not be able to be repaid in accordance with the loan terms (that is, on demand) and therefore they are assessed as being credit impaired.

Historic and current data has been used to derive a probability of default and this has been applied across the portfolio of loans.

As reported in Note 5 to the Accounts, during the period the Company disposed of three subsidiaries, whilst still retaining control, to another subsidiary, thus reorganising the Group. Part of the consideration for these subsidiaries was deemed as debt consideration for assignment of £2m of intercompany loans shown in the table above. The effective repayment of these loans to the Company reduced the percentage probability of default across the loan portfolio and reduced the total loan balance, so that a significant proportion of the provision was released during the period.

At 30 November 2021 the Company held the following interests in subsidiary undertakings, which are included in the consolidated financial statements:

Name of company	**Country of incorporation**	**Holding at 30 November 2021**	**Nature of holding**	Holding at 30 November 2020	**Business**
Aurum Mineral Resources Ltd	Ireland	100%	Direct	100%	Exploration
Mauritania Ventures Limited	England & Wales	50%	Direct	50%	Non-trading
Dragonfire Mining Limited	England & Wales	100%	Direct	100%	Exploration
Gold Mines of Wales Limited	Jersey	90%	Indirect	90%	Holding Co.
GMOW (Holdings) Limited	England & Wales	90%	Indirect	90%	Holding Co.
GMOW (Operations) Limited	England & Wales	90%	Indirect	90%	Exploration
GMOW Gwynfynydd Limited	England & Wales	100%	Direct	100%	Exploration
GreenRoc Mining plc	England & Wales	54%	Direct	-	Parent
Obsidian Mining Limited	England & Wales	54%	Indirect	90% (direct)	Exploration
White Eagle Resources Limited	England & Wales	54%	Indirect	100% (direct)	Exploration
White Fox Resources Limited	England & Wales	54%	Indirect	51% (direct)	Exploration

GreenRoc Mining plc was incorporated as a wholly-owned subsidiary called Pole Star Resources plc in March 2021.
On 21 July 2021 Alba increased its holdings in Obsidian Mining Limited and White Fox Resources Limited to 100% by acquired non-controlling interests of 10% and 49% respectively.

On 28th September Alba transferred its 100% holdings in Obsidian Mining Limited, White Fox Resources Limited and White Eagle Resources Limited to GreenRoc Mining plc when it listed on AIM in exchange for a 54% share of the enlarged share capital of that company, retaining its interests indirectly.

The address of the registered office of Aurum Mineral Resources Ltd is c/o Hugh Lennon Associates, Unit 8&10 Church View, Cavan, Ireland.

The address of the registered office of Gold Mines of Wales Limited is 2 Mark Clos, La Rue de la Croix, St Clement, Jersey.

All the other companies have their registered office at 6th Floor, 60 Gracechurch Street, London EC3V 0HR.

Mauritania Ventures Limited has been treated as a subsidiary undertaking because the Company exercises dominant influence over the investment by virtue of having the casting vote at Board meetings.

Dragonfire Mining Limited owns a 90% holding in Gold Mines of Wales Limited, which company wholly owns GMOW (Holdings) Limited and its wholly owned subsidiary GMOW (Operations) Limited. Dragonfire Mining Limited holds a put and call option over the 10% of shares in Gold Mines of Wales Limited that it does not own and therefore consolidates these entities as though they are 100% owned.

13. TRADE AND OTHER RECEIVABLES

	Group 2021	Group 2020	Company 2021	Company 2020
Current	**£'000**	**£'000**	**£'000**	**£'000**
Other debtors	159	39	88	27
Prepayments and accrued income	19	29	16	5
Called up share capital not paid	-	1,128	-	1,128
	178	1,196	104	1,160

The fair value of trade and other receivables approximates to their book value. The called-up share capital not paid related to a placing on 25 November 2020 and settlement was made on 1 December 2020.

