

31 March 2021

Kazera Global plc

Interim Results for the six months ended 31 December 2020

Kazera Global plc ("Kazera Global", "Kazera" or "the Company"), the AIM quoted investment company, is pleased to announce its unaudited interim results for the six months ended 31 December 2020 ("the Period").

Highlights:

Operational

- Significant operational progress at both the Company's Diamond project in South Africa and Tantalite Valley Mine in Namibia
- Diamond project restarted production in October 2020, with the first "proof of concept" batch of 52 carats being sold at auction
- Further strong exploration results achieved at Tantalite Valley Mine, with exploration over just 30% of the licence area confirming the presence of three different minerals in commercially viable quantities

Post Period

- Investment package agreed, subject only to banking due diligence, with a local Namibian investor for €9,130,000 via equity and convertible loans at a price of €0.03142 per share.
- Continued production at Diamond Project, with 242 carats being sorted in February, which, assuming a sale price of \$200 per carat, makes the Diamond project profitable on a standalone basis
- New, potentially higher grade block opened at Diamond asset, which could materially increase the profitability of the Diamond project
- Delays to the issuance of the Company's Mining Permit and Prospecting Licence at the Heavy Mineral Sands Project as a result of the COVID pandemic, easing

Larry Johnson, CEO of Kazera Global, said:

"The outlook for Kazera has changed considerably since our last interim results. We now control 100% of one of the premier tantalite mines in the world and a significant stake in a cash generative diamond mine and an extremely exciting Heavy Mineral sands opportunity in South Africa.

Significant progress has been achieved across our portfolio and I can say with some confidence that we look to enter 2021 in one of the strongest positions the Company has ever been in."

For further information on the Company, visit: www.kazeraglobal.com

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****ENDS****

CHAIRMAN'S STATEMENT

Review of the Period

Having acquired a 90% stake in Deep Blue minerals in June 2020, the six months ended 31 December 2020 were a period of growth for the Company. Across both assets, significant progress was achieved, culminating in the restarting of production from our South African Diamond asset during the Period and the progression of a proposed investment by a local Namibian investor of €9,130,000 as a result of the potential now proven at Tantalite Valley Mine.

Beginning in July, the Company was focused on the rapid restarting of production from the Alexander Bay Diamond asset which was achieved, despite obstacles created as a result of COVID-19, in October 2020. Since then, the Mine has delivered one batch of diamonds consisting of 52 carats at strong grades during the period, and a further batch of 242 carats for auction, post-period. The Company's focus at the Diamond project is now on increasing diamond production in areas with increased diamond content which the Company has confidence in achieving.

Staying in South Africa, the Company continues to seek to complete the acquisition of a 90% stake in Whale Head Minerals Ltd for a Heavy Mineral Sands Project, which will add a further growth opportunity in the Kazera Global portfolio. We expect completion of the acquisition shortly.

At our flagship Tantalite Valley Mine asset in Namibia, we were pleased to report further exploration success having now completed investigative activities over 30% of the licence area. With tantalite grades exceeding 25% and lithium grades exceeding 4%, the Mine continues to give the Board great confidence about its long term strategy for growth at TVM.

The critical pathway to monetising TVM remains construction of the Orange River Pipeline, which now has all the necessary governmental approvals required to begin. Financing for the project has made progress during the Period, with the Company close to securing a proposed investment by a local Namibian investor of €9,130,000.

Financials

The Company recorded a loss before tax of £540,000. and had cash balances of £22,000 at the end of the period. As disclosed in note 2 the Company's audited annual results released today, the Director's forecast that, in the absence of other funding, future revenue from the Company's South African diamond mining along with existing available cash resources, will be sufficient to cover operating cash outflows for a period of 12 months from today's date.

The Company does not plan to pay an interim dividend for the six months ended 31 December 2020.

Outlook

With a 100% interest in a premier tantalite mine and a controlling interest in a cash generative diamond mine, with further potential upside from a Heavy Mineral Sands opportunity, we are extremely excited about the future of the Company.

We look forward to updating shareholders as further growth is achieved across our portfolio.

