



Great Western Mining Corporation PLC
Annual Report 2019

Great Western Mining Corporation PLC

Annual Report and Financial Statements

for the year ended 31 December 2019

Registered number: 392620

Annual Report and Financial Statements
For the year ended 31 December 2019

| Contents | Page |
|---|-------------|
| Directors and Other Information..... | 1 |
| Executive Chairman’s Statement..... | 3 |
| Operations Report..... | 5 |
| Directors’ Report..... | 8 |
| Statement of Directors’ Responsibilities..... | 16 |
| Independent Auditor’s Report..... | 17 |
| Consolidated Income Statement..... | 22 |
| Consolidated Statement of Other Comprehensive Income..... | 23 |
| Consolidated Statement of Financial Position..... | 24 |
| Company Statement of Financial Position..... | 25 |
| Consolidated Statement of Changes in Equity..... | 26 |
| Company Statement of Changes in Equity..... | 28 |
| Consolidated Statement of Cash Flows..... | 30 |
| Company Statement of Cash Flows..... | 31 |
| Notes to the Financial Statements..... | 32 |



Directors and Other Information
For the year ended 31 December 2019

| | |
|--------------------------|--|
| Directors | Brian Hall (Executive Chairman) Max Williams (Finance Director) Robert O’Connell (Operations Director) |
| Registered office | 1 Stokes Place St. Stephen’s Green Dublin DO2 DE03 Ireland |
| Secretary | Max Williams |
| Auditor | KPMG Chartered Accountants 1 Stokes Place St. Stephen’s Green Dublin DO2 DE03 Ireland |
| Bankers | HSBC Bank PLC 60 Queen Victoria Street London EC4N 4TR United Kingdom Bank of Ireland Ross Road Taghmon Co. Wexford Y35 XP96 Ireland Wells Fargo Bank 2070 Idaho Street Elko Nevada 89801 U.S.A |
| Registrar | Computershare Investor Services (Ireland) Limited 3100 Lake Drive Citywest Business Campus Dublin D24 AK82 Ireland |

Directors and Other Information (continued)
For the year ended 31 December 2019

Solicitors

John O'Connor Solicitors
168 Pembroke Road
Ballsbridge
Dublin 4
Ireland

ByrneWallace
88 Harcourt Street
Dublin 2
DO2 DK18
Ireland

**AIM Nominated Advisor, Euronext Growth Advisor
and Broker**

Davy Corporate Finance
Davy House
49 Dawson Street
Dublin 2
Ireland

AIM Joint Broker

Novum Securities Limited
8-10 Grosvenor Gardens
London SW1W 0DH
United Kingdom

ETX Capital
One Broadgate Circle
London EC2M 2QS
United Kingdom

Registered number

392620

Date of incorporation

20 October 2004

Website

www.greatwesternmining.com

Executive Chairman's Statement
For the year ended 31 December 2019

Dear Shareholder,

Here are Great Western Mining Corporation PLC's Annual Report and audited financial statements for the year ended 31 December 2019. The Group does not yet generate revenues and incurred a loss of €815,795 (2018: €992,774).

A number of important changes and a refocusing of the Company's activities have occurred since we last reported to shareholders in September with the 2019 half-year results. In November David Fraser resigned as Chief Executive to pursue opportunities in another sector after six years at the helm, during which the Company greatly enhanced the potential for commercial copper on its properties in Mineral County, Nevada. As foreseen in the 2019 Interim Report, Melvyn Quiller, one of the Company's founders, has now retired as Finance Director. Max Williams, a Chartered Accountant with a strong track record in the financial management of publicly traded natural resource companies, was co-opted to the Board in November as Finance Director and will offer himself for election at the AGM. I have now taken over the day to day management of the Company as Executive Chairman and, to strengthen our team and fulfil the aim of good corporate governance, we plan to appoint new independent directors to the Board in the near future.

In both the 2018 Annual Report and the 2019 Interim Statement, we indicated the Company's belief in the precious metals potential of its acreage in Nevada, the aptly-named 'Silver State'. We have now taken this a stage further and are concentrating on precious metals. In November 2019 we raised new capital to progress the potential for gold and silver extraction on the Company's mining leases in Nevada; and post period end in February 2020, we raised additional new capital at a higher placing price, to take the appraisal of gold and silver prospects to the next stage. In November and December 2019, before the harsh Nevada winter closed in, a three-man Great Western team collected multiple soil samples at two selected properties, the Mineral Jackpot group of old mine workings and the Rock House ('RH') exploration play, Mineral Jackpot being the collective name for several old, long-abandoned gold mines. Laboratory analysis of the soil sampling has now virtually doubled the footprint for gold extraction at these locations. RH was never mined in the past but its potential for precious metals has been identified through satellite imagery, which the soil sampling exercise at the end of last year has now strongly confirmed. As well as Mineral Jackpot and RH, there are several other areas in our acreage with the potential for precious metal recovery and these are currently being evaluated and prioritised by our technical team. While we work on the potential for new gold mining operations, we shall also be looking at spoil heaps from historic mining operations with a view to leaching them for gold and silver. If effective, this will produce early revenues for Great Western and we shall be following a well-trodden path which has often been successful at historic gold mines in Western Australia.

Focusing on precious metals at this stage does not detract from the major potential for copper which we have worked so hard to enhance for several years now, nor does it mean that we are abandoning our efforts in that area. However, your current Board believes that prioritising gold and silver will provide earlier benefits for shareholders during a period when the market for gold is very strong. We are actively seeking partners to finance and develop the copper potential in parallel with our efforts to develop the precious metals potential.

At the time of writing, the effects of the Covid-19 virus all over the world are affecting our plans and restricting our ability to progress our field work. In common with all other businesses we are having to review our operations on an almost daily basis. While we will do our best to maintain the objectives of our 2020 work programme, there can be no certainty that we will achieve them. All this said, our plan is to exploit the gold potential of our properties as soon as we can, find a partner with whom we can work on early development of copper and expand into carefully selected areas for precious metals outside our existing interests, with a view to growing the Company's base and spreading risk.

Executive Chairman's Statement (continued)
For the year ended 31 December 2019

Due to the disruption to normal business caused by the COVID-19 virus we are not yet proposing a date for the Company's Annual General Meeting in the hope that, by delaying it, there will a stronger chance of shareholders being able to attend. At the appropriate time we will mail a Notice of Meeting. In the meantime the 2019 Annual Report and Accounts may be downloaded from our website www.greatwesternmining.com under the Investors section. Any shareholder who would like to receive a hard copy should contact The Secretary, Great Western Mining Corporation PLC, 1 Stokes Place, Dublin 2, Ireland.

It remains for me to thank you, our shareholders, for your patience and continuing support.

Yours sincerely,

Brian Hall
Executive Chairman

Date: 8 April 2020

Operations Report
For the year ended 31 December 2019

Principal activities, strategy and business model

The principal activity of the Group is to explore for and develop gold, silver, copper and other minerals. The Board aims to increase shareholder value by the systematic evaluation and exploitation of its existing assets in Mineral County, Nevada, USA and elsewhere as may become applicable.

Great Western's near-term objective is to develop small scale, short lead-time gold and silver projects which can potentially be brought into production under the control of the Group.

The Group's secondary objective is to progress the copper projects which it has already identified and enhanced through extensive drilling. Such projects have potential for the discovery of large mineralised systems which can be monetised over the longer term, possibly through joint ventures with third parties.

Business development and performance

During the twelve months ended 31 December 2019, Great Western carried out exploration across its portfolio of six 100% owned claims groups in Nevada.

In September 2019 the Group reduced its land position through the relinquishment of 204 claims in the TUN, HUN and JS Groups which were considered no longer to have strategic value to the Group. The revised land position held by Great Western in Mineral County now consists of 800 full and fractional unpatented claims, covering a total land area of approximately 66.4 km².

Review by Project

The Black Mountain Group of Claims

The Black Mountain Group ("BM") lies on a south-west trending spur ridge of the Excelsior Range of mountains and comprises 247 full and fractional claims covering approximately 21 km².

During 2019, the Company conducted detailed geological mapping and appraisal at its recently acquired Silver Moon and Silver Bell prospects. These historic mining areas have previously been exploited for gold and silver ore and are considered by GWM to lie on the same structure as the Mineral Jackpot deposit to the north-west. At the very end of the year, before the onset of winter, the Company carried out comprehensive soil sampling to cover the Mineral Jackpot – Silver Bell trend and this yielded encouraging results, beyond expectations. Best results of 309 ppb gold from the soil programme demonstrate the potential of the area and the soil sampling confirms the Company theory of mineralisation continuity between the two areas. Surface trenching in 2020 will seek strike extents of known veins and new areas of mineralisation identified by the soil sampling.

The copper potential at M2 is significant and the M2 Deep Target is buried far beneath the existing M2 copper oxide resource which was defined by an earlier geophysical survey. This target could potentially extend the current copper resource for a further 500m along strike. During 2019 two drill locations were permitted with the BLM in order to drill test the target and they remain current and valid.

The RH Group of Claims

The M7 gold-silver prospect lies within the Rock House ("RH") group of claims. This area is accessible and lends itself to mining operations but was never mined in the past, its potential having only recently been identified through satellite imagery. It is a circular structure associated with a magnetic low, adjacent to the prolific Golconda thrust fault. The area is characterised by intense argillic and sericitic alteration, along with silicification and oxidation, within basement siltstones and slates.

During 2019 a soil and rock sampling programme identified three previously unexplored prospective areas: (1) The Eastern Shear Zone area covers 35,000 m² and contains Au-Cu-Pb-Sb anomalies within a 200m-long sheared and altered structure. Rock sampling within the structure returned 240 ppb gold and 0.13% copper. (2) The Northern Slate Zone covers 700,000 m² of variably altered slates containing numerous Au-Cu-Ni anomalies,

Operations Report (continued)
For the year ended 31 December 2019

The RH Group of Claims (continued)

along the suspected northern contact with the Golconda fault. (3) The Southern Alteration Zone is an area of intense phyllic and silicic alteration within host siltstones, containing very strong Au-Ag-Sb-As-W signatures.

Upcoming plans for the area include a closer-spaced soil programme over the Northern Slate Zone, followed up rock sampling in previously unsampled area of the Eastern Shear Zone and the Southern Alteration Zone and an application for surface disturbance works to conduct trenching and drilling in the most prospective areas as soon as possible.

The Huntoon Group of Claims

107 full and 12 fractional claims surround the workings of the historic underground Huntoon gold mine and are prospective for gold, silver and copper mineralisation. The claims are located on the north-west side of the Huntoon Valley, covering approximately 10 km². The Company is actively planning further exploration and in parallel identifying opportunities for achieving near-term production.

The JS Group of Claims

The M5 gold prospect lies within the JS Group in altered siliceous host rock, exposed beneath Tertiary volcanoclastics for 1km. Gold, Arsenic and Antimony were all anomalous in samples taken along a north-easterly crest of the central ridge at M5 and the coincidence of anomalous pathfinder geochemistry and altered sediments strongly suggests the presence of sediment hosted disseminated gold mineralisation. The Group conducted a geological mapping and sampling exercise in 2019 to follow up the anomalous results from an earlier campaign.

