CHAIRMAN'S STATEMENT

I am pleased with the Company's achievements, in what has again proved to be a particularly challenging period for Strategic Minerals and the world.

Financial results

The Company continued its profitable performance in the first half of 2022, when many businesses succumbed to cash flow and profitability impacts arising from the pandemic. This is a credit to both our local management and the management team as a whole.

While operations at Cobre have been able to avoid a substantial impact from the pandemic, the Company's ability to progress its development projects and general development processes have been impacted by the Covid-19 pandemic and slowed progress. However, now with the granting of an unconditional PEPR at Paltridge North, the Company expects cash flow and profitability to improve dramatically, in line with full-scale production recommencing at the Leigh Creek Copper Mine in late 2022, subject to funding.

Unrestricted cash on hand at 30 June 2022 was US$430,000.

After having reduced corporate overheads last year, the Company successfully reduced these a further 9% in the first half of the year to US$637,000 (US$698,000 2021). Increases in amortisation reflected SMG's purchase of a new loader at Cobre.

Strategic Focus

Despite a reduction in sales compared to last year, current sales levels at the Cobre operations continue to cover operating costs and allowed the Company some scope to continue its strategic investment focus on investments in metals such as Copper and Tin/Tungsten which it expects are likely to see significant price improvements over the next three to five years, reflecting the world's new emphasis on critical minerals.

On the back of this strategy, the Company continues to invest in development programmes, particularly those associated with Leigh Creek Copper Mine (copper) and Redmoor (tin/tungsten/copper focused) and continues dialogue with parties that may be interested in co-investing in these projects.

Cobre Operations

During the first six months of 2022, the management at our Cobre operations continued their excellent adaption to the challenges associated with the disruption to world markets arising from the Covid-19 pandemic and the subsequent impact on prices and demand associated with the Ukraine conflict.

The first half of the year also saw the receiver for CV Investments begin the process of formalising claims in relation to the receivership of CV Investments and we await the result of this process hopefully but with no expectation of payment.

Leigh Creek Copper Mine ("Leigh Creek" or "LCCM")

The significant work conducted at Leigh Creek, to the first half of 2022, resulted in the granting of an unconditional PEPR for copper oxide mining at Paltridge North. This has now prepared the project to attract funding to restart operations. The strong performance of the copper price in recent times has improved the project's potential profitability and the Board feels confident that 2023 will see full scale production and sales re-commence at Leigh Creek, subject to funding.

Redmoor Tin-Tungsten Project ("Redmoor")

During the first six months of 2022, the Company has continued its excellent work within the Deep Digital Cornwall project and has identified a number of highly prospective areas for future exploration, notably some indications of near surface tin occurrences to the southwest of the identified resource.

I am delighted in both Tin and Tungsten being included within the critical minerals list and strategy and believe that this will place the Redmoor project in a good position to benefit from the UK Government's planned support for such projects.

Safety

The Company focuses on safety issues and continues to maintain a high level of performance when it comes to safety. SML and its subsidiaries have had no reportable environmental or personnel incidents recorded in the period.

The first half of 2022 has again proven to be a challenging environment in which to operate and I would like to take this opportunity to thank my fellow Directors, our management and staff in New Mexico, South Australia and Cornwall, along with our advisers, for their support and hard work on our behalf during the period. Additionally, I would like to thank our clients, contractors, suppliers and partners for their continued backing. I look forward to further progressing our key strategic goals in 2022 and pushing onto a brighter 2023.