14. CASH AND CASH EQUIVALENTS

	Group 2021	Group 2020	Company 2021	Company 2020
	£'000	**£'000**	**£'000**	**£'000**
Cash at bank and in hand	3,948	1,512	663	1,498

The fair value of cash at bank is the same as its carrying value.

15. TRADE AND OTHER PAYABLES

	Group 2021	Group 2020	Company 2021	Company 2020
Current	**£'000**	**£'000**	**£'000**	**£'000**
Trade creditors	481	68	80	68
Other creditors	13	27	13	26
Accruals and deferred income	177	162	74	162
	671	257	167	256

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

16. FINANCIAL LIABILITIES

The Company has no financial liabilities.

Group	Other borrowings	Derivative financial instrument	Total
Financial Liabilities	**£'000**	**£'000**	**£'000**
At 30 November 2019 and 2020	7	34	41
Revaluation recognised in the profit and loss	-	180	180
At 30 November 2021	**7**	**214**	**221**

The derivative financial instrument is recognition of a liability in respect of the put and call option over the remaining 10% shareholding in the Clogau gold project which the Company does not own. The option is not yet effective as it is contingent on certain milestones in the project or earlier if by agreement with the other party.

During the period the Group revalued the option based on its original valuation at acquisition plus 10% of the cumulative exploration spend on the Clogau-St David's project since that date. This is the minimum management would expect to pay to acquire the 10% at 30 November 2021 should the option become effective and is their best estimate. The option expires on 24 August 2028.

This is level 3 valuation under the hierarchy of IFRS 9 based on management's best estimate - for details of the valuation hierarchy see Note 22.

17. CALLED UP SHARE CAPITAL

	2021 Number of shares	2021 £'000	2020 Number of shares	2020 £'000
Issued, allotted and fully paid				
Ordinary shares of 0.1 pence	-	-	-	-
Ordinary shares of 0.01 pence	6,404,645,919	641	6,198,078,989	620
Deferred shares of 0.9 pence	93,070,100	838	93,070,100	838
B deferred shares of 0.09 pence	3,918,351,946	3,526	3,918,351,946	3,526
Total	**10,416,067,965**	**5,005**	**10,209,501,035**	**4,984**

The Company's Articles do not specify authorised share capital. All issued ordinary shares carry equal rights. The deferred shares do not carry any rights to vote or dividend rights. In addition, holders of deferred shares will only be entitled to a payment on a return of capital or on a winding up of the Company after each of the holders of the ordinary shares have received a payment of £1,000,000 on each such share.

At the AGM on 28 April 2020 a resolution was passed to reduce the par value of its ordinary shares to £0.0001. This resulted in the creation of a new class of deferred shares at 0.09 pence. These deferred shares have the same rights as the original class of deferred shares (noted above). No new deferred shares were issued during the year.

During the year the Company issued ordinary shares as follows:

	Ordinary shares of 0.01 pence	Ordinary shares	Deferred shares	Share premium	Total
		£'000	£'000	£'000	£'000
At 1 December 2020	6,198,078,989	620	4,364	9,360	14,344
June 2021 - disposal of	12,407,910	1	-		

investment in Brockham Oil Project settlement of costs				31	32
July 2021 - acquisitions of NCIs	143,856,920	14	-	356	370
July 2021 - shares issued as payment for project data	15,552,100	2	-	38	40
Various - issues of shares upon exercises of warrants	34,750,000	4	-	92	96
At 30 November 2021	6,404,645,919	**641**	**4,364**	**9,877**	**14,882**

	Warrants	**Warrants reserve**
		£'000
At 1 December 2020	997,253,974	1,287
Warrants issued, transferred from "Warrants to be issued reserve"	170,000,000	416
Warrants issued as share based payments	16,000,000	50
Warrants vesting (counted in brought forward balance)	-	103
Warrants exercised	(34,750,000)	(11)
Warrants expired	(339,217,261)	(420)
At 30 November 2021	**809,286,713**	**1,425**

Of the warrants outstanding at 30 November 2021, 701,286,713 are vested and able to be exercised. The weighted average exercise price of these vested warrants is 0.47 pence. Where warrants were exercised in the year, the weighted average share price at the date of exercise was 0.37 pence.