The M4 Copper-Gold project also lies within the JS Group. The M4 copper target was identified through geophysical surveys, soil sampling and mapping of mineralised structures on surface. Great Western believes that the breccia vein intercepted in hole M4_05, along with other veins mapped at surface, could be offshoot structures in the roof of a buried sulphide orebody. In December 2018 the Group submitted a drill permit application to follow up on the exciting discovery in hole M4_05. The application was approved in 2019 and remains current.

The EM Group of Claims

The M8 copper prospect lies within the EM Group which contains the historic Eastside Mine where high grade copper-oxide ore was mined from shallow underground workings during the First World War. Conoco investigated Eastside as a copper porphyry prospect in the early 1970's, identifying mineralisation consisting of substantial copper and molybdenum values.

In 2019 Great Western undertook an in-depth geological mapping exercise over the EM Group in conjunction with a broad soil sampling campaign covering the entire exposure of altered basement sediments. Anomalous copper and zinc values were identified, validating Conoco's reported results, along with an apparent zonation of metal enrichment which points to a buried source in the north-east quadrant of the claim group.

Operations Report (continued)
For the year ended 31 December 2019

The Tun Group of Claims

The M6 gold-silver prospect lies within the TUN Group. The M6 prospect is a parallel system of multiple, oxide and sulphide, gold-silver veins and veinlet stockworks. Supergene, high-grade ores have been mined in the past at M6 and the potential remains for deposits of shallow, oxidised stockworks in the immediate vicinity of the historic workings.

In 2019 Great Western carried out a detailed mapping and sampling programme at the TUN Group, identifying multiple quartz veins and encountering further previously unreported historic workings along a 2km strike corridor.

Summary of 2019 Work Programme

- Portfolio of claims reorganised by acquiring new claims with precious metals potential and relinquishing old claims with no remaining potential
- Geological mapping at the Silver Moon and Silver Bell gold and silver prospects
- Soil sampling programme at Mineral Jackpot group of claims, including Silver Bell and Silver Moon
- Two drill locations permitted for M2
- Soil and rock sampling at RH Group
- M4 drill permit sought and approved
- Geological mapping undertaken and concluded over the Eastside Mine area

Forward to 2020

2020 is scheduled to be a busy and exciting year for Great Western, although the impact of Covid-19 is likely to cause delays, given the overriding need to safeguard the Company's employees and contractors and to comply fully with all government directives. Numerous precious metal targets have been identified from the 2019 field campaigns where trenching and drilling activities will commence on the most tantalising of these targets as soon as applications for surface disturbance works have been approved, always subject to the situation with the virus. Historic spoil heap will be leached offsite for early recovery of precious metals and to verify prospectivity. At the other prospects, further rock and soil sampling will be undertaken to identify future targets with a view to accelerating their exploitation.

William Cooper

Vice-President, Exploration

Date: 8 April 2020

Directors' Report

For the year ended 31 December 2019

The Directors present their report and audited financial statements for the year ended 31 December 2019 of Great Western Mining Corporation PLC ("the Company") and its subsidiaries ("the Group").

Principal activity, business review and future developments

The Company is listed on the Euronext Growth market of Euronext Dublin and the Alternative Investment Market ("AIM") of the London Stock Exchange.

The Group's principal activity is the exploration for and mining of copper, silver, gold and other minerals in Nevada, U.S.A. During the year, expenditure of €206,736 (2018: €2,266,542) was incurred on the Group's exploration assets including costs associated with the retention of the claims held by the Group.

The Directors have reviewed the financial position of the Group as at 31 December 2019 and expect that it will be in a position to continue its planned activities for the foreseeable future.

Results and dividends

The consolidated income statement for the year ended 31 December 2019 and the consolidated statement of financial position as at that date are set out on page 22 and 24 respectively. The loss for the year amounted to €815,795 (2018: €992,774).

All exploration and development costs to date have been deferred and no transfer to distributable reserves or dividends is recommended by the Directors (2018: €Nil).

Directors and Secretary and their interests

On 13 November 2019, David Fraser resigned, and Melvyn Quiller retired from the Board. In accordance with the articles of association, Robert O'Connell retires from the Board by rotation and being eligible, offers himself for re-election. Max Williams, having been appointed to the Board since the last annual general meeting, will seek election at the forthcoming annual general meeting.

The Directors who held office at 31 December 2019 had no beneficial interests in any of the shares of the Company and Group companies other than Ordinary Shares in Great Western Mining Corporation PLC as follows:

| Director | Number of ordinary shares | | |
|------------------|---------------------------|-------------|-------------|
| | 8 Apr 2020 | 31 Dec 2019 | 31 Dec 2018 |
| Brian Hall | 48,000,200 | 48,000,200 | 4,916,666 |
| Robert O'Connell | 21,670,490 | 21,670,490 | 11,670,490 |
| Max Williams | 31,250,000 | 31,250,000 | - |

Directors' Report (continued)
For the year ended 31 December 2019

Directors and Secretary and their interests (continued)

The Group operates a directors' share option scheme and in addition to the interests disclosed above certain directors have options to acquire ordinary shares of €0.0001 each in Great Western Mining Corporation PLC. The Directors who held office at 31 December 2019 had the following beneficial interests in options over the Company's Ordinary shares:

| Name of Director | Holding at 1 January 2019 | Granted during the year | Exercised during the year | Holding at 31 December 2019 | Weighted |
|------------------|------------------------------|-------------------------------|---------------------------------|-----------------------------------|------------------------------|
| | | | | | average exercise price |
| Brian Hall | 10,666,667 | - | - | 10,666,667 | €0.0103 |
| Robert O'Connell | 17,000,000 | - | - | 17,000,000 | €0.0103 |

For the purposes of Section 305 of the Companies Act 2014 (Ireland), the aggregate gains by Directors on the exercise of share options during the year ended 31 December 2019 was €Nil (2018: €68,000).

Under the terms of a placing on 13 November 2019, the Company granted warrants to placees in the ratio of one warrant for one Ordinary share subscribed for in the placing. Certain Directors participated in the placing and those Directors that held office at 31 December 2019 had the following beneficial interest in warrants over the Company's Ordinary shares:

| Name of Director | Holding at 1 January 2019 | Granted during the year | Exercised during the year | Holding at 31 |
|------------------|------------------------------|-------------------------------|---------------------------------|------------------|
| | | | | December 2019 |
| Brian Hall | - | 31,250,000 | - | 31,250,000 |
| Max Williams | - | 31,250,000 | - | 31,250,000 |

The warrants have an exercise price of Stg 0.16 pence per ordinary share and may be exercised at any time up until the third anniversary of the date of the placing, being 13 November 2022.

Transactions involving Directors

There have been no contracts or arrangements of significance during the year in which Directors of the Company had an interest other than as disclosed in note 18 to the financial statements.

Significant shareholders

As of the date of this report, the following shareholders held 3% or more of the issued ordinary share capital of the Company:

| | Number of shares | Per cent |
|---------------|---------------------|----------|
| Andrew Webley | 75,263,451 | 5.28% |
| Brian Hall | 48,000,200 | 3.37% |

The Directors are not aware of any other legal or beneficial shareholder with a holding of 3% or more of the share capital of the Company.

Share price

The share price movement in the year ranged from a low of €0.00160/£0.00105 to a high of €0.00700/£0.00585 (2018: €0.00200/£0.00221 to €0.02500/£0.01740). The share price at the year-end was €0.00200/£0.00125 (2018: €0.00500/£0.00250).

Directors' Report (continued)
For the year ended 31 December 2019

Principal risks and uncertainties

The Board regularly reviews the risks to which the Group is exposed and ensures through its meetings and regular reporting that these risks are minimised as far as possible.

Main trends and factors likely to impact future business performance

The Group considers the general commodity cycle to be the key trend and factor that is likely to impact future business performance. Commodity prices remained generally stable during 2019 but prices of copper and silver have fallen since the year-end with the outbreak of Covid-19: the gold price however has strengthened although it is volatile. The Board maintains a longer-term positive outlook for copper and precious metal fundamentals because:

- Global mine supply remains constrained – declining grade and continued project deferrals forecast going forward.
- Further demand growth upside forecast through electric vehicles, renewable energy and infrastructure investment.
- Future base demand will not be met without significant investment and these investments take time to come to market.

The principal risks and uncertainties facing the Group at this stage in its development and in the foreseeable future are detailed below together with risk mitigation strategies employed by the Board:

Mineral exploration - Mineral exploration is a high-risk activity and there can be no guarantee that the Group will identify a mineral resource that can be extracted economically.

- The Board regularly reviews the exploration and development programmes.
- Activities are focused in Nevada, a jurisdiction that represents relatively low political and operational risk.
- Exploration work is conducted on a systematic basis, using modern geochemical and geophysical techniques and various drilling methods.

Resource risk - All mineral projects have risk associated with defined grade and continuity. Mineral reserves are always subject to uncertainties in the underlying assumptions which include geological projection and price assumptions.

- At the appropriate time resources and reserves are estimated by independent specialists on behalf of the Group in accordance with accepted industry standards and codes. The Group currently reports resources in accordance to the JORC (2012) code.
- The directors are realistic in the use of metal and mineral price forecasts and impose rigorous practices in the QA/QC programmes that support its independent estimates.

Commodity price risk - The principal commodities that are the focus the Group's exploration and development efforts are subject to highly cyclical patterns in global demand and supply and consequently the price of those commodities is highly volatile.

- The Board consistently reviews commodity prices and trends for its key projects throughout the development cycle.

Recruitment and Retention of Staff - the Group's ability to execute its strategy is dependent on the skills and abilities of its people.

- The Board undertakes initiatives to foster good staff engagement and ensure that remuneration packages are competitive in the market.

Directors' Report (continued)
For the year ended 31 December 2019

Main trends and factors likely to impact future business performance (continued)

Covid-19 - the Directors are monitoring the impact of the progress of Covid-19 which may impact on the Group's ability to execute its strategy in a timely manner and to raise equity due to periods of market volatility.

- The Board is undertaking action to abide by governmental direction to combat Covid-19 and to implement cost control measures where possible.

Occupational health and safety - the Group's exploration activities are conducted in an extremely remote area of Nevada.

- The Operations Director has been given specific responsibility for health and safety in the field.
- Every employee of the Group is committed to promoting and maintaining a safe working environment.
- The Board regularly reviews occupational health and safety policies and compliance with those policies.

Foreign exchange - Although the reporting currency is the Euro, which is the functional currency of the Company, the Group incurs expenditure in foreign currencies in the countries in which it operates. The Company may also undertake fundraising activities in local currencies, thus creating foreign currency exposure.

Corporate governance

The Directors of Great Western Mining Corporation PLC recognise the importance of good corporate governance and have decided to apply the Quoted Companies Alliance Corporate Governance Code ("QCA Code"). The QCA Code was developed by the QCA in consultation with several significant institutional small company investors. The underlying principle of the QCA Code is that "the purpose of good corporate governance is to ensure that the company is managed in an efficient, effective and entrepreneurial manner for the benefit of all shareholders over the longer term". Further details of how the Company complies with the QCA code are available on the Company's website. The Directors anticipate that, whilst the Company will continue to comply with the QCA Code, given the Group's size, and plans for the future, it will also endeavour to have regard to the provisions of the UK Corporate Governance Code as best practice guidance to the extent appropriate for a company of its size and nature.