Alan Broome AM
Non-Executive Chairman

20 September 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	6 months to 30 June 2022 (Unaudited) $'000	6 months to 30 June 2021 (Unaudited) $'000	Year to 31 December 2021 (Audited) $'000
Continuing operations			
Revenue	1,329	1,511	2,611
Raw materials and consumables used.	(256)	(286)	(524)
Gross profit	1,073	1,225	2,087
Overhead expenses	(637)	(698)	(1,535)
Amortisation	(139)	(77)	(158)
Depreciation	(16)	(6)	(52)
Share based payment	(12)	(48)	(58)
Foreign exchange gain/(loss)	(5)	(2)	(5)
Profit from operations	264	394	279
Finance expense	(4)	(2)	(7)
Lease Interest	(12)	(4)	(15)
Profit/ (loss) before taxation	248	388	257
Income tax (expense)/credit	(121)	(181)	(101)
Profit for the period attributable to:			
Owners of the parent	127	207	156
Other comprehensive income			
Exchange gains/(losses) arising on translation of foreign operations	(902)	(145)	(516)
Total comprehensive (loss)/income attributable to:			
Owners of the parent	(775)	62	(360)
Profit/ (loss) per share attributable to the ordinary equity holders of the parent:			
Continuing activities – Basic	¢0.08	¢0.13	¢0.10
– Diluted	¢0.08	¢0.13	¢0.10

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	6 months to 30 June 2022 (Unaudited) $'000	6 months to 30 June 2021 (Unaudited) $'000	Year to 31 December 2021 (Audited) $'000
Assets			
Non-current assets			
Intangible Asset	553	600	582
Deferred Exploration and evaluation costs	4,886	5240	5,228
Other Receivables	139	151	145
Property, plant and equipment	7,301	7,363	7,485
Right of Use Assets	568	150	717
	13,447	13,504	14,157
Current assets			
Inventories	2	4	4
Trade and other receivables	435	335	485
Income Tax Refund	-	-	63
Cash and cash equivalents	430	734	611
Prepayments	1	7	6
	868	1,080	1,169
Total Assets	14,315	14,584	15,326
Equity and liabilities			
Share capital	2,916	2,770	2,916
Share premium reserve	49,387	49,010	49,387
Share options reserve	-	88	97
Merger reserve	21,300	21,300	21,300
Warrant Reserve	153	153	153
Foreign exchange reserve	(1,209)	64	(307)
Other reserves	(23,023)	(23,023)	(23,023)
Accumulated loss	(36,512)	(36,700)	(36,748)
Total Equity	13,012	13,662	13,775
Liabilities			
Non-Current Liabilities			
Lease Liabilities	317	19	420
Provisions	405	429	421
	722	448	841
Current liabilities			
Income Tax Payable	6	17	-
Trade and other payables	309	335	408
Lease Liabilities	266	122	302
	581	474	710
Total Liabilities	1,303	922	1,551
Total Equity and Liabilities	14,315	14,584	15,326

CONSOLIDATED STATEMENT OF CASH FLOW

	6 months to 30 June 2022 (Unaudited) $'000	6 months to 30 June 2021 (Unaudited) $'000	Year to 31 December 2021 (Audited) $'000
Cash flows from operating activities			
Profit/ (loss) after tax	127	207	156
Adjustments for:			
Depreciation of property, plant, and equipment	16	6	52
Amortisation of Right of Use asset	139	77	158
Finance expense	4	2	7
Income Tax expense	121	181	101
(Increase) / decrease in inventory	2	(1)	(1)
(Increase) / decrease in trade and other receivables	12	(125)	161
(Increase) / decrease in prepayments	3	9	10
Increase / (decrease) in trade and other payables	48	91	92
Increase /(decrease) in prepaid income tax	-	-	(63)
Income tax paid	(52)	(177)	(121)
Share based payment expense	12	48	58
Net cash flows from operating activities	432	318	610
Investing activities			
Increase in PPE Development Asset	(253)	(202)	(584)
Increase in PPE	-	-	(4)
Increase in deferred exploration and evaluation asset	(201)	(131)	(564)
Net cash used in investing activities	(454)	(333)	(1,152)
Financing activities			
Net proceeds from issue of equity share capital	-	-	523
Lease Payments	(151)	(88)	(195)
Net cash from financing activities	(151)	(88)	328
Net increase / (decrease) in cash and cash equivalents	(173)	(103)	(214)
Cash and cash equivalents at beginning of period	611	833	833
Exchange gains / (losses) on cash and cash equivalents	(8)	4	(8)
Cash and cash equivalents at end of period	430	734	611

