

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](http://www.kazeraglobal.com)

#### Kazera Global plc (c/o Camarco)

Larry Johnson (CEO)

Tel: +44 (0)203 757 4980

#### finnCap (Nominated Adviser and Joint Broker)

Christopher Raggett / Charlie Beeson (corporate finance)

Tel: +44 (0)207 220 0500

#### Camarco (PR)

Gordon Poole / James Crothers / Hugo Liddy

Tel: +44 (0)20 3781 8331

**\*\*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**

|   | <b>Unaudited<br/>six months<br/>ended<br/>31<br/>December<br/>2020</b> | Unaudited<br>six months<br>ended<br>31<br>December<br>2019 | Audited<br>year<br>ended<br>30<br>June<br>2020 |
|---|--|--|--|
| <b>Notes</b>                              | <b>£'000</b>   | £'000  | £'000  |
| Pre-production expenses                   | (72)   | (181)  | (290)  |
| Administrative expenses                   | (381)  | (296)  | (619)  |
| Share based payment expense               | (87)   | (48)   | (114)  |
| Other operating income                    | -  | 1  | 3  |
| <b>Operating loss and loss before tax</b> | <b>(540)</b>   | <b>(524)</b>   | <b>(1,020)</b>                                 |
| Tax on profit on ordinary activities      | -  | -  | -  |

|  |              |              |                |
|--|--------------|--------------|----------------|
| <b>Loss for the period</b>                                     | <b>(540)</b> | <b>(524)</b> | <b>(1,020)</b> |
| <b>Loss attributable to owners of the Company</b>              | <b>(530)</b> | <b>(385)</b> | <b>(769)</b>   |
| <b>(Loss)/profit attributable to non-controlling interests</b> | <b>(10)</b>  | <b>(139)</b> | <b>(251)</b>   |
|  | <b>(540)</b> | <b>(524)</b> | <b>(1,020)</b> |

#### Loss per share

|  |   |                 |          |          |
|--|---|-----------------|----------|----------|
| Basic and diluted (loss) per share (pence) | 4 | <b>(0.08) p</b> | (0.11) p | (0.21) p |
|--|---|-----------------|----------|----------|

|   |              |              |              |
|---|--------------|--------------|--------------|
| <b>Loss for the period</b>  | <b>(530)</b> | <b>(385)</b> | <b>(769)</b> |
| Exchange differences on translation of foreign operations                                 | <b>(10)</b>  | (89)         | 90           |
| <b>Total comprehensive loss for the year attributable to equity holders of the parent</b> | <b>(540)</b> | <b>(474)</b> | <b>(679)</b> |

## UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

### AS AT 31 DECEMBER 2020

|                                 | <b>Unaudited</b> | Unaudited | Audited |
|---------------------------------|------------------|-----------|---------|
|                                 | <b>As at</b>     | As at     | As at   |
|                                 | <b>31</b>        | 31        | 30      |
|                                 | <b>December</b>  | December  | June    |
|                                 | <b>2020</b>      | 2019      | 2020    |
|                                 | <b>£'000</b>     | £'000     | £'000   |
| <b>Non-current assets</b>       |                  |           |         |
| Mines under construction        | <b>2,904</b>     | 2,449     | 2,817   |
| Property, plant & equipment     | <b>881</b>       | 692       | 635     |
| <b>Total non-current assets</b> | <b>3,785</b>     | 3,141     | 3,452   |
| <b>Current assets</b>           |                  |           |         |
| Trade and other receivables     | <b>103</b>       | 92        | 189     |
| Cash and cash equivalents       | <b>22</b>        | 264       | 425     |

|   |                 |          |          |
|---|-----------------|----------|----------|
| <b>Total current assets</b>                         | <b>125</b>      | 356      | 614      |
| <b>Current liabilities</b>                          |                 |          |          |
| Trade and other payables                            | <b>235</b>      | 123      | 224      |
| <b>Total current liabilities</b>                    | <b>235</b>      | 123      | 224      |
| <b>Net assets</b>                                   | <b>3,675</b>    | 3,374    | 3,842    |
| <b>Capital and reserves</b>                         |                 |          |          |
| Called up share capital                             | <b>3,261</b>    | 2,936    | 3,255    |
| Share premium account                               | <b>15,738</b>   | 14,635   | 15,711   |
| Capital redemption reserve                          | <b>2,077</b>    | 2,077    | 2,077    |
| Share option reserve                                | <b>252</b>      | 99       | 165      |
| Currency translation reserve                        | <b>(331)</b>    | (123)    | (584)    |
| Retained earnings                                   | <b>(17,301)</b> | (14,937) | (16,771) |
| <b>Equity attributable to owners of the Company</b> | <b>3,696</b>    | 4,687    | 3,853    |
| <b>Non-controlling interests</b>                    | <b>(21)</b>     | (1,313)  | (11)     |
| <b>Shareholder funds</b>                            | <b>3,675</b>    | 3,374    | 3,842    |

## UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

|   | Share capital<br>£'000 | Share premium account<br>£'000 | Capital redemption reserve<br>£'000 | Share option reserve<br>£'000 | Currency translation reserve<br>£'000 | Retained earnings<br>£'000 | Equity shareholders' funds<br>£'000 | Non-controlling interests<br>£'000 | Total<br>£'000 |
|---|------------------------|--------------------------------|-------------------------------------|-------------------------------|---------------------------------------|----------------------------|-------------------------------------|------------------------------------|----------------|
| <b>Balance at 1 July 2019</b>                           | <b>2,866</b>           | <b>14,307</b>                  | <b>2,077</b>                        | <b>51</b>                     | <b>(34)</b>                           | <b>(14,552)</b>            | <b>4,715</b>                        | <b>(1,174)</b>                     | <b>3,541</b>   |
| 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             |
| <b>Balance at 31 December 2019</b>                      | <b>2,936</b>           | <b>14,635</b>                  | <b>2,077</b>                        | <b>99</b>                     | <b>(123)</b>                          | <b>(14,937)</b>            | <b>4,687</b>                        | <b>(1,313)</b>                     | <b>3,374</b>   |
| 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           |
| <b>Balance at 30 June 2020</b>                   | <b>3,255</b> | <b>15,711</b> | <b>2,077</b> | <b>165</b> | <b>(584)</b> | <b>(16,771)</b> | <b>3,853</b> | <b>(11)</b> | <b>3,842</b> |
| 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           |
| <b>Balance at 31 December 2020</b>               | <b>3,261</b> | <b>15,738</b> | <b>2,077</b> | <b>252</b> | <b>(331)</b> | <b>(17,301)</b> | <b>3,696</b> | <b>(21)</b> | <b>3,675</b> |

## UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS

### FOR THE SIX MONTHS ENDED 31 DECEMBER 2020

|   | Unaudited<br>Six months<br>ended<br>31<br>December<br>2020<br>£'000 | Unaudited<br>Six months<br>ended<br>31<br>December<br>2019<br>£'000 | Audited<br>year<br>ended<br>30<br>June<br>2020<br>£'000 |
|---|---|---|---|
| <b>Cash flows from operating activities</b>       |   |   |   |
| 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   |
| <b>Net cash outflow from operating activities</b> | <b>(103)</b>  | <b>(409)</b>  | <b>(1,314)</b>  |
| <b>Investing activities</b>                       |   |   |   |
| Purchase of property, plant & equipment           | (246)   | -   | (70)  |
| Development costs                                 | (87)  | (37)  | (405)   |
| <b>Net cash outflow from investing activities</b> | <b>(333)</b>  | <b>(37)</b>   | <b>(475)</b>  |
| <b>Financing activities</b>                       |   |   |   |
| Net proceeds from share issues                    | 33  | 398   | 1,793   |

|  |              |       |       |
|--|--------------|-------|-------|
| <b>Net cash inflow from financing activities</b>     | <b>33</b>    | 398   | 1,793 |
| <b>Net (decrease)/increase in cash in the period</b> | <b>(403)</b> | (48)  | 4     |
| Exchange rate translation adjustment                 | -            | (109) | -     |
| Cash and cash equivalents at beginning of period     | <b>425</b>   | 421   | 421   |
| <b>Cash and cash equivalents at end of period</b>    | <b>22</b>    | 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<br>6 months<br>ended<br>31 December<br>2020<br>£'000 | Unaudited<br>6 months<br>ended<br>31 December<br>2019<br>£'000 | Audited<br>Year ended<br>30 June 2020<br>£'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                                    |
| <b>Loss per share (pence per share)</b>  |  |  |  |
| 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, Pontywindy Industrial Estate, Caerphilly, Wales, CF83 3HU.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [ms@lseg.com](mailto:ms@lseg.com) or visit [www.rns.com](http://www.rns.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

IR DZGFFMGNGMZZ