As at 30 November 2021 Alba had 809,286,713 warrants and options outstanding:

No. of warrants	**Exercise price (pence)**	**Final exercise date**	**Vested**
60,000,000[3]	0.4 pence	13 January 2027	Awarded under the EMI scheme. Vested.
60,000,000[4]	0.42 pence	2 May 2028	Awarded under the EMI scheme. Vested
16,923,077	0.13 pence	4 September 2022	Vested
236,363,636	0.55 pence	20 September 2022	Vested
50,000,000[5]	0.16 pence	31 December 2023	Partially vested.
200,000,000[5]	0.16 pence	28 August 2030	Awarded under the EMI scheme. Partially vested.
160,000,000	0.75 pence	23 November 2022	Vested.
10,000,000	0.375 pence	1 December 2022	Vested.
16,000,000[6]	0.5 pence	7 December 2023	Partially vested.
809,286,713	At 30 November 2021		

As at 30 November 2020 Alba had 997,253,974 warrants and options outstanding:

No. of warrants	**Exercise price (pence)**	**Final exercise date**	**Vested**
20,000,000[1]	0.3 pence	27 March 2021	Vested
2,000,000	0.3 pence	28 May 2021	Vested
51,000,000[2]	0.3 pence	27 March 2021	Vested
15,000,000[3]	0.4 pence	27 March 2021	Vested
60,000,000[3]	0.4 pence	13 January 2027	Awarded under the EMI scheme. Vested.
113,904,761[4]	0.42 pence	27 March 2021	Vested
60,000,000[4]	0.42 pence	2 May 2028	Awarded under the EMI scheme. Vested
119,687,500	0.32 pence	13 November 2021	Vested

42,375,000	0.32 pence	21 November 2021	Vested
16,923,077	0.13 pence	4 September 2022	Vested
236,363,636	0.55 pence	20 September 2022	Vested
60,000,000[5]	0.16 pence	31 December 2023	Partially vested.
200,000,000[5]	0.16 pence	28 August 2030	Awarded under the EMI scheme. Partially vested.
997,253,974			

[1,2,3,4,5,6] These warrants fall within the scope of IFRS 2 "Share-based Payments" and were issued in 2015, 2016, 2017, 2018, 2020 respectively. The fair value of the warrants issued in 2021 calculated using a Black Scholes model was £50,000. Within the meaning of the IFRS 13 fair value hierarchies, this is a Level 2 valuation. It is based on a risk-free rate of 10 year gilts on the date of grant, a dividend yield of nil, the life of the options, the share price at the date of issue of the warrants and the strike prices of the warrants. The volatility was derived from the quoted prices for the Company's shares in the 12-month period prior to the issue of the respective warrants.

18. NON-CONTROLLING INTERESTS

	Mauritania Ventures Ltd	White Fox Resources Ltd	GreenRoc Mining plc	**Total NCIs £'000**
At 30 November 2019	(9)	(6)	-	(15)
Loss after taxation	-	(1)	-	(1)
At 30 November 2020	(9)	(7)	-	(16)
Acquisition of NCI	-	7	-	7
NCI arising from IPO	-	-	2,806	2,806
Share of loss for the year	-	-	(141)	(141)
Share of other reserves	-	-	76	76
At 30 November 2021	**(9)**	**-**	**2,741**	**2,732**

In July 2021 the company acquired the 49% NCI in White Fox Resources Limited. As there was no change of control this was accounted for as an equity transaction. The ownership of the subsidiary was transferred from Alba Company to GreenRoc Mining plc during the period.

The Group recognises the non-controlling interest in GreenRoc Mining plc at the non-controlling interest's proportionate share of the entity's net identifiable assets as included in the Group balance sheet. These differ from the assets presented in the standalone GreenRoc Mining plc Report and Accounts due to consolidation entries, including elimination of fair valuation uplift generated in the restructuring transaction. This fair value uplift was judged by management to be intragroup profit.