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital $'000	Share premium reserve $'000	Merger Reserve $'000	Warrant Warrant Reserve $'000	Share options reserve $'000	Initial Re-structure Reserve $'000	Foreign Exch. reserve $'000	Retained earnings $'000	Total equity $'000
Balance at 1 January 2021	**2,770**	**49,010**	**21,300**	**153**	**272**	**(23,023)**	**209**	**(37,139)**	**13,552**
Profit for the year	-	-	-	-	-	-	-	156	156
Foreign exchange translation	-	-	-	-	-	-	(516)	-	(516)
Total comprehensive income/(loss) for the year	-	-	-	-	-	-	(516)	156	(360)
Share based payments	-	-	-	-	60	-	-	-	60
Transfer	-	-	-	-	(235)	-	-	235	-
Shares issued in the year	146	405	-	-	-	-	-	-	551
Share issue costs	-	(28)	-	-	-	-	-	-	(28)
Balance at 31 December 2021	**2,916**	**49,387**	**21,300**	**153**	**97**	**(23,023)**	**(307)**	**(36,748)**	**13,775**
Profit for the period	-	-	-	-	-	-	-	127	127
Foreign exchange translation	-	-	-	-	-	-	(902)	-	(902)
Total comprehensive income for the year	-	-	-	-	-	-	(902)	127	(775)
Share based payments	-	-	-	-	12	-	-	-	12
Transfer	-	-	-	-	(109)	-	-	109	-
Shares issued in the year	-	-	-	-	-	-	-	-	-
Share issue costs	-	-	-	-	-	-	-	-	-
Balance at 30 June 2022	**2,916**	**49,387**	**21,300**	**153**	**-**	**(23,023)**	**(1,209)**	**(36,512)**	**13,012**

All comprehensive income is attributable to the owners of the parent Company.

NOTES FORMING PART OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

1. General Information

Strategic Minerals Plc ("the Company") is a public company incorporated in England and Wales. The consolidated interim financial statements of the Company for the six months ended 30 June 2022 comprise the Company and its subsidiaries (together referred to as the "Group").

2. Significant accounting policies

Basis of preparation

In preparing these financial statements the presentational currency is US dollars. As the entire group's revenues and majority of its costs, assets and liabilities are denominated in US dollars it is considered appropriate to report in this currency.

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements have been prepared in accordance with International Financial Standards and UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.

The financial statements have been prepared on a historical cost basis, except for the acquisition of LCCM and the valuation of certain investments which have been measured at fair value, not historical cost.

Going concern basis

The Directors have given careful consideration to the Group and Parent Company's (together "the Group") ability to continue as a going concern through review of cash flow forecasts prepared by management for the period to 31 December 2023. It has reviewed the key assumptions on which these are based and conducted sensitivity analysis.

The Group's forward commitments include corporate overhead, which is actively managed in line with cash generated from the Cobre asset and costs associated with keeping exploration licences and mining leases current.

As at 30 June 2022, the Group had US$0.430m of cash on hand.

Group forecasts are based on Management's expectations that tons sold in 2022 and 2023 will be in line with 2021 levels. An increase in sales prices for all customers was implemented in June 2022. For the purposes of the consideration of the Group's ability to operate as a going concern, only non-discretionary expenditure on projects is included in the cash flow forecasts. On the basis of these forecasts, operations at Cobre are expected to provide sufficient funds until December 2023 to meet all operational costs and non-discretionary project expenditure.

However, the Board considers additional funds will be required to progress the development of the Leigh Creek Copper Mine and Redmoor projects. It is the intention of the group that the LCCM asset will be developed in the second half of 2022 and Management are actively pursuing such funding and envisage that this will be sourced at the asset level.