The Board

The Board is responsible for the supervision and control of the Group and is accountable to the shareholders. The Board has reserved decision-making rights on a variety of matters including determining and monitoring business strategy for the Group; evaluating exploration opportunities and risks; approving all capital expenditure on exploration assets; approving budgets and monitoring performance against budgets; monitoring risks and controls; reviewing and monitoring executive management performance and considering and appointing new Directors and Company Secretary.

The Board currently has three executive Directors. Following the Board changes on 13 November 2019, the Company does not have a non-executive Director. The Board acknowledges that this does not comply with the QCA Code which requires a company to appoint two independent non-executive Directors. The Board is currently seeking suitable candidates in order to comply with the QCA Code. The Company currently does not comply with the QCA Code as the roles of chief executive officer and non-executive chairman are not separate with the Company having appointed Mr Hall as Executive Chairman. The Board considers this appropriate for the short-term but has the matter under review. The Board has not appointed a senior independent non-executive Director and intends to comply with the QCA Code once non-executive appointments have been made to the Board.

There is an agreed procedure for Directors to take independent legal advice. The Company Secretary is responsible for ensuring that the Board procedures are followed and all Directors have direct access to the Company Secretary.

Directors' Report (continued)
For the year ended 31 December 2019

The Board met formally on eight occasions during the year ended 31 December 2019. An agenda and supporting documentation are circulated in advance of each meeting. All the Directors bring independent judgement to bear on issues affecting the Group and all have full and timely access to information necessary to enable them to discharge their duties. The Directors have a wide and varying array of experiences in the extractive industries.

Each year, under the terms of the Articles of Association of the Company, at least one third of the Directors retire from the Board by rotation and every Director is subject to this rule. All new Directors appointed since the previous annual general meeting are required to seek election at the next annual general meeting. The Director required to seek re-election at the forthcoming annual general meeting is Robert O'Connell. Max Williams, having been appointed to the Board since the last annual general meeting, will seek election at the forthcoming annual general meeting.

Board committees

The Board has implemented a committee structure to assist in the discharge of its responsibilities. All committees have written terms of reference setting out their authority and duties.

Nomination committee

The Nomination Committee, which comprised Brian Hall (Chairman) and David Fraser (Chief Executive Officer) until 13 November 2019 and from then of Robert O'Connell (Executive Director) and Max Williams (Finance Director), meets at least once every year to lead the formal process of rigorous and transparent procedures for Board and Senior Management appointments and to make recommendations to the Board in accordance with best practice and other applicable rules and regulations, insofar as they are appropriate to the Group at this stage in its development. With the expected retirement of Melvyn Quiller from the Board, the Committee undertook a process to identify a suitable replacement and recommended the appointment of Max Williams as Finance Director.

Remuneration committee

The Remuneration Committee comprised of Brian Hall (Executive Chairman) and Melvyn Quiller (Finance Director) until his retirement on 13 November 2019 when Robert O'Connell (Executive Director) and Max Williams (Finance Director) joined the Committee. It determines the terms and conditions of employment and annual remuneration of the executive Directors. It takes into consideration external data and comparative third-party remuneration and has access to professional advice outside the Group.

The key policy objectives of the Remuneration Committee in respect of the Company's executive Directors are:

- To ensure that individuals are fairly rewarded for their personal contributions to the Group's overall performance; and
- To act as the committee ensuring that due regard is given to the interest of the Company's shareholders and to the financial and commercial health of the Group.

Directors' Report (continued)
For the year ended 31 December 2019

Remuneration committee (continued)

Directors' remuneration during the year ended 31 December 2019, excluding share-based payments was as follows:

| | 2019 | 2018 |
|---|----------------|---------|
| | € | € |
| Executive Directors' remuneration | | |
| Brian Hall (from 14 November 2019) | - | - |
| David Fraser (resigned 13 November 2019) | 71,819 | 122,416 |
| Melvyn Quiller (retired 13 November 2019) | 52,195 | 89,858 |
| Robert O'Connell | 39,491 | 82,000 |
| Max Williams (appointed 13 November 2019) | - | - |
| Total executive Directors' remuneration | 163,505 | 294,274 |
| Non-executive Director remuneration | | |
| Brian Hall (until 13 November 2019) | 31,593 | 56,281 |
| Total non-executive Director's remuneration | 31,593 | 56,281 |
| Total Directors' remuneration | 195,098 | 350,555 |

In conjunction with the Placing on 13 November 2019, Brian Hall, Robert O'Connell and Max Williams waived their remuneration from the date of the Placing to 31 December 2019.

Shareholders

There is regular dialogue with shareholders and presentations are posted to the Company's website from time to time.

The Board encourages communication with shareholders throughout the year and welcomes their participation at general meetings. Where possible, all Board members attend the annual general meeting and are available to answer questions. Separate resolutions are proposed on substantially different issues and the agenda of business to be conducted at the annual general meeting includes a resolution to receive and consider the annual report and financial statements. The Chairman of each of the Board's committees is available at the annual general meeting.

The Board regards the annual general meeting as an important opportunity for shareholders, Directors and management to meet and exchange views. Notice of the annual general meeting together with the annual report and financial statements is sent to shareholders in accordance with the articles of association of the Company and details of the proxy votes for and against each resolution are announced after the result of the votes.

Directors' Report (continued)
For the year ended 31 December 2019

Internal control

The Directors have overall responsibility for the Group's system of internal controls and the setting of appropriate policies on these controls. The Board regularly assures itself that the system is functioning and is effective in managing business risk. This system includes financial controls which enable the Board to meet its responsibilities for the integrity and accuracy of the Group's accounting records.

The key features of the system of internal controls are the following:

- Budgets are prepared for approval by executive management and inclusion in a Group budget approved by the Board;
- Expenditure and income are regularly compared to previously approved budgets;
- The Board establishes exploration and commodity risk policies as appropriate, for implementation by executive management;
- All commitments for expenditure and payments are compared to previously approved budgets and are subject to approval by personnel designated by the Board or by the Board of subsidiary companies;
- Regular management meetings take place to review financial and operational activities;
- Cash flow forecasting is performed on an ongoing basis to ensure efficient use of cash resources;
- Regular financial results are submitted to and reviewed by the Board; and
- The Directors, through the audit committee, consider the effectiveness of the Group's system of internal financial control on an ongoing basis.

Political and charitable donations

The Company did not make any political or charitable donations during the year (2018: €Nil).

Going concern

The financial statements of the Group and Parent Company are prepared on a going concern basis.

The Directors have given careful consideration to the Group's ability to continue as a going concern through review of cash flow forecasts prepared by management for the period to 31 December 2021, review of the key assumptions on which these are based and sensitivity analysis.

The future of the Company is dependent on the successful outcome of its exploration activities. The Directors believe that the Group's ability to make planned capital expenditure on its claims interests in Nevada and to fund its ongoing operational expenditure can be assisted if necessary by the deferral of planned expenditure or by raising additional capital.

The Directors have also considered the potential impact of Covid-19 on the Company's ability to complete its capital work programme and to meet ongoing operational expenditure, with particular reference to the volatility of the capital markets, the ability to raise new equity funds if required, travel restrictions and the health of staff. The Directors have concluded that the full impact of Covid-19 on the Group's operations and financial performance cannot yet be determined and will need to be kept under review over the coming months.

The Directors concluded that the Group will have sufficient resources to continue as a going concern for the future, that is for a period of not less than 12 months from the date of approval of the condensed consolidated financial statements. However, there exists a material uncertainty that may cast significant doubt over the ability of the Group to continue as a going concern while the impact of Covid-19 cannot be fully assessed. The impact of Covid-19 may result in the Group being unable to realise its assets and discharge its liabilities in the normal course of business or being able to raise funds to explore further its exploration assets. The consolidated and Parent Company financial statements have been prepared on a going concern basis and do not include any adjustments that would be necessary if this basis were inappropriate.

Directors' Report (continued)
For the year ended 31 December 2019

Post balance sheet events

On 5 February 2020, the Company completed a placing of 12,500,000 new ordinary shares of €0.0001 at a price of €0.0011 (€0.0013) per ordinary share, raising gross proceeds of £13,750 (€16,283) and increasing share capital by €1,250. The premium arising on the issue amounted to €15,033.

On 12 March 2020, the Company completed a placing of 290,909,091 new ordinary shares of €0.0001 at a price of €0.0011 (€0.0012) per ordinary share, raising gross proceeds of £320,000 (€361,080) and increasing share capital by €29,091. The premium arising on the issue amounted to €331,989.

The outbreak of Covid-19 in 2020 gives rise to a non-adjusting event. During March 2020, government restrictions on travel have delayed the expected start date of the Company's work programme. Employee safety remains paramount and the Company will monitor advice accordingly. The impact on the Company is considered in the going concern statement in Note 2 to the Financial Statements. The Directors do not believe Covid-19 gives rise to an impairment of the exploration and evaluation assets or other assets at the balance sheet date.

Accounting records

The Directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the maintenance of adequate accounting records by employing personnel with appropriate expertise and by providing adequate resources to the financial function. The accounting records of the Company are maintained at Audley House, 13 Palace Street, London, SW1E 5HE, United Kingdom.

Directors' Compliance Statement

The Directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014, and tax laws ('relevant obligations'). The Directors confirm that:

- A compliance policy statement has been drawn up setting out the Company's policies that in their opinion are appropriate with regard to such compliance;
- Appropriate arrangements and structures have been put in place that, in their opinion, are designed to provide reasonable assurance of compliance in all material respects with those relevant obligations; and
- A review has been conducted, during the financial year, of those arrangements and structures.

Relevant audit information

The Directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the Group's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the Group's statutory auditors are unaware.

Auditors

Pursuant to Section 383(2) of the Companies Act 2014, the auditor, KPMG, Chartered Accountants, will continue in office.

For and on behalf of the Board

Brian Hall
Executive Chairman

Max Williams
Finance Director

Date: 8 April 2020

Statement of Directors' Responsibilities
For the year ended 31 December 2019

The directors are responsible for preparing the annual report and the Group and Parent Company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare Group and Parent Company financial statements for each financial year. As required by the AIM/Euronext Growth rules, they are required to prepare the Group financial statements in accordance with IFRS as adopted by the EU. The directors have elected to prepare the Company financial statements in accordance with IFRS as adopted by the EU and as applied in accordance with the Companies Act 2014.

Under company law the directors must not approve the Group and Parent Company financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Parent Company and of the Group's profit or loss for that year.