At the balance sheet date NCI hold 46.04% of the share capital of GreenRoc Mining plc with Alba holding 53.96% (see Note 12). Voting rights do not differ from ownership interests.

The Report and Accounts of GreenRoc Mining plc for the period ended 30 November 2021 can be found on their website www.GreenRocmining.com.

19. RESERVES

The following describes the nature and purpose of certain reserves within owners' equity:

Share premium: Amounts subscribed for share capital in excess of nominal value less costs of issue.

Foreign currency reserve: Gains/losses arising on retranslating the net assets of the Group into pounds sterling.

Warrant reserve: Proceeds from the issue of extant warrants.

Warrants to be issued reserve: Proceeds from the issue of warrants announced on 25 November 2020 but issued post-year end, on 1 December 2020.

Other reserves: The share of proceeds from the issue of warrants by GreenRoc Mining plc attributable to the equity holders of the group.

Reserve arising from partial disposal without loss of control: Non-distributable gains arising from the Group's reorganisation and dilution of its holding in the newly incorporated subsidiary via a successful IPO.

20. CAPITAL COMMITMENTS

As at 30 November 2021, the Group / Company had commitments to spend at least £105,000 in the calendar year 2022 on its Greenland licences (2021: £nil due to COVID-19), being in approximate terms the aggregate minimum expenditure commitments required under the licences after taking into account credit from 2021 expenditure.
The Group is committed to spend €50,000 in the period to May 2022 under the terms of its exploration licence in Limerick, Ireland.

21. CONTINGENT LIABILITIES

A 4% net smelter royalty agreement was agreed as part of the acquisition of the Clogau gold project in 2018. The Group has no obligations under this agreement until such time as gold is produced and sold.

22. FINANCIAL INSTRUMENTS

The Group's financial instruments comprise investments, cash at bank and various items such as debtors, loans and creditors. The Group has not entered into derivative transactions nor does it trade financial instruments as a matter of policy.

Credit risk

The Group's credit risk arises primarily from cash at bank, debtors and the risk the counterparty fails to discharge its obligations. As at 30 November 2020, debtors included £8,100 that was past due but not impaired (2020: £8,100). Given the low number and value of debtors management considers recoverability of any overdue amount individually on an annual basis.
The Company's credit risk primarily arises from intercompany debtors and this is reviewed annually in the course of reviewing the Expected Credit Loss provision required under IFRS 9. See Note 12 for more details.

Funding risk

Funding risk is the possibility that the Group might not have access to the financing it needs. The Group's continued future operations depend on the ability to raise sufficient working capital through the issue of equity share capital. The Directors are confident that adequate funding will be forthcoming with which to finance operations. The Board has a strong track record of raising funds as required. Controls over expenditure are carefully managed and activities planned to ensure that the Group has sufficient funding.

Liquidity risk

Liquidity risk arises from the management of cash funds and working capital. The risk is that the Group will fail to meet its financial obligations as they fall due. The Group operates within the constraints of available funds and cash flow projections are produced and regularly reviewed by management.
At 30 November 2021 the management considers that the liquidity risk is not material as sufficient cash is held to meet financial liabilities to be settled in cash.

Future liquidity risk is addressed in Note 1 under the heading "Going Concern".

Interest rate risk profile of financial assets

Excluding the investment in HHDL, the only financial assets (other than short term debtors) are cash at bank and in hand, which comprises money at call. The interest earned in the year was negligible.

The Directors believe the fair value of the financial instruments is not materially different to the book value.

The investment in HHDL includes a loan element. Under an investment agreement those loans attract interest. Loans plus interest become payable once HHDL has surplus cash. As the Group / Company treats the loan as held at fair value through profit and loss, any interest credit is subsumed within the fair value movement.