Giles Clarke
Chairman
31 March 2021

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

	Notes	Unaudited six months ended 31 December 2020 £'000	Unaudited six months ended 31 December 2019 £'000	Audited year ended June 2020 £'000
Pre-production expenses		(72)	(181)	(290)
Administrative expenses		(381)	(296)	(619)
Share based payment expense		(87)	(48)	(114)
Other operating income		-	1	3
Operating loss and loss before tax		(540)	(524)	(1,020)
Tax on profit on ordinary activities		-	-	-
Loss for the period		(540)	(524)	(1,020)
Loss attributable to owners of the Company		(530)	(385)	(769)
(Loss)/profit attributable to non-controlling interests		(10)	(139)	(251)
		(540)	(524)	(1,020)
Loss per share				
Basic and diluted (loss) per share (pence)	4	(0.08) p	(0.11) p	(0.21) p
Loss for the period		(530)	(385)	(769)
Exchange differences on translation of foreign operations		(10)	(89)	90
Total comprehensive loss for the year attributable to equity holders of the parent		(540)	(474)	(679)

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Unaudited As at 31 December 2020 £'000	Unaudited As at 31 December 2019 £'000	Audited As at 30 June 2020 £'000
Non-current assets			
Mines under construction	2,904	2,449	2,817
Property, plant & equipment	881	692	635
Total non-current assets	3,785	3,141	3,452
Current assets			
Trade and other receivables	103	92	189
Cash and cash equivalents	22	264	425
Total current assets	125	356	614
Current liabilities			
Trade and other payables	235	123	224
Total current liabilities	235	123	224
Net assets	3,675	3,374	3,842
Capital and reserves			
Called up share capital	3,261	2,936	3,255
Share premium account	15,738	14,635	15,711
Capital redemption reserve	2,077	2,077	2,077
Share option reserve	252	99	165
Currency translation reserve	(331)	(123)	(584)
Retained earnings	(17,301)	(14,937)	(16,771)
Equity attributable to owners of the Company	3,696	4,687	3,853
Non-controlling interests	(21)	(1,313)	(11)
Shareholder funds	3,675	3,374	3,842

UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Share option reserve £'000	Currency translation reserve £'000	Retained earnings £'000	Equity shareholders' funds £'000	Non-controlling interests £'000	Total £'000
Balance at 1 July 2019	2,866	14,307	2,077	51	(34)	(14,552)	4,715	(1,174)	3,541
Comprehensive loss for the period	-	-	-	-	-	(385)	(385)	(139)	(524)
Other comprehensive income	-	-	-	-	(89)	-	(89)	-	(89)
Total comprehensive expense	-	-	-	-	(89)	(385)	(474)	(139)	(613)
Issue of share capital, net of share issue costs	70	328	-	-	-	-	398	-	398
Share based payment expense	-	-	-	48	-	-	48	-	48
Balance at 31 December 2019	2,936	14,635	2,077	99	(123)	(14,937)	4,687	(1,313)	3,374
Comprehensive loss for the period	-	-	-	-	-	(384)	(384)	(112)	(496)
Other comprehensive income	-	-	-	-	179	-	179	-	179
Total comprehensive expense	-	-	-	-	179	(384)	(205)	(112)	(317)
Non-controlling interest on acquisition of a subsidiary	-	-	-	-	-	-	-	(10)	(10)
Transactions with Non-controlling interest	-	-	-	-	-	(1,450)	(1,450)	1,424	(26)
Movement in reserves	-	-	-	-	(640)	-	(640)	-	(640)
Issue of share capital, net of share issue costs	319	1,076	-	-	-	-	1,395	-	1,395
Share based payment expense	-	-	-	66	-	-	66	-	66
Balance at 30 June 2020	3,255	15,711	2,077	165	(584)	(16,771)	3,853	(11)	3,842
Comprehensive loss for the period	-	-	-	-	-	(530)	(530)	(10)	(540)
Other comprehensive income	-	-	-	-	(10)	-	(10)	-	(10)
Total comprehensive expense	-	-	-	-	(10)	(530)	(540)	(10)	(550)
Movement in reserves	-	-	-	-	263	-	263	-	263
Issue of share capital, net of share issue costs	6	27	-	-	-	-	33	-	33
Share based payment expense	-	-	-	87	-	-	87	-	87
Balance at 31 December 2020	3,261	15,738	2,077	252	(331)	(17,301)	3,696	(21)	3,675

UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

	Unaudited	Unaudited	Audited
	Six months ended 31 December 2020 £'000	Six months ended 31 December 2019 £'000	year ended 30 June 2020 £'000
Cash flows from operating activities			
Operating loss	(540)	(524)	(1,020)
Adjustments for:			
Depreciation and amortisation	3	18	85
Share based payment charge for year	87	48	114
Shares issued in settlement of fees	-	18	18
Foreign exchange	250	-	(547)
Operating cashflow before working capital changes	(200)	(440)	(1,350)
Decrease/(increase) in receivables	86	(29)	(126)
Increase/(decrease) in payables	11	60	162
Net cash outflow from operating activities	(103)	(409)	(1,314)
Investing activities			
Purchase of property, plant & equipment	(246)	-	(70)
Development costs	(87)	(37)	(405)
Net cash outflow from investing activities	(333)	(37)	(475)
Financing activities			
Net proceeds from share issues	33	398	1,793
Net cash inflow from financing activities	33	398	1,793
Net (decrease)/increase in cash in the period	(403)	(48)	4
Exchange rate translation adjustment	-	(109)	-
Cash and cash equivalents at beginning of period	425	421	421
Cash and cash equivalents at end of period	22	264	425

NOTES TO THE UNAUDITED INTERIM ACCOUNTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

1. Basis of preparation

The financial statements included in the interim accounts have been prepared under the historical cost convention and in accordance with International Financial Reporting Standards (IFRS). The comparative figures for the six months ended 31 December 2019 are also included in these interim accounts under the historical cost convention.

The principal accounting policies used in preparing these interim accounts are those expected to apply in the Company's Financial Statements for the year ending 30 June 2021 and are unchanged from those disclosed in the Company's Annual Report for the year ended 30 June 2020.

The interim accounts were approved by the Board of Kazera Global plc on 31 March 2021. The interim financial information for the six months ended 31 December 2020 does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006 and is unaudited. The comparatives for the year ended 30 June 2019 are not the Company's full statutory accounts for that period. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditors' report on those accounts was unqualified, and did not contain statements under sections 498(2) or (3) of the Companies Act 2006. Copies of the accounts for the year ended 30 June 2019 are available on the Company's website (<https://kazeraglobal.com/>).

2. Accounting policies

The principal accounting policies are:

Basis of preparation

The comparative figures for the six months ended 31 December 2020 have been presented on the same basis as the interim accounts for the six months ended 31 December 2019.

Going concern

The interim financial statements have been prepared on the going concern basis as, in the opinion of the Directors, at the time of approving the interim financial statements, there is a reasonable expectation that the Company will continue in operational existence for the foreseeable future. The interim financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

Sales of Tantalite

The interim accounts have been prepared on the basis that the Group is not deemed to be in commercial production; therefore, the proceeds of sales of Tantalite have been set off against the development costs associated with the Tantalite mine site.

3. Share based payment expense

On 21 December 2018, 10,000,000 options were granted at an exercisable at 1.75p per share.

On 2 October 2019, 3,333,333 share warrants were issued at an exercise price of 0.6p per share.

On 23 March 2020, a total of 66,666,667 share warrants were issued at an exercise price of 0.3p per share.

On 4 June 2020, a total of 26,500,000 share options were issued at an exercise price of 1p per share.

On 17 June 2020, a total of 76,550,000 share warrants were issued at an exercise price of 1p per share.

4. Loss per share

	Unaudited 6 months ended 31 December 2020 £'000	Unaudited 6 months ended 31 December 2019 £'000	Audited Year ended 30 June 2020 £'000
Loss used for calculation of basic and diluted EPS	(530)	(385)	(769)
Loss for the year attributable to owners of the Company	(530)	(385)	(769)
Weighted average number of ordinary shares in issue used for calculation of basic and diluted EPS*	681,224,613	335,714,911	369,151,344
Loss per share (pence per share)			
Basic and fully diluted*:			
-from continuing and total operations	(0.08) p	(0.11) p	(0.21) p

*The Company has outstanding warrants and options which may be dilutive in future periods. The effect in respect of the current and comparative periods would have been anti-dilutive (i.e. reducing the loss per share) and accordingly is not presented.

5. Distribution of Interim Report and Registered Office

A copy of the Interim Report will be available shortly on the Company's website, <https://kazeraglobal.com/>, in accordance with rule 26 of the AIM Rules for Companies; and copies will be available from the Company's registered office, Unit D, De Clare House Sir Alfred Owen Way, Pontygwindy Industrial Estate, Caerphilly, Wales, CF83 3HU.