In preparing each of the Group and Parent Company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Group or Parent Company or to cease operations or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities and financial position of the Group and Parent Company and the profit and loss of the Group and which enable them to ensure that the financial statements comply with the provision of the Companies Act 2014. The directors are also responsible for taking all reasonable steps to ensure such records are kept by its subsidiaries which enable them to ensure that the financial statements of the Group comply with the provisions of the Companies Act 2014. They are responsible for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have a general responsibility for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

For and on behalf of the Board

Brian Hall
Executive Chairman

Max Williams
Finance Director

Date: 8 April 2020

Independent Auditor's Report
For the year ended 31 December 2019

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Great Western Mining Corporation PLC ('the Company') for the year ended 31 December 2019 which comprise the Consolidated Income Statement, the Consolidated Statement of Other Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes of Equity, the Consolidated and Company Statements of Cashflows and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion:

- the financial statements give a true and fair view of the assets, liabilities and financial position of the Group and Parent Company as at 31 December 2019 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Parent Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union, as applied in accordance with the provisions of the Companies Act 2014; and
- the Group and Parent Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We have fulfilled our ethical responsibilities under, and we remained independent of the Group in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), as applied to listed entities.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 2 to the consolidated financial statements which indicates that the Group and Parent Company's ability to continue as a going concern is dependent on 1) the impact of the COVID-19 outbreak on the ability of the Group to complete its capital work programme and meet its ongoing operational expenditure and 2) the ability to raise equity funding when required from the capital markets which is now uncertain as a result of COVID-19. These events and conditions, along with the other matters explained in note 2, constitute a material uncertainty that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters: our assessment of risks of material misstatement

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

In addition to the matter described in the Material uncertainty related to going concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Independent Auditor's Report (continued)
For the year ended 31 December 2019

Group Audit Matter

In arriving at the Group audit opinion, the key audit matter was as follows:

Valuation of exploration and evaluation intangible assets ("E&E Assets")

€6,106,347 (2018: €5,805,973)

Refer to note 1 (accounting policy) on page 34 and note 11 (financial disclosures) on page 44 and note 20 (events after the reporting date) on page 54.

| The key audit matter | How the matter was addressed in our audit |
|--|--|
| <p>E&E assets comprise the Group's interest in mining claims in Nevada, U.S. The carrying value of these interests amounted to €6.1 million as at 31 December 2019 (31 December 2018: €5.8 million)</p> <p>There is a significant risk in relation to the recoverability of the E&E assets given the judgmental and subjective considerations in performing the impairment analysis.</p> | <p>Our procedures over the valuation of the Group's E&E assets included, but were not limited to:</p> <ul style="list-style-type: none"> • We obtained and inspected management's impairment assessment paper which summarises the ongoing activities at the claim areas and considered the existence of impairment indicators to determine the need for an impairment provision at 31 December 2019; • We challenged the content of the impairment paper with management and the key assumptions made. We corroborated the information therein through other information obtained during the course of our audit such as inspecting cashflow forecasts provided by management to establish if expenditures on further E&E activities are either budgeted or planned, the Group's announcements during and subsequent to the year end and the Group's assessment of the impact of COVID-19; • We considered the ongoing activities at each of the claim areas and inspected the impairment indicators set out in IFRS 6 "Exploration for and evaluation of Mineral Resources" to determine if there were any indicators of impairment; • We obtained evidence of payments made for annual claim maintenance extensions which retain the Group's mining claims in Nevada, U.S.; and • We reviewed the disclosures in the note 20 relating to subsequent events. <p>We found no material misstatements arising from our procedures.</p> |

Independent Auditor's Report (continued)
For the year ended 31 December 2019

Company Audit Matter

Due to the nature of the Parent Company's activities, we consider that there are no key audit matters that we are required to communicate in accordance with the ISAs (Ireland). We continue to perform procedures over cash balances. However, given cash balances represents only 3% of total assets, we have not assessed this as one of the most significant risks in our current year audit and therefore it is not separately identified in our report this year.

Our application of materiality and an overview of the scope of our audit

Materiality for the Group financial statements was set at €32,600 (2018: €34,500), determined with reference to a benchmark of total assets of which it represents approximately 0.5% (2018: 0.5%). We consider total assets to be the most appropriate benchmark as it reflects the nature of the business as a mining entity at the exploration and evaluation stage of its lifecycle.

We report to the audit committee all corrected and uncorrected audit misstatements identified in our audit with a value in excess of €1,650 (2018: €1,700) in addition to any identified misstatements below that level that we believe warrant reporting on qualitative grounds.

Materiality for the Company financial statements as a whole was set at €24,500 (2018: €27,600), determined by reference to a benchmark of the Company's total assets of which it represents approximately 0.5% (2018: 0.5%).

The accounting records of each of the Group's subsidiaries are maintained in London. All audit work was conducted by the Group audit team and covered 100% of the Group's loss for the financial year and 100% of Group total assets.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the Executive Chairman's Statement, the Operations report and the Directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Based solely on our work on the other information, we report that:

- we have not identified material misstatements in the directors' report;
- in our opinion, the information given in the directors' report is consistent with the financial statements;
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

Independent Auditor's Report (continued)
For the year ended 31 December 2019

Our opinions on other matters prescribed the Companies Act 2014 are unmodified

We have obtained all the information and explanations which we consider necessary for the purpose of our audit.

In our opinion, the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the Company's financial statements are in agreement with the accounting records.

We have nothing to report on other matters on which we are required to report by exception

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by Sections 305 to 312 of the Act are not made.

Respective responsibilities and restrictions on use

Directors' responsibilities

As explained more fully in their statement set out on page 16, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A fuller description of our responsibilities is provided on IAASA's website at:
https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

Independent Auditor's Report (continued)
For the year ended 31 December 2019

The purpose of our audit work and to whom we owe our responsibilities

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Eamonn Russell
for and on behalf of
KPMG
Chartered Accountants, Statutory Audit Firm

1 Stokes Place,
St. Stephens Green,
Dublin DO2 DE03,
Ireland

Date: 8 April 2020

Consolidated Income Statement
For the year ended 31 December 2019

| | <i>Notes</i> | 2019 € | 2018 € |
|--|--------------|------------------|-----------|
| Continuing operations | | | |
| Administrative expenses | | (816,990) | (995,260) |
| Finance income | 4 | 1,195 | 2,486 |
| Loss for the year before tax | 5 | (815,795) | (992,774) |
| Income tax expense | 7 | - | - |
| Loss for the financial year | | (815,795) | (992,774) |
| Loss attributable to: | | | |
| Equity holders of the Company | | (815,795) | (992,774) |
| Loss per share from continuing operations | | | |
| Basic and diluted loss per share (cent) | 8 | (0.001) | (0.002) |

All activities derived from continuing operations. All losses are attributable to the owners of the Company.

The accompanying notes on page 32 to 54 form an integral part of these financial statements.

Consolidated Statement of Other Comprehensive Income
For the year ended 31 December 2019

| | <i>Notes</i> | 2019 € | 2018 € |
|---|--------------|-------------------------|------------------|
| Loss for the financial year | | (815,795) | (992,774) |
| Other comprehensive income | | | |
| Items that are or may be reclassified to profit or loss: | | | |
| Currency translation differences | | <u>87,052</u> | <u>140,736</u> |
| | | 87,052 | 140,736 |
| Total comprehensive expense for the financial year attributable to equity holders of the Company | | <u>(728,743)</u> | <u>(852,038)</u> |

The accompanying notes on page 32 to 54 form an integral part of these financial statements.

Consolidated Statement of Financial Position
For the year ended 31 December 2019

| | <i>Notes</i> | 2019 € | 2018 € |
|---------------------------------------|--------------|--------------------|-------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 10 | 76,556 | 82,192 |
| Intangible assets | 11 | 6,106,347 | 5,805,973 |
| Total non-current assets | | 6,182,903 | 5,888,165 |
| Current assets | | | |
| Trade and other receivables | 12 | 94,943 | 123,174 |
| Cash and cash equivalents | 13 | 306,675 | 884,452 |
| Total current assets | | 401,618 | 1,007,626 |
| Total assets | | 6,584,521 | 6,895,791 |
| Equity | | | |
| Capital and reserves | | | |
| Share capital | 15 | 112,205 | 67,767 |
| Share premium | 15 | 9,687,151 | 9,491,437 |
| Share based payment reserve | 16 | 435,962 | 279,739 |
| Foreign currency translation reserve | | 533,903 | 446,851 |
| Retained earnings | | (4,535,134) | (3,707,653) |
| Attributable to owners of the Company | | 6,234,087 | 6,578,141 |
| Total equity | | 6,234,087 | 6,578,141 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 14 | 350,434 | 317,650 |
| Total current liabilities | | 350,434 | 317,650 |
| Total liabilities | | 350,434 | 317,650 |
| Total equity and liabilities | | 6,584,521 | 6,895,791 |

The accompanying notes on page 32 to 54 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 8 April 2020 and signed on its behalf by:

Brian Hall
 Executive Chairman

Max Williams
 Finance Director

Company Statement of Financial Position
For the year ended 31 December 2019

| | <i>Notes</i> | 2019 € | 2018 € |
|---------------------------------------|--------------|--------------------|-------------|
| Assets | | | |
| Non-current assets | | | |
| Investments in subsidiaries | 9 | 500,001 | 500,001 |
| Total non-current assets | | 500,001 | 500,001 |
| Current assets | | | |
| Trade and other receivables | 12 | 7,359,367 | 6,296,410 |
| Cash and cash equivalents | 13 | 269,704 | 813,368 |
| Total current assets | | 7,629,071 | 7,109,778 |
| Total assets | | 8,129,072 | 7,609,779 |
| Equity | | | |
| Capital and reserves | | | |
| Share capital | 15 | 112,205 | 67,767 |
| Share premium | 15 | 9,687,151 | 9,491,437 |
| Share based payment reserve | 16 | 435,962 | 279,739 |
| Foreign currency translation reserve | | 296,111 | (35,912) |
| Retained earnings | | (2,833,559) | (2,346,766) |
| Attributable to owners of the Company | | 7,697,870 | 7,456,265 |
| Total equity | | 7,697,870 | 7,456,265 |
| Liabilities | | | |
| Current liabilities | | | |
| Trade and other payables | 14 | 431,202 | 153,514 |
| Total current liabilities | | 431,202 | 153,514 |
| Total liabilities | | 431,202 | 153,514 |
| Total equity and liabilities | | 8,129,072 | 7,609,779 |

The accompanying notes on page 32 to 54 form an integral part of these financial statements.

The financial statements were approved by the Board of Directors on 8 April 2020 and signed on its behalf by:

Brian Hall
 Executive Chairman

Max Williams
 Finance Director

Consolidated Statement of Changes in Equity
For the year ended 31 December 2019

| | Share capital € | Share premium € | Share based payment reserve € | Foreign currency translation reserve € | Retained earnings € | Total € |
|--|--------------------|--------------------|----------------------------------|---|------------------------|------------------|
| Balance at 1 January 2018 | 2,681,023 | 8,328,238 | 218,200 | 306,115 | (5,342,764) | 6,190,812 |
| Comprehensive income for the year | | | | | | |
| Loss for the year | - | - | - | - | (992,774) | (992,774) |
| Currency translation differences | - | - | - | 140,736 | - | 140,736 |
| Total comprehensive income for the year | - | - | - | 140,736 | (992,774) | (852,038) |
| Transactions with owners, recorded directly in equity | | | | | | |
| Shares issued | 8,500 | 1,163,199 | - | - | (78,859) | 1,092,840 |
| Share warrants charge | - | - | 23,554 | - | (23,554) | - |
| Share warrants exercised | - | - | (108,542) | - | 108,542 | - |
| Share options charge | - | - | 152,421 | - | - | 152,421 |
| Share options cancelled | - | - | (5,894) | - | - | (5,894) |
| Cancellation of deferred share capital | (2,621,756) | - | - | - | 2,621,756 | - |
| Total transactions with owners, recorded directly in equity | (2,613,256) | 1,163,199 | 61,539 | - | 2,627,885 | 1,239,367 |
| Balance at 31 December 2018 | 67,767 | 9,491,437 | 279,739 | 446,851 | (3,707,653) | 6,578,141 |

Consolidated Statement of Changes in Equity (continued)
For the year ended 31 December 2019

| | Share capital € | Share premium € | Share based payment reserve € | Foreign currency translation reserve € | Retained earnings € | Total € |
|--|-----------------------|-----------------------|---|--|---------------------------|------------------|
| Balance at 1 January 2019 | 67,767 | 9,491,437 | 279,739 | 446,851 | (3,707,653) | 6,578,141 |
| Comprehensive income for the year | | | | | | |
| Loss for the year | - | - | - | - | (815,795) | (815,795) |
| Currency translation differences | - | - | - | 87,052 | - | 87,052 |
| Total comprehensive income for the year | - | - | - | 87,052 | (815,795) | (728,743) |
| Transactions with owners, recorded directly in equity | | | | | | |
| Shares issued | 44,438 | 371,003 | - | - | (11,686) | 403,755 |
| Share warrants granted | - | (175,289) | - | - | - | (175,289) |
| Share options charge | - | - | 156,223 | - | - | 156,223 |
| Total transactions with owners, recorded directly in equity | 44,438 | 195,714 | 156,223 | - | (11,686) | 384,689 |
| Balance at 31 December 2019 | 112,205 | 9,687,151 | 435,962 | 533,903 | (4,535,134) | 6,234,087 |

The accompanying notes on page 32 to 54 form an integral part of these financial statements.