Foreign currency risk

The Group has an Irish subsidiary, which can affect the Group's sterling denominated reported results as a consequence of movements in the sterling/euro exchange rates. The Group also incurs costs denominated in foreign currencies (primarily
Danish Krone) which gives rise to short term exchange risk. The Group does not currently hedge against these exposures as they are deemed immaterial and there is no material exposure as at the year-end. No sensitivity analysis has been performed.

Market risk

Following the acquisition of the investment in Horse Hill Developments Limited ("HHDL"), the Group is exposed to market risk in that the value of the investment would be expected to vary depending on the price of oil and the future cash calls will, to an extent, depend on the revenue generated from oil produced from well testing activities. For a review of the progress of the Horse Hill project, please see the Chairman's Statement.

During the year under review the price of Brent crude oil trended upwards from $47 at the start of the year to $70 at the 30 November 2021. At the time of writing the price is >$100 due to the war in Ukraine. However, a sustained downturn in the price of oil may have a materially adverse effect on the revenues generated from the Horse Hill Oil Field. A material reduction in the market value of HHDL shares can be expected to result in a proportionate reduction in the carrying value of the Group's investment in HHDL.

Categories of financial instrument

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Financial assets				
Investments at fair value through profit or loss:				
Investment in HHDL (Note 11)	3,385	4,000	3,385	4,000
Held at amortised cost:				
Trade and other receivables	159	1,167	88	1,155
Cash and cash equivalents	3,948	1,512	663	1,498
Intercompany receivables net of expected credit losses	-	-	1,195	1,340
	7,492	6,679	5,331	7,993
Financial liabilities				
Liabilities held at fair value through profit or loss:				
Derivative financial instrument (Note 16)	214	41	-	-
Held at amortised cost:				
Trade and other payables	494	95	93	95
Other financial liabilities	7	7	-	-
	715	143	93	95

Valuation of financial instruments

Under IFRS 9 the valuation of financial instruments is categorised based on the inputs used to generate the valuation as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as

possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

The Group's financial instruments by valuation method:

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Financial assets				
Investments at fair value through profit orf loss account:				
Level 3 valuation - Investment in HHDL (Note 11)	3,385	4,000	3,385	4,000
Financial liabilities				
Liabilities held at fair value through profit or loss:				
Level 3 valuation - Derivative financial instrument (Note 16)	214	-	-	-

For more information on the valuation bases see the relevant Notes referred to above.

Included in the value for HHDL are loans of £2,098,000 (2020: £2,098,000) plus accrued interest. These were designated as fair value through the profit and loss on recognition as they form part of the Company's investment in Horse Hill Developments Limited. The maximum exposure to credit risk of this financial asset at the end of the reporting period is the carrying amounts of the loans. The loans are not valued separately from the investment. No change in fair value to date has been attributable to a change in credit risk.

23. CAPITAL MANAGEMENT

The Group's objective when managing capital is to safeguard the entity's ability to continue as a going concern and develop its mining and exploration activities to provide returns for shareholders. The Group's funding comprises equity and debt. The Directors consider the Company's capital and reserves to be capital. When considering the future capital requirements of the Group and the potential to fund specific project development via debt, the Directors consider the risk characteristics of all the underlying assets in assessing the optimal capital structure.

24. RELATED PARTY TRANSACTIONS

All related party transactions have been conducted at arm's length.

Fees charged by Directors are detailed below and also shown in Note 6. "Directors' emoluments and staff costs".

Company

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. The loan balances and transactions in the year with the subsidiaries are disclosed in Note 12. Details of transactions between the Company and other related parties are disclosed below.

Group

Stirling Corporate Limited, a company which George Frangeskides, a director of the Company, controls, charged the Group £nil (2020: £3,000) for the provision of financial and administrative services. As at the year-end no amounts were owed to Stirling Corporate Limited.

Aetos Consulting Limited, a company which George Frangeskides, a director of the Company, jointly controls, charged the Group fees for consultancy services of £43,000 (2020: £43,000). Of these fees, £15,000 represents work carried out specifically on the advancement of the Group's project portfolio and have therefore been capitalised. As at the year-end £44,000 (2020: £nil) was owed to Aetos Consulting Limited and £43,000 was accrued for invoices expected. After the year end £44,000 was settled in cash. There are no terms and conditions associated with the outstanding balance.