During the period, the Group secured access to the Cobre stockpile at Cobre until 2027.

As the Group is reliant on cash being generated from the Cobre asset in line with forecast, Management has performed reverse stress testing which shows that a 5% reduction in forecast sales would result in a cash deficit in June 2023, without management taking mitigating actions within their control. The Group does not currently have offtake agreements with customers, therefore there is uncertainty as to whether forecast sales will be met.

In the event that there is a reduction in forecast sales at Cobre or LCCM funding is not raised, these conditions indicate a material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business.

If further funds are required, the Directors have reasonable expectation based on the ability of the Company to raise funds in the past that the Group will have access to sufficient resources by way of debt or equity markets to meet all non-discretionary expenditure. Consequently, the consolidated financial statements have been prepared on a going concern basis.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

The financial report does not include adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

New standards, interpretations, and amendments effective 1 July 2022:

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods and which have not been adopted early.

Investment in joint arrangements

The Group is a party to a joint arrangement when there is a contractual arrangement that confers joint control over the relevant activities of the arrangement to the group and at least one other party. Joint control is assessed under the same principles as control over subsidiaries.

The group classifies its interests in joint arrangements as either:

- Joint ventures: where the group has rights to only the net assets of the joint arrangement.
- Joint operations: where the group has both the rights to assets and obligations for the liabilities of the joint arrangement.

In assessing the classification of interests in joint arrangements, the Group considers:

- The structure of the joint arrangement
- The legal form of joint arrangements structured through a separate vehicle
- The contractual terms of the joint arrangement agreement
- Any other facts and circumstances (in any other contractual arrangements).

The Group accounts for its interests in joint ventures initially at cost in the consolidated statement of financial position. Subsequently joint ventures are accounted for using the equity method where the Group's share of post-acquisition profits and losses and other comprehensive income is recognised in the consolidated statement of profit and loss and other comprehensive income (except for losses in excess of the Group's investment in the associate unless there is an obligation to make good those losses).

Profits and losses arising on transactions between the Group and its joint ventures are recognised only to the extent of unrelated investors' interests in the joint venture. The investor's share in the joint ventures' profits and losses resulting from these transactions is eliminated against the carrying value of the joint venture.

Any premium paid for an investment in a joint venture above the fair value of the Group's share of the identifiable assets, liabilities and contingent liabilities acquired is capitalised and included in the carrying amount of the investment in joint venture. Where there is objective evidence that the investment in a joint venture has been impaired the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

The Group accounts for its interests in joint operations by recognising its share of assets, liabilities, revenues, and expenses in accordance with its contractually conferred rights and obligations. In accordance with IFRS 11 Joint Arrangements, the Group is required to apply all of the principles of IFRS 3 Business Combinations when it acquires an interest in a joint operation that constitutes a business as defined by IFRS 3.Where there is an increase in the stake of the joint venture entity from an associate to a subsidiary and the acquisition is considered as an asset acquisition and not a business combination in accordance with IFRS3, this step up transaction is accounted for as the purchase of a single asset and the cost of the transaction is allocated in its entirety to that asset with no gain or loss recognised in the income statement. The step-up acquisition of CRL in 2019 has been accounted for as a purchase of a single asset and the cost of the transaction is allocated in its entirety to that balance sheet.

3. Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimates

(a) Carrying value of intangible assets

Management assesses the carrying value of the exploration and evaluation assets for indicators of impairment based on the requirements of IFRS 6 which are inherently judgemental. This includes ensuring the Group maintains legal title, assessment regarding the commerciality of reserves and the clear intention to move the asset forward to development.

i) The Redmoor projects are early-stage exploration projects and therefore Management have applied judgement in the period as to whether the results from exploration activity provide sufficient evidence to continue to move the asset forward to development. There are no indicators of impairment for the Redmoor project in the period to 30 June 2022.