Company Statement of Changes in Equity
For the year ended 31 December 2019

| | Share capital € | Share premium € | Share based payment reserve € | Foreign currency translation reserve € | Retained earnings € | Total € |
|--|--------------------|--------------------|----------------------------------|---|------------------------|------------------|
| Balance at 1 January 2018 | 2,681,023 | 8,328,238 | 218,200 | (21,810) | (4,390,969) | 6,814,682 |
| Comprehensive income for the year | | | | | | |
| Loss for the year | - | - | - | - | (583,682) | (583,682) |
| Currency translation differences | - | - | - | (14,102) | - | (14,102) |
| Total comprehensive income for the year | - | - | - | (14,102) | (583,682) | (597,784) |
| Transactions with owners, recorded directly in equity | | | | | | |
| Shares issued | 8,500 | 1,163,199 | - | - | (78,859) | 1,092,840 |
| Share warrants charge | - | - | 23,554 | - | (23,554) | - |
| Share warrants exercised | - | - | (108,542) | - | 108,542 | - |
| Share options charge | - | - | 152,421 | - | - | 152,421 |
| Share options cancelled | - | - | (5,894) | - | - | (5,894) |
| Cancellation of deferred share capital | (2,621,756) | - | - | - | 2,621,756 | - |
| Total transactions with owners, recorded directly in equity | (2,613,256) | 1,163,199 | 61,539 | - | 2,627,885 | 1,239,367 |
| Balance at 31 December 2018 | 67,767 | 9,491,437 | 279,739 | (35,912) | (2,346,766) | 7,456,265 |

Company Statement of Changes in Equity (continued)
For the year ended 31 December 2019

| | Share capital € | Share premium € | Share based payment reserve € | Foreign currency translation reserve € | Retained earnings € | Total € |
|--|-----------------------|-----------------------|---|--|---------------------------|------------------|
| Balance at 1 January 2019 | 67,767 | 9,491,437 | 279,739 | (35,912) | (2,346,766) | 7,456,265 |
| Comprehensive income for the year | | | | | | |
| Loss for the year | - | - | - | - | (475,107) | (475,107) |
| Currency translation differences | - | - | - | 332,023 | - | 332,023 |
| Total comprehensive income for the year | - | - | - | 332,023 | (475,107) | (143,084) |
| Transactions with owners, recorded directly in equity | | | | | | |
| Shares issued | 44,438 | 371,003 | - | - | (11,686) | 403,755 |
| Share warrants granted | - | (175,289) | - | - | - | (175,289) |
| Share options charge | - | - | 156,223 | - | - | 156,223 |
| Total transactions with owners, recorded directly in equity | 44,438 | 195,714 | 156,223 | - | (11,686) | 384,689 |
| Balance at 31 December 2019 | 112,205 | 9,687,151 | 435,962 | 296,111 | (2,833,559) | 7,697,870 |

The accompanying notes on page 32 to 54 form an integral part of these financial statements.

Consolidated Statement of Cash Flows
For the year ended 31 December 2019

| | <i>Notes</i> | 2019 € | 2018 € |
|--|--------------|------------------|--------------------|
| Cash flows from operating activities | | | |
| Loss for the year | | (815,795) | (992,774) |
| Adjustments for: | | | |
| Depreciation | 10 | 7,216 | 7,080 |
| Interest receivable and similar income | 4 | (1,195) | (2,486) |
| Decrease in trade and other receivables | | 28,231 | 31,728 |
| Increase in trade and other payables | | 32,784 | 250,780 |
| Equity settled share-based payment | 16 | 156,223 | 152,421 |
| Share options cancelled | 16 | - | (5,894) |
| Net cash flows from operating activities | | <u>(592,536)</u> | <u>(559,145)</u> |
| Cash flow from investing activities | | | |
| Acquisition of property, plant and equipment | 10 | - | (62,654) |
| Expenditure on intangible assets | 11 | (206,736) | (2,266,542) |
| Interest received | 4 | 1,195 | 2,486 |
| Net cash from investing activities | | <u>(205,541)</u> | <u>(2,326,710)</u> |
| Cash flow from financing activities | | | |
| Proceeds from the issue of new shares | 15 | 415,441 | 1,126,555 |
| Share warrants granted | 15 | (175,289) | - |
| Proceeds from the exercise of share options | 15 | - | 45,144 |
| Commission paid from the issue of new shares | 15 | (11,686) | (78,859) |
| Net cash from financing activities | | <u>228,466</u> | <u>1,092,840</u> |
| Decrease in cash and cash equivalents | | <u>(569,611)</u> | <u>(1,793,015)</u> |
| Exchange rate adjustment on cash and cash equivalents | | <u>(8,166)</u> | <u>(809)</u> |
| Cash and cash equivalents at beginning of the year | 13 | <u>884,452</u> | <u>2,678,276</u> |
| Cash and cash equivalents at end of the year | 13 | <u>306,675</u> | <u>884,452</u> |

Company Statement of Cash Flows
For the year ended 31 December 2019

| | <i>Notes</i> | 2019 € | 2018 € |
|--|--------------|--------------------|-------------|
| Cash flows from operating activities | | | |
| Loss for the year | | (475,107) | (583,682) |
| Adjustments for: | | | |
| Interest receivable and similar income | 4 | (553) | (2,464) |
| Increase in trade and other receivables | | (1,062,957) | (2,478,732) |
| Increase in trade and other payables | | 277,688 | 46,787 |
| Equity settled share-based payment | 16 | 156,223 | 152,421 |
| Share options cancelled | 16 | - | (5,894) |
| Net cash flows from operating activities | | (1,104,706) | (2,871,564) |
| Cash flow from investing activities | | | |
| Interest received | 4 | 553 | 2,464 |
| Net cash from investing activities | | 553 | 2,464 |
| Cash flow from financing activities | | | |
| Proceeds from the issue of new shares | 15 | 415,441 | 1,126,555 |
| Share warrants granted | 15 | (175,289) | - |
| Proceeds from the exercise of share options | 15 | - | 45,144 |
| Commission paid from the issue of new shares | 15 | (11,686) | (78,859) |
| Net cash from financing activities | | 228,466 | 1,092,840 |
| Decrease in cash and cash equivalents | | (875,687) | (1,776,260) |
| Exchange rate adjustment on cash and cash equivalents | | 332,023 | (14,102) |
| Cash and cash equivalents at beginning of the year | 13 | 813,368 | 2,603,730 |
| Cash and cash equivalents at end of the year | 13 | 269,704 | 813,368 |

Notes to the Financial Statements
For the year ended 31 December 2019

1. Accounting policies

Great Western Mining Corporation PLC (“the Company”) is a Company domiciled and incorporated in Ireland. The Group financial statements consolidate the individual financial statements of the Company and its subsidiaries (“the Group”).

Basis of preparation

The Group and the Company financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union (“EU”).

Statement of compliance

The Group financial statements have been prepared and approved by the Directors in accordance with International Financial Reporting Standards and their interpretations as adopted by the European Union (“EU IFRSs”). The individual financial statements of the Company have been prepared and approved by the Directors in accordance with EU IFRSs and as applied in accordance with the provisions of the Companies Act 2014 which permits a Company that publishes its Company and Group financial statements together, to take advantage of the exemption in Section 304 of the Companies Act 2014 from presenting to its members its Company income statement and related notes that form part of the approved Company financial statements.

The EU IFRSs applied by the Company and the Group in the preparation of these financial statements are those that were effective for accounting periods ending on or before 31 December 2019.

New accounting standards and interpretations adopted

Below is a list of standards and interpretations that were required to be applied in the year ended 31 December 2019. There was no material impact to the financial statements in the current year from these standards set out below:

- IFRS 16: Leases - *effective 1 January 2019.*
- IFRIC Interpretation 23: Uncertainty over Income Tax Treatment - *effective 1 January 2019.*
- Amendments to IFRS 9: Prepayment Features with Negative Compensation - *effective 1 January 2019.*
- Amendments to IAS 28: Long-term Interest in Associates and Joint Ventures - *effective 1 January 2019.*
- Amendments to IAS 19: Plan Amendment, Curtailment or Settlement - *effective 1 January 2019.*
- Annual Improvements to IFRS Standards 2015 2017 Cycle - *effective 1 January 2019.*

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

New accounting standards and interpretations not adopted

Standards endorsed by the EU that are not yet required to be applied but can be early adopted are set out below. None of these standards have been applied in the current period. The Group is currently assessing whether these standards will have a material impact in the financial statements.

- Amendments to References to Conceptual Framework in IFRS Standards - *effective 1 January 2020*.
- Amendments to IAS 1 and IAS 8: Definition of Material - *effective 1 January 2020*
- Amendments to IFRS 9, IAS 39 and IFRS 7: *Interest Rate Benchmark Reform - effective 1 January 2020*.

The following standards have been issued by the IASB but have not been endorsed by the EU, accordingly none of these standards have been applied in the current period and the Group is currently assessing whether these standards will have a material impact in the financial statements.

- IFRS 17: Insurance Contracts.
- IFRS 14: Regulatory Deferral Accounts.
- Amendments to IFRS 3: Definition of a Business.
- Amendments to IFRS 10 and IAS 28: Sale and Contribution of Assets between an Investor and its Associate or Joint Venture.

Functional and Presentation Currency

The functional currency for each entity within the Group is deemed to be the currency for the jurisdiction of each company's registration. This has been determined using the primary criteria as defined by IAS 21.

| | |
|--|-----------|
| Great Western Mining Corporation PLC | Euro |
| Great Western Mining Corporation, Inc. | US Dollar |
| GWM Operations Limited | Sterling |

The financial statements are presented in Euro ("€"), which is the parent Company's functional currency.

Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, significant areas of estimation uncertainty in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are in the following area:

- Note 15 – Share based payments and share warrant valuations

In particular, significant areas of critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are in the following areas:

- Note 10 – Property, plant and equipment, consideration of impairment.
- Note 11 – Intangible asset, consideration of impairment.
- Note 12 – Amounts owed by subsidiary, expected credit loss.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Basis of Consolidation

The consolidated financial statements comprise the financial statements of Great Western Mining Corporation PLC and its subsidiary undertakings for the year ended 31 December 2019.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Financial statements of subsidiaries are prepared for the same reporting year as the parent Company.

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, and no controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in the income statement. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date control is lost. Subsequently, it is accounted for an equity-accounted investee or as an available for sale financial asset, depending on the level of influence retained.

Intragroup balances and transactions, including any unrealised gains arising from intragroup transactions, are eliminated in preparing the Group financial statements. Unrealised losses are eliminated in the same manner as unrealised gains except to the extent that there is evidence of impairment.

Investments in Subsidiaries

In the Company's own statement of financial position, investments in subsidiaries are stated at cost less provisions for any permanent diminution in value.

Exploration and Evaluation Assets

Exploration expenditure in respect of properties and licences not in production is capitalised and is carried forward in the statement of financial position under intangible assets in respect of each area of interest where: -

- (i) the operations are ongoing in the area of interest and exploration or evaluation activities have not reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves; and
- (ii) such costs are expected to be recouped through successful development and exploration of the area of interest or alternatively by its realisation.

Exploration costs include licence costs, survey, geophysical and geological analysis and evaluation costs, costs of drilling and project-related overheads.

When the Directors decide that no further expenditure on an area of interest is worthwhile, the related expenditure is written off or down to an amount which it is considered represents the residual value of the Group's interest therein.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Impairment

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the amount recoverable from the assets is estimated. For intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset Group that is expected to generate cash flows that is largely independent from other assets and Groups of assets. Impairment losses are recognised in the Statement of Comprehensive Income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (Group of units) on a pro rata basis.

The recoverable amount of an asset or cash generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Taxation

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit and loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case the tax is also recognised in other comprehensive income or equity respectively.

Current corporation tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that they probably will not reverse in the foreseeable future. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Additional income taxes that arise from the distribution of dividends are recognised at the same time as the liability to pay the related dividends is recognised.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Foreign Currencies

Transactions in foreign currencies are recorded at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at the exchange rate ruling at the reporting date, unless specifically covered by foreign exchange contracts whereupon the contract rate is used. All translation differences are taken to the income statement with the exception of foreign currency differences arising on net investment in a foreign operation. These are recognised in other comprehensive income.

Results and cash flows of non-Euro subsidiary undertakings are translated into Euro at average exchange rates for the year and the related assets and liabilities are translated at the rates of exchange ruling at the reporting date. Adjustments arising on translation of the results of non-Euro subsidiary undertakings at average rates, and on the restatement of the opening net assets at closing rates, are dealt with in a separate translation reserve within equity. Proceeds from the issue of share capital are recognised at the prevailing exchange rate on the date that the Board of Directors ratifies such issuance; and foreign exchange movement arising between the date of issue and the date of receipt of funds is credited or charged to the income statement.

On loss of control of a foreign operation, accumulated currency translation differences are recognised in the income statement as part of the overall gain or loss on disposal.

Share Capital

Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a reduction in equity.

Earnings per Share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

Property, plant and equipment

Property, plant and equipment under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

| | | |
|-------------------|---|----------------------|
| Land and property | - | 0% |
| Plant & machinery | - | 33.33% straight line |
| Motor vehicles | - | 33.33% straight line |

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

Employee Benefits

i) Share Based Payments

The grant-date fair value of equity-settled share-based payment arrangements granted to employees and or non-employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and nonmarket performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of an equity classified warrant is measured using the binomial option pricing model and recorded in creditors as a financial liability as the warrant price is in a different currency to the functional currency of the company. The fair value is remeasured at each period end and any movement charged or credited to the income statement. The fair value on grant is charged against the share premium account.

ii) Defined Contribution Plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Financial Instruments

Cash and Cash Equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of Statement of Cash Flows.

Trade and Other Receivables / Payables

Trade and other receivables and payables are stated at cost less impairment, which approximates fair value given the short-dated nature of these assets and liabilities. There are no expected credit losses on amounts due from subsidiaries and therefore no expected credit loss provision has been recognised.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of this obligation. Where the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Consolidated Statement of Comprehensive Income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingencies

A contingent liability is disclosed where the existence of an obligation will only be confirmed by future events or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised but are disclosed where an inflow of economic benefit is probable.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

2. Going concern

The financial statements of the Group and Parent Company are prepared on a going concern basis.

The Directors have given careful consideration to the Group's ability to continue as a going concern through review of cash flow forecasts prepared by management for the period to 31 December 2021, review of the key assumptions on which these are based and sensitivity analysis.

The future of the Company is dependent on the successful outcome of its exploration activities. The Directors believe that the Group's ability to make planned capital expenditure on its claims interests in Nevada and to fund its ongoing operational expenditure can be assisted if necessary by the deferral of planned expenditure or by raising additional capital.

The Directors have also considered the potential impact of Covid-19 on the Company's ability to complete its capital work programme and to meet ongoing operational expenditure, with particular reference to the volatility of the capital markets, the ability to raise new equity funds if required, travel restrictions and the health of staff. The Directors have concluded that the full impact of Covid-19 on the Group's operations and financial performance cannot yet be determined and will need to be kept under review over the coming months.

The Directors concluded that the Group will have sufficient resources to continue as a going concern for the future, that is for a period of not less than 12 months from the date of approval of the condensed consolidated financial statements. However, there exists a material uncertainty that may cast significant doubt over the ability of the Group to continue as a going concern while the impact of Covid-19 cannot be fully assessed. The impact of Covid-19 may result in the Group being unable to realise its assets and discharge its liabilities in the normal course of business or being able to raise funds to explore further its exploration assets. The consolidated and Parent Company financial statements have been prepared on a going concern basis and do not include any adjustments that would be necessary if this basis were inappropriate.

3. Segment information

The Group has one principal reportable segment - Nevada, USA, which represents the exploration for and development of copper, silver, gold and other minerals in Nevada, USA.

Other operations "Corporate Activities" includes cash resources held by the Group and other operational expenditure incurred by the Group. These assets and activities are not within the definition of an operating segment.

In the opinion of the Directors the operations of the Group comprise one class of business, being the exploration and development of copper, silver, gold and other minerals. The Group's main operations are located within Nevada, USA. The information reported to the Group's chief executive officer (the Executive Chairman) who is the chief operating decision maker, for the purposes of resource allocation and assessment of segmental performance is particularly focussed on the exploration activity in Nevada.

It is the opinion of the Directors, therefore, that the Group has only one reportable segment under IFRS 8 'Operating Segments', which is exploration carried out in Nevada. Other operations "Corporate Activities" includes cash resources held by the Group and other operational expenditure incurred by the Group. These assets and activities are not within the definition of an operating segment.

Information regarding the Group's results, assets and liabilities is presented below.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

3. Segment information (continued)

Segment results

| | Revenue | | Loss | |
|-------------------------------------|----------|----------|------------------|------------------|
| | 2019 | 2018 | 2019 | 2018 |
| | € | € | € | € |
| Exploration activities - Nevada | - | - | (9,373) | (7,964) |
| Corporate activities | - | - | (806,422) | (984,810) |
| Consolidated loss before tax | - | - | (815,795) | (992,774) |

Segment assets

| | 2019 | 2018 |
|----------------------------------|------------------|------------------|
| | € | € |
| Exploration activities - Nevada | 6,260,174 | 6,054,916 |
| Corporate activities | 324,347 | 840,875 |
| Consolidated total assets | 6,584,521 | 6,895,791 |

Segment liabilities

| | 2019 | 2018 |
|---------------------------------------|----------------|----------------|
| | € | € |
| Exploration activities - Nevada | 52,244 | 225,940 |
| Corporate activities | 298,190 | 91,710 |
| Consolidated total liabilities | 350,434 | 317,650 |

Geographical information

The Group operates in three principal geographical areas – Ireland (country of residence of Great Western Mining Corporation PLC), Nevada, USA (country of residence of Great Western Mining Corporation, Inc., a wholly owned subsidiary of Great Western Mining Corporation PLC) and the United Kingdom (country of residence of GWM Operations Limited, a wholly owned subsidiary of Great Western Mining Corporation PLC).

The Group has no revenue. Information about the Group's non-current assets by geographical location are detailed below:

| | 2019 | 2018 |
|--------------------------------------|------------------|------------------|
| | € | € |
| Nevada, USA – exploration activities | 6,182,903 | 5,888,165 |
| Ireland | - | - |
| United Kingdom | - | - |
| | 6,182,903 | 5,888,165 |

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

4. Finance income

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|--------------------------|-----------------------|---------------|-------------------------|-----------------|
| | € | € | € | € |
| Bank interest receivable | 1,195 | 2,486 | 553 | 2,464 |
| | 1,195 | 2,486 | 553 | 2,464 |

5. Loss on ordinary activities before taxation

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---------------------------------------|-----------------------|---------------|-------------------------|-----------------|
| | € | € | € | € |
| Directors' remuneration | | | | |
| - Salaries | 193,514 | 348,967 | 39,491 | 82,000 |
| - Social security | 16,951 | 40,184 | 4,324 | 8,897 |
| - Defined contribution pension scheme | 1,584 | 1,588 | - | - |
| - Share based payments | 156,223 | 152,421 | 156,223 | 152,421 |
| Auditor's remuneration | | | | |
| - Audit of the financial statements | 29,870 | 29,000 | 29,870 | 29,000 |
| - Other assurance services | 1,250 | 5,250 | 1,250 | 5,250 |
| - Other non-audit services | 4,400 | 4,400 | 4,400 | 4,400 |

As permitted by Section 304 of the Companies Act 2014, the Company income statement and statement of other comprehensive income have not been separately presented.

6. Employees

Number of employees

The average number of employees, including executive Directors during the year was:

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---------------------------------------|-----------------------|---------------|-------------------------|-----------------|
| | Number | Number | Number | Number |
| Executive and non-Executive Directors | 4 | 4 | 4 | 4 |
| Administration | 3 | 3 | - | - |
| | 7 | 7 | 4 | 4 |

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

6. Employees (continued)

Employees costs

The employment costs, including executive Directors during the year was:

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|-------------------------------------|-----------------------|---------------|-------------------------|-----------------|
| | € | € | € | € |
| Wages and salaries | 338,767 | 436,738 | 39,491 | 82,000 |
| Social security | 31,473 | 47,184 | 4,324 | 8,897 |
| Defined contribution pension scheme | 3,466 | 2,363 | - | - |
| Share based payments | 156,223 | 152,421 | 156,223 | 152,421 |
| | 529,929 | 638,706 | 200,038 | 243,318 |

7. Income tax - expense

| | 2019 | 2018 |
|----------------------|-------------|----------|
| | € | € |
| Current tax expense | - | - |
| Deferred tax expense | - | - |
| | <u>-</u> | <u>-</u> |

The income tax expense for the year can be reconciled to the accounting loss as follows:

| | 2019 | 2018 |
|--|------------------|-----------|
| | € | € |
| Loss from continuing operations | (815,795) | (992,774) |
| Income tax expense calculated at 12.5% (2018: 12.5%) | (101,974) | (124,097) |
| Effects of: | | |
| Unutilised tax losses | (101,974) | (124,097) |
| Income tax expense | <u>-</u> | <u>-</u> |

The tax rate used for the year end reconciliations above is the corporation rate of 12.5% payable by corporate entities in Ireland on taxable profits under tax law in the jurisdiction of Ireland.