Woodridge Associates, a trading name of Michael Nott, a director of the Company, charged the Group fees of £6,000 for consultancy services during the year including £1,500 accrued at 30 November 2021.

25. EVENTS AFTER THE REPORTING PERIOD

Corporate

On 19 January 2022 the Company announced that George Frangeskides had purchased approximately 10 million shares in the Company, taking his holding to approximately 48 million shares.

Clogau Gold Project

On 9 December 2021 the Company announced the results of multi-element assays performed on drill core from various drilling activities.

On 11 December 2021 the Company announced that it had commenced sampling at the historic waste rock dump at the Clogau St David's gold mine. Assay results from this exercise were announced on 21 March 2022.

GreenRoc Mining plc - Amitsoq Graphite Project (54% ownership)

On 3 December 2021 GreenRoc Mining announced the assay results from the 2021 drilling programme on the Amitsoq graphite project, planned and executed by Alba. Following on from these, a maiden Mineral Resource was announced on 8 March 2022.

On 12 May 2022 GreenRoc Mining announced a significant tonnage upgrade to the Amitsoq Island exploration target, increasing from a tonnage range of 1.7 Mt-4.5 Mt at a grade range of 24-36% Graphitic Carbon ('Cg') (as announced on 7 May 2021) to a tonnage range of 5-15 Mt at a grade range of 18-22% Cg.

Horse Hill Oil Project

On 18 February 2022 the Company announced that it had been advised that the Court of Appeal had rejected attempts to overturn the granting of production consent for the field and confirming that consent had been granted lawfully.

On 5 May 2022 the Company announced that it had been advised that Horse Hill oil field had been granted a full Production Permit ("PP") that enables production and water re-injection operations, incineration of waste gas, maintenance/workovers and the drilling of further development wells. To date, production at Horse Hill has operated under the umbrella of prior testing consents which excluded any ability to reinject produced saline formation water. Following the PP grant the operator UKOG is undertaking a review of the viability of reinstating Kimmeridge production and further new Portland infill drilling locations.

On 13 May 2022 the Company announced that the North Sea Transition Authority (formerly the Oil and Gas Authority) has granted a one-year extension to the agreed Retention Area work programme at Horse Hill's PEDL137 licence, containing the producing Horse Hill oil field and its underlying Kimmeridge oil pool. The extension grants an additional year in which to drill a second Horse Hill Kimmeridge well, with the commencement of drilling to be prior to 30th September 2023.

War in Ukraine

The war in Ukraine, which commenced after the balance sheet date, has had no direct impact on the Group's activities nor does management expect any material impact in future to its activities or balances in the accounts. No adjustments are required to year end balances. Indirect negative impacts could arise from an increase in prices for goods and/or services in the future or from reduced liquidity in capital markets leading to a tougher fund-raising environment. Positive impacts could arise from increased interest in UK oil production for fuel security and markets looking to source key minerals from more stable jurisdictions in the future.

Change in directorate - GreenRoc Mining plc

On 6 May 2022 GreenRoc Mining plc announced that the CEO was stepping down and that an existing Non-Executive Director would be acting as interim CEO until a new candidate is appointed.

26. PUBLICATION OF THE ANNUAL REPORT

The annual report will be available on the Company's website (www.albamineralresources.com) shortly.

ENDS

For further information, please visit www.albamineralresources.com or contact:

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Alba's Projects and Investments

Mining Projects Operated by Alba	***Location***	***Ownership***
Clogau (gold)	Wales	90%
Dolgellau Gold Exploration (gold)	Wales	90-100%
Gwynfynydd (gold)	Wales	100%
Limerick (zinc-lead)	Ireland	100%
Investments Held by Alba	***Location***	***Ownership***
GreenRoc Mining Plc (mining)	Greenland	54%
Horse Hill (oil)	England	11.765%

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