(b) Share based payments

The fair value of share-based payments recognised in the statement of comprehensive income is measured by use of the Black Scholes model after taking into account market-based vesting conditions and conditions attached to the vesting and exercise of the equity instruments. The expected life used in the model is adjusted based on management’s best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations. The share price volatility percentage factor used in the calculation is based on management’s best estimate of future share price behaviour based on past experience.

(c) Carrying value of amounts owed by subsidiary undertakings.

IFRS9 requires the parent company to make certain assumptions when implementing the forward-looking expected credit loss model. This model is required to be used to assess the intercompany loan receivables from its subsidiaries for impairment. Arriving at an expected credit loss allowance involved considering different scenarios for the recovery of the intercompany loan receivables, the possible credit losses that could arise and probabilities for these scenarios.

The following were considered: the exploration project risk, the future sales potential of product, value of potential reserves and the resulting expected economic outcomes of the project.

(d) Carrying Value of Development Assets

Management assesses the carrying value of development assets for indicators of impairment based on the requirements of IAS36 which are inherently judgemental.

The following are the key assumptions used in this assessment of Carrying value.

i) Mineable reserves over life of project

ii) Forecasted Copper pricing

iii) Capital and operating cost assumptions to deliver the mining schedule

iv) Foreign exchange rates

v) Discount rate

vi) Estimated project commencement date.

If the carrying amount of the Development asset exceeds the recoverable amount, the asset is impaired. The Group will reduce the carrying amount of the asset to its recoverable amount and recognise an impairment loss. The assessment is carried out twice per year – end of half year reporting period and end of annual reporting period.

(e) Determination of incremental borrowing rate for leases

Under IFRS 16, where the interest rate implicit in the lease cannot be readily determined the incremental borrowing rate is used. The incremental borrowing rate is defined as the rate of interest that a lessee would have to pay to borrow, over a similar term and with a similar security, the funds necessary to obtain an asset of a similar value to the cost of the right-of-use asset in a similar economic environment.

Judgements

(a) Investments in subsidiaries

Investment in subsidiaries comprises of the cost of acquiring the shares in subsidiaries.

If an impairment trigger is identified and investments in subsidiaries are tested for impairment, estimates are used to determine the expected net return on investment. The estimated return on investment takes into account the underlying economic factors in the business of the Company's subsidiaries including estimated recoverable reserves, resources prices, capital investment requirements, and discount rates among other things.

(b) Contingent consideration as part of Asset acquisition

Judgement was required in determining the accounting for the contingent consideration payable as per of the CRL acquisition. The group has an obligation to pay A$1m on net smelter sales arising from CRL production reaching A$50m and a further A$1m on net smelter sales arising from CRL production reaching A$100m.

Whilst a possible obligation exists in relation to the consideration payable, given the early stage of the project it was concluded that at reporting date it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation

4. Segment information

The Group has four main segments during the period:

- Southern Minerals Group LLC (SMG) - This segment is involved in the sale of magnetite to both the US domestic market and historically transported magnetite to port for onward export sale.
- Head Office - This segment incurs all the administrative costs of central operations and finances the Group's operations. A management fee is charged for completing this service and other certain services and expenses.
- Development Asset – This segment holds the Leigh Creek Copper Mine Development Asset in Australia and incurs all related operating costs.
- United Kingdom - The investment in the Redmoor project in Cornwall, United Kingdom is held by this segment.

Factors that management used to identify the Group's reportable segments.

The Group's reportable segments are strategic business units that carry out different functions and operations and operate in different jurisdictions.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the board and management team which includes the Board and the Chief Financial Officer.

Measurement of operating segment profit or loss, assets, and liabilities

The Group evaluates segmental performance on the basis of profit or loss from operations calculated in accordance with International Accounting Standards.