At the statement of financial position date, the Group had unused tax losses of €3,997,275 (2018: €3,895,301) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Unused tax losses may be carried forward indefinitely.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

8. Loss per share

Basic earnings per share

The basic and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

| | 2019 € | 2018 € |
|---|----------------------|--------------------|
| Loss for the year attribute to equity holders of the parent | (815,795) | (992,774) |
| Number of ordinary shares at start of year | 677,673,809 | 592,673,809 |
| Number of ordinary shares issued during the year | 444,381,650 | 85,000,000 |
| Number of ordinary shares in issue at end of year | <u>1,122,055,459</u> | <u>677,673,809</u> |
| Weighted average number of ordinary shares for the purposes of basic earnings per share | 751,737,417 | 635,173,809 |
| Basic loss per ordinary share (cent) | <u>(0.001)</u> | <u>(0.002)</u> |

Diluted earnings per share

There were no potentially dilutive ordinary shares that would increase the basic loss per share.

9. Investments in subsidiaries

| | 2019 € | 2018 € |
|---|----------------|----------------|
| Subsidiary undertakings - unlisted | | |
| Investment cost | 500,001 | 500,001 |
| | <u>500,001</u> | <u>500,001</u> |

In the opinion of the Directors, the investments in subsidiary undertakings are not worth less than their carrying value.

At 31 December 2019, the Company had the following subsidiary undertakings:

| Name | Incorporated in | Main activity | Holdings |
|--|-----------------|---------------------|----------|
| Great Western Mining Corporation, Inc. | Nevada, U.S.A. | Mineral exploration | 100% |
| GWM Operations Limited | London, UK | Service Company | 100% |

GWM Operations Limited, a UK limited company is registered in England and Wales under number 08644971, is exempt from the requirements of the UK Companies Act 2006 relating to the audit of its accounts under section 479A of the Companies Act 2006.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

10. Property, plant and equipment

| | Property, plant & equipment € | Total € |
|----------------------------------|--|-----------------------------|
| Cost | | |
| Opening cost | 92,629 | 92,629 |
| Additions | - | - |
| Exchange rate adjustment | 1,781 | 1,781 |
| Closing cost | <u>94,410</u> | <u>94,410</u> |
| Depreciation | | |
| Opening depreciation | 10,437 | 10,437 |
| Depreciation charge for the year | 7,216 | 7,216 |
| Exchange rate adjustment | 201 | 201 |
| Closing depreciation | <u>17,854</u> | <u>17,854</u> |
| Net book value | | |
| Opening net book value | <u>82,192</u> | <u>82,192</u> |
| Closing net book value | <u><u>76,556</u></u> | <u><u>76,556</u></u> |

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

11. Intangible assets

| | Exploration and evaluation assets € | Total € |
|--------------------------|---|--------------------------------|
| Cost | | |
| Opening cost | 5,805,973 | 5,805,973 |
| Additions | 206,736 | 206,736 |
| Exchange rate adjustment | 93,638 | 93,638 |
| Closing cost | <u>6,106,347</u> | <u>6,106,347</u> |
| Amortisation | | |
| Opening amortisation | - | - |
| Additions | - | - |
| Exchange rate adjustment | - | - |
| Closing amortisation | <u>-</u> | <u>-</u> |
| Net book value | | |
| Opening net book value | <u>5,805,973</u> | <u>5,805,973</u> |
| Closing net book value | <u><u>6,106,347</u></u> | <u><u>6,106,347</u></u> |

The Directors have reviewed the carrying value of the exploration and evaluation assets. These assets are carried at historical cost and have been assessed for impairment in particular with regards to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources' relating to remaining licence or claim terms, likelihood of renewal, likelihood of further expenditures, possible discontinuation of activities over specific claims and available data which may suggest that the recoverable value of an exploration and evaluation asset is less than carrying amount. The Directors are satisfied that no impairment is required as at 31 December 2019. The realisation of the intangible assets is dependent on the successful identification and exploitation of copper, silver, gold and other mineral in the Group's licence area. This is dependent on several variables including the existence of commercial mineral deposits, availability of finance and mineral prices.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

12. Trade and other receivables

| | Group 2019 € | Group 2018 € | Company 2019 € | Company 2018 € |
|---|----------------------------------|--------------------|------------------------------------|----------------------|
| Amounts falling due within one year: | | | | |
| Other debtors | 52,625 | 69,251 | - | - |
| Prepayments | 42,318 | 53,923 | 42,154 | 26,692 |
| Amounts owed by subsidiary undertakings | - | - | 7,317,213 | 6,269,718 |
| | 94,943 | 123,174 | 7,359,367 | 6,296,410 |

All amounts above are current and there have been no impairment losses during the year (2018: €Nil).

Amounts owed by subsidiary undertakings are interest free and repayable on demand.

There are no expected credit losses on amounts due from subsidiaries and therefore no expected credit loss provision has been recognised.

13. Cash and cash equivalents

For the purposes the consolidated statement of cash flows, cash and cash equivalents include cash in hand, in bank and bank deposits with maturity of less than three months.

| | Group 2019 € | Group 2018 € | Company 2019 € | Company 2018 € |
|--------------------------|----------------------------------|--------------------|------------------------------------|----------------------|
| Cash in bank and in hand | 29,372 | 39,850 | 9,937 | 14,599 |
| Short term bank deposit | 277,303 | 844,602 | 259,767 | 798,769 |
| | 306,675 | 884,452 | 269,704 | 813,368 |

14. Trade and other payables

| | Group 2019 € | Group 2018 € | Company 2019 € | Company 2018 € |
|---|----------------------------------|--------------------|------------------------------------|----------------------|
| Amounts falling due within one year: | | | | |
| Trade payables | 77,642 | 259,044 | 50,901 | 33,103 |
| Other payables | 416 | 54 | - | - |
| Accruals | 90,439 | 43,427 | 64,934 | 42,583 |
| Other taxation and social security | 5,632 | 15,125 | 839 | 4,871 |
| Share warrant provision | 176,305 | - | 176,305 | - |
| Amounts payable to subsidiary undertakings | - | - | 138,223 | 72,957 |
| | 350,434 | 317,650 | 431,202 | 153,514 |

The Group has financial risk management policies in place to ensure that payables are paid within the pre-agreed credit terms.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

15. Share capital

| | No of shares | Value of shares € |
|---|----------------------|----------------------|
| Authorised at 1 January 2018: | 1,164,823,809 | 2,711,756 |
| Cancellation of authorised deferred share capital | (264,823,809) | (2,621,756) |
| Authorised at 31 December 2018 | 900,000,000 | 90,000 |
| Authorised at 1 January 2019 | 900,000,000 | 90,000 |
| Creation of Ordinary shares of €0.0001 each | 1,800,000,000 | 180,000 |
| Authorised at 31 December 2019 | 2,700,000,000 | 270,000 |

The authorised share capital of the company was increased to €270,000, consisting of 2,700,000,000 ordinary shares of €0.0001 each by way of an ordinary resolution at the Company's Annual General Meeting on 16 May 2019.

| | No of issued shares | | Share capital € | Share premium € | Total capital € |
|--|---------------------------------------|---------------------------------------|-----------------------|-----------------------|-----------------------|
| | Ordinary shares of €0.0001 each | Deferred shares of €0.0099 each | | | |
| Issued, called up and fully: | | | | | |
| At 1 January 2018 | 592,673,809 | 264,823,809 | 2,681,023 | 8,328,238 | 11,009,261 |
| Cancellation of deferred share capital | - | (264,823,809) | (2,621,756) | - | (2,621,756) |
| Ordinary shares issued | 77,000,000 | - | 7,700 | 1,118,855 | 1,126,555 |
| Exercise of options | 8,000,000 | - | 800 | 44,344 | 45,144 |
| At 31 December 2018 | 677,673,809 | - | 67,767 | 9,491,437 | 9,559,204 |
| Issued, called up and fully: | | | | | |
| At 1 January 2019 | 677,673,809 | - | 67,767 | 9,491,437 | 9,559,204 |
| Ordinary shares issued | 444,381,650 | - | 44,438 | 371,003 | 415,441 |
| Share warrants granted | 375,000,000 | - | - | (175,289) | (175,289) |
| At 31 December 2019 | 1,497,055,459 | - | 112,205 | 9,687,151 | 9,799,356 |

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

15. Share capital (continued)

On 9 April 2018 the Company obtained an order from the High Court of Ireland, confirming the cancellation and extinguishment of the entire class of Deferred Shares of Great Western Mining Corporation PLC in issue being 264,823,809 shares. The Deferred Shares were issued as part of a share capital reorganisation approved by a special resolution at the Company's Annual General Meeting ("AGM") on 19 May 2016 and amended by a special resolution at the AGM on 18 May 2017. The shares had an aggregate nominal value of €2,621,756. €Nil was paid to the holders of the Deferred Shares and as such the full balance of €2,621,756 was transferred to retained earnings.

On 25 July 2018, the Company completed a placing of 77,000,000 new ordinary shares of €0.0001 at a price of £0.0130 (€0.0146) per ordinary share, raising gross proceeds of £1,001,000 (€1,126,555) and increasing share capital by €7,700. The premium arising on the issue amounted to €1,118,855 before share issue costs of €78,859. The share issue included warrants granted to Novum Securities Limited giving the right to acquire 1,925,000 Ordinary shares of €0.0001 at an exercise price of £0.0175 (€0.0197), which remain unexercised at period end 31 December 2019.

On 30 July 2018, share options were exercised, resulting in a placing of 8,000,000 new ordinary shares of €0.0001 at a price of £0.0050 (€0.0056) per ordinary share, raising gross proceeds of £40,000 (€45,144) and increasing share capital by €800. The premium arising on the issue amounted to €44,344.

On 19 November 2019, the Company completed a placing of 444,381,650 new ordinary shares of €0.0001 at a price of £0.0008 (€0.0009) per ordinary share, raising gross proceeds of £355,505 (€415,441) and increasing share capital by €44,438. The premium arising on the issue amounted to €371,003 before share issue costs of €11,686. The share issue included warrants granted giving the right to acquire 375,000,000 Ordinary shares of €0.0001 at an exercise price of £0.0016 (€0.0019), which remain unexercised at period end 31 December 2019.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

16. Share based payments

Share options

The “Share Option Plan 2014”, was established on 17 July 2014 that entitled directors and employee to purchase shares in the Company.

On 26 January 2017 the Company granted share options to the directors under the “Share Option Plan 2014”. Under the terms of the grant, the holders of the vested options are entitled to purchase shares at £0.0050 (€0.0059).

On 12 July 2017 the Company granted further share options to the directors and an employee under the “Share Option Plan 2014”. Under the terms of the grant, the holders of the vested options are entitled to purchase shares at £0.0160 (€0.0180).

On the 2 October 2018 the Company cancelled 1,000,000 share options granted to a former employee on 12 July 2017.