Segment assets exclude tax assets and assets used primarily for corporate purposes. Segment liabilities exclude tax liabilities. Loans and borrowings are allocated to the segments in which the borrowings are held. Details are provided in the reconciliation from segment assets and liabilities to the Group's statement of financial position.

6 Months to 30 June 2022 (Unaudited)	SMG $'000	Head Office $'000	United Kingdom $'000	Development Asset $'000	Intra Segment Elimination $'000	Total $'000
Revenues	1,329	-	-	-	-	1,329
Gross profit	1,329	-	-		-	1,329
Raw materials/consumables	(256)	-	-	-	-	(256)
Overhead expenses	(281)	(380)	(6)	-	30	(637)
Management fee income/(expense)	(200)	206		-	(6)	-
Share based payments	-	(12)	-	-	-	(12)
Amortisation	(139)	-	-	-	-	(139)
Depreciation	(16)	-	-	-	-	(16)
Foreign exchange gain/(loss)	-	63	-	-	(68)	(5)
Segment profit /(loss) from operations	437	(123)	(6)	-	(44)	264
Lease Interest	(10)		(2)			(12)
Finance Expense	-	-	-	(4)	-	(4)
Segment profit /(loss) before taxation	427	(123)	(8)	(4)	(44)	248

6 Months to 30 June 2021 (Unaudited)	SMG $'000	Head Office $'000	United Kingdom $'000	Development Asset $'000	Inter Segment Elimination $'000	Total $'000
Revenues	1,511	-	-	-	-	1,511
Gross profit	1,511	-	-	-		1,511
Raw materials/consumables	(286)	-	-	-	-	(286)
Overhead expenses	(311)	(383)	(4)	-	-	(698)
Management fee income/(expense)	(200)	201	-		(1)	-
Share based payments	-	(48)	-	-	-	(48)
Amortisation	(77)	-	-	-	-	(77)
Depreciation	(6)	-	-	-	-	(6)
Lease Interest	(4)	-	-	-	-	(4)
Foreign exchange gain/(loss)	-	(306)	-	-	304	(2)
Segment profit /(loss) from operations	627	(536)	(4)	-	303	390
Finance Expense	-	-	-	(2)	-	(2)
Segment profit /(loss) before taxation	627	(536)	(4)	(2)	303	388

Year to 31 December 2021 (Audited)	SMG $'000	Head Office $'000	United Kingdom $'000	Development Asset $'000	Intra Segment Elimination $'000	Total $'000
Revenues	2,611	-	-	-	-	2,611
Total Revenue	2,611	-	-		-	2,611
Raw Materials/Consumables	(524)	-	-	-	-	(524)
Overhead expenses	(678)	(910)	(8)	-	61	(1,535)
Management fee income/(expense)	(398)	396		-	2	-
Share based payments	-	(58)	-	-	-	(58)
Amortisation- right of use asset	(158)	-	-	-	-	(158)
Depreciation	(52)	-	-	-	-	(52)
(Loss)/ gain on intercompany loans	-	29	-	-	(29)	-
Foreign exchange gain/(loss)	-	(478)	-	-	473	(5)
Segment profit /(loss) from operations	801	(1,021)	(8)	-	507	279
Lease Interest	(12)	-	(3)			(15)
Finance Expense	-	-	-	(7)	-	(7)
Segment profit /(loss) before taxation	789	(1,021)	(11)	(7)	507	257

As at 30 June 2022 (Unaudited)	SMG $'000	Head Office $'000	United Kingdom $'000	Development Asset $'000	Total $'000
Additions to non-current assets	-	-	201	253	454
Reportable segment assets	1,181	160	5,068	7,906	14,315
Reportable segment liabilities	651	172	31	449	1303

As at 30 June 2021 (Unaudited)	SMG $'000	Head Office $'000	United Kingdom $'000	Development Asset $'000	Total $'000
Additions to non-current assets	-	-	131	202	333
Reportable segment assets	1,166	143	5,298	7,977	14,584
Reportable segment liabilities	227	146	37	512	922