On 2 October 2018 the Company granted further share options to the directors under the “Share Option Plan 2014”. Under the terms of the grant, the holders of the vested options are entitled to purchase shares at £0.0080 (€0.0090).

On 6 July 2018 the Directors of the Company gave notice to exercise 8,000,000 share options at £0.005 from the share options granted on the 26 January 2017. The admission date of the share options was 30 July 2018.

| Grant date | Number of options | Vesting conditions | Contractual life of options |
|-------------------|--------------------------|--|------------------------------------|
| 26 January 2017 | 24,000,000 | 33% options vest in each of the three annual dates post grant date | 7 years |
| 12 July 2017 | 26,000,000 | 33% options vest in each of the three annual dates post grant date | 7 years |
| 2 October 2018 | 24,000,000 | 33% options vest in each of the three annual dates post grant date | 7 years |

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

16. Share based payments (continued)

Measure of fair values of options

The fair value of the options granted has been measured using the Binomial option pricing model.

The input used in the measurement of the fair value at grant date of the options were as follows;

| | Oct 2018 | Jul 2017 | Jan 2017 |
|---------------------------|-----------------|-----------------|-----------------|
| Fair value at grant date | €0.0064 | €0.0125 | €0.0045 |
| Share price at grant date | €0.0079 | €0.0155 | €0.0055 |
| Exercise price | €0.0090 | €0.0180 | €0.0059 |
| Expected volatility | 100% | 100% | 100% |
| Expected life | 7 Years | 7 Years | 7 Years |
| Expected dividend | 0% | 0% | 0% |
| Risk free interest rate | 1.25% | 1.25% | 1.25% |

During the year an expense of €156,223 (2018: €152,421) was recognised in the statement of profit and loss related to share options granted during the year.

Warrants granted during the year

In July 2017, the Group granted warrants to Beaufort Securities Limited in connection with a share placing. 4,687,500 warrants were granted exercisable at £0.0210 (€0.0239) each with immediate vesting and a contractual life of 3 years.

In July 2018, the Group granted warrants to Novum Securities Limited in connection with a share placing. 1,925,000 warrants were granted exercisable at £0.0175 (€0.0197) each with immediate vesting and a contractual life of 3 years.

In November 2019, the Group granted warrants in connection with a share placing. 375,000,000 warrants were granted exercisable at £0.0016 (€0.0019) each with immediate vesting and a contractual life of 3 years.

| | 2019 | 2019 | 2018 | 2018 |
|----------------------------|--------------------|-----------------|------------------|-----------------|
| | Number of | Weighted | Number of | Weighted |
| | warrants | Average | warrants | Average |
| | | Exercise | | Exercise |
| | | price | | price |
| Exercisable at 31 December | 381,612,500 | €0.0022 | 6,612,500 | €0.0226 |

Measure of fair values of warrants

The fair value of the warrants issued has been measured using the binomial option pricing model. There are no service or non-market performance conditions attached to the arrangement and the warrants are considered to have vested immediately.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

16. Share based payments (continued)

The inputs used in the measurement of the fair values at grant date of the warrants were as follows

| | Nov 2019 | Jul 2018 | Jul 2017 |
|---------------------------|----------|----------|----------|
| Fair value at grant date | €0.0005 | €0.0072 | €0.0089 |
| Share price at grant date | €0.0013 | €0.0132 | €0.0163 |
| Exercise price | €0.0019 | €0.0197 | €0.0239 |
| Expected volatility | 129% | 100% | 100% |
| Expected life | 3 Years | 3 Years | 3 Years |
| Expected dividend | 0% | 0% | 0% |
| Risk free interest rate | 1.25% | 1.25% | 1.25% |

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price. The expected life is based on the contractual life of the warrants.

During the year an expense of €Nil (2018: €23,554) was recognised directly through retained earnings in the statement of changes in equity related to warrants granted during the year.

17. Retained losses

In accordance with Section 304 of the Companies Act 2014, the Company has not presented a separate income statement. Of the consolidated loss after taxation, a loss of €475,107 (2018: €583,682) for the financial year ended 31 December 2019 has been dealt with in the Company income statement of Great Western Mining Corporation PLC.

18. Related party transactions

In accordance with International Accounting Standards 24 – Related Party Disclosures, transactions between Group entities that have been eliminated on consolidation are not disclosed.

Details of the directors' remuneration for the year is set out in Note 5. Information about the remuneration of each director is shown in the Remuneration Report on pages 12 to 13. The directors are considered to be the Group's key management personnel.

Details of the directors' interests in the share capital of the Company are set out in the Directors' Report on pages 8 to 9.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

19. Financial instruments and financial risk management

The Group's and Company's main risks arising from financial instruments are foreign currency risk, credit risk, liquidity risk and interest rate risk. The Board of Directors has overall responsibility for the establishment and oversight of the risk management frameworks for each of these risks which are summarised below.

The Group and Company's principal financial instruments comprise cash and cash equivalents and other receivables and payables. The main purpose of these financial instruments is to provide finance for the Group and Company's operations. The Group has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations.

It is and has been throughout 2019 and 2018 the Group and Company's policy that no trading in financial instruments be undertaken.

Foreign currency risk

The Group undertakes certain transactions denominated in foreign currencies and is exposed to exchange rate fluctuations as a consequence. It is the policy of the Group and Company to ensure that foreign currency risk is managed wherever possible by matching foreign currency income and expenditure. During the years ended 31 December 2019 and 31 December 2018, the Group did not utilise either forward exchange contracts or derivatives to manage foreign currency risk on future net cash flows.

| | Average rate | | Spot rate at year end | |
|-------|---------------|--------|-----------------------|--------|
| | 2019 | 2018 | 2019 | 2018 |
| 1 GBP | 0.8777 | 0.8847 | 0.8508 | 0.8945 |
| 1 USD | 1.1195 | 1.1810 | 1.1234 | 1.1450 |

The foreign currency exposure risk in respect of the principal foreign currencies in which the Group operates was as follows:

| | 2019 | 2019 | 2018 | 2018 |
|---------------------------|-----------------|----------------|-----------|---------|
| | \$ | £ | \$ | £ |
| Trade and other debtors | 59,119 | 140 | 110,355 | - |
| Cash and cash equivalents | 27,687 | 239,656 | 80,575 | 715,964 |
| Trade and other payables | (58,692) | (4,433) | (258,701) | (9,221) |
| | 28,114 | 235,363 | (67,771) | 706,743 |

Credit risk

Credit risk of financial loss to the Group and Company arises from the risk that if cash deposits are not recovered. Group and Company cash and short-term deposits are placed only with banks with a minimum credit rating of A-/A3.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

19. Financial instruments and financial risk management (continued)

Credit risk (continued)

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk is:

| | Group 2019 | Group 2018 | Company 2019 | Company 2018 |
|---------------------------|-----------------------|---------------|-------------------------|-----------------|
| | € | € | € | € |
| Trade and other debtors | 94,943 | 123,174 | 7,359,367 | 6,296,410 |
| Cash and cash equivalents | 306,675 | 884,452 | 269,704 | 813,368 |
| Trade and other payables | (350,434) | (317,650) | (431,202) | (153,514) |
| | 51,184 | 689,976 | 7,197,869 | 6,956,264 |

The carrying value of financial assets represents the Company's maximum exposure at the balance sheet date. At the balance sheet date, the Directors have reviewed the carrying value of the amounts due from subsidiary companies for indicators of impairment using the expected credit loss model as required under IFRS 9 and concluded that these amounts were not impaired. If the value of any of the Group's exploration or production assets became impaired, then provision would be made by the Company against relevant amounts due from subsidiary companies.

Liquidity risk management

Liquidity risk is the risk that the Group will not be able to meet its obligations as they fall due. The Group manages liquidity risk by maintaining adequate reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Cash forecasts are regularly produced to identify the liquidity requirements of the Group. To date, the Group has relied on shareholder funding to finance its operations. The Group did not have any bank loan facilities at 31 December 2019 or 31 December 2018.

The Group and Company's financial liabilities as at 31 December 2019 and 31 December 2018 were all payable on demand.

The expected maturity of the Group and Company's financial assets (excluding prepayments) as at 31 December 2019 and 31 December 2018 was less than one month.

The Group expects to meet its other obligations from operating cash flows with an appropriate mix of funds and equity instruments. The Group further mitigates liquidity risk by maintaining an insurance programme to minimise exposure to insurable losses.

The Group had no derivative financial instruments as at 31 December 2019 and 31 December 2018.

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

19. Financial instruments and financial risk management (continued)

Interest rate risk

The Group and Company's exposure to the risk of changes in market interest rates relates primarily to the Group and Company's holdings of cash and short-term deposits. It is the Group and Company's policy as part of its management of the budgetary process to place surplus funds on short term deposit from time to time where interest is earned.

Cash flow sensitivity analysis for variable rate instruments

An increase/decrease of 100 basis points in interest rates at 31 December 2019 would have decreased/increased the reported loss and equity by €7,044 (2018: €8,445).

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust its capital structure, the Group may adjust or issue new shares or raise debt. No changes were made in the objectives, policies or processes during the years ended 31 December 2019 and 31 December 2018. The capital structure of the Group consists of equity attributable to equity holders of the parent, comprising issued capital, reserves and retained losses as disclosed in the consolidated statement of changes in equity.

Fair values

Due to the short-term nature of all of the Group's and Company's financial assets and liabilities at 31 December 2019 and 31 December 2018, the fair value is considered by the Directors to equate the carrying amount in each case.

Analysis of net funds

| | At 1 January 2018 € | Cashflow € | At 31 December 2018 € |
|--------------|---------------------------|--------------------|--------------------------------|
| Group | | | |
| Cash at bank | 2,678,276 | (1,793,824) | 884,452 |
| Total | 2,678,276 | (1,793,824) | 884,452 |
| | | | |
| | At 1 January 2019 € | Cashflow € | At 31 December 2019 € |
| Group | | | |
| Cash at bank | 884,452 | (577,777) | 306,675 |
| Total | 884,452 | (577,777) | 306,675 |

Notes to the Financial Statements (continued)
For the year ended 31 December 2019

20. Events after the reporting date

On 5 February 2020, the Company completed a placing of 12,500,000 new ordinary shares of €0.0001 at a price of £0.0011 (€0.0013) per ordinary share, raising gross proceeds of £13,750 (€16,283) and increasing share capital by €1,250. The premium arising on the issue amounted to €15,033.

On 12 March 2020, the Company completed a placing of 290,909,091 new ordinary shares of €0.0001 at a price of £0.0011 (€0.0012) per ordinary share, raising gross proceeds of £320,000 (€361,080) and increasing share capital by €29,091. The premium arising on the issue amounted to €331,989.

The outbreak of Covid-19 in 2020 gives rise to a non-adjusting event. During March 2020, government restrictions on travel have delayed the expected start date of the Company's work programme. Employee safety remains paramount and the Company will monitor advice accordingly. The impact on the Company is considered in the going concern statement in Note 2 to the Financial Statements. The Directors do not believe Covid-19 gives rise to an impairment of the exploration and evaluation assets or other assets at the balance sheet date.

21. Approval of financial statements

The financial statements were approved by the Board on 8 April 2020.

www.greatwesternmining.com