As at 31 December 2021 (Audited)	SMG $'000	Head Office $'000	United Kingdom $'000	Development Asset $'000	Total $'000
Additions to non-current assets	-	-	568	584	1,152
Reportable segment assets	1,603	82	5,533	8,108	15,326
Reportable segment liabilities	795	185	66	505	1,551

	External revenue by location of customers		Non-current assets by location of assets	
	30 June 2022 $'000	30 June 2021 $'000	30 June 2022 $'000	30 June 2021 $'000
United States	1,329	1,511	648	275
United Kingdom	-	-	4,905	5,305
Australia	-	-	7,894	7,924
	1,329	1511	13,447	13,504

Revenues from Customer A totalled $188,315 (2021: $244,683), which represented 14% (2021: 16%) of total domestic sales in the United States, Customer B totalled $506,503 (2021: $673,560) which represented 38% (2021: 45%) and Customer C totalled $436,587 (2021: $ 523,027) which represented 33% (2021: 35%).

5. Operating Loss

	6 months to 30 June 2022 (Unaudited) $'000	6 months to 30 June 2021 (Unaudited) $'000	Year to 31 December 2021 (Audited) $'000
Operating gain/loss is stated after charging/(crediting):			
Directors' fees and emoluments	197	222	428
Equipment rental	2	63	116
Equipment maintenance	12	34	60
Fees payable to the company's auditor for the audit of the parent company and consolidated financial statements	-	-	111
Non- Audit Services	-	-	13
Salaries, wages, and other staff related costs	248	211	480
Legal, professional and consultancy fees	96	85	169
Other Expenses	82	83	158
	637	698	1,535
Lease Interest	12	4	15
Finance Fee	4	2	7
Foreign exchange	5	2	5
Amortisation of Right of use assets	139	77	158
Depreciation	16	6	52
Share based payments	12	48	58
Total	825	837	1,830

6. Intangible assets – exploration and evaluation costs

	6 months to 30 June 2022 (Unaudited) $'000	6 months to 30 June 2021 (Unaudited) $'000	Year to 31 December 2021 (Audited) $'000
Cost			
Opening balance for the period	5,228	5,026	5,026
Additions for the period	201	131	564
Grant Reimbursement	(123)	-	(196)
Research and development incentive	-	-	(65)
Foreign exchange difference	(420)	83	(101)
Closing balance for period	4,886	5,240	5,228

7. Property, plant and equipment

	Development Asset $'000	Plant and Machinery $'000	Total $'000
Group			
Cost			
At 1 January 2021 (audited)	6,828	762	7,590
Additions	202	-	202
Foreign exchange difference	(176)	(9)	(185)
At 30 June 2021 (unaudited)	6,854	753	7,607
Additions for period	382	4	386
Foreign exchange difference	(209)	(11)	(220)
At 31 December 2021 (audited)	7,027	746	7,773
Additions	253	-	253
Foreign exchange difference	(403)	(18)	(421)
At 30 June 2022 (Unaudited)	6,877	728	7,605
Depreciation			
At 1 January 2021 (audited)	-	(239)	(239)
Charge for the period	-	(9)	(9)
Foreign exchange difference		4	4
At 30 June 2021 (unaudited)	-	(244)	(244)
Charge for the period	-	(43)	(43)
Foreign exchange difference	-	(1)	(1)
At 31 December 2021 (audited)	-	(288)	(288)
Charge for the period	-	(16)	(16)
Foreign exchange difference	-	-	-
As at 30 June 2022(unaudited)	-	(304)	(304)
Carrying Value			
As at 30 June 2021 (unaudited)	6,854	509	7,363
As at 31 December 2021(audited)	7,027	458	7,485
As at 30 June 2022 (unaudited)	6,877	424	7,301

8. Leases

The Group has leases for an office, plant and machinery and a vehicle. Each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

	Office Lease $'000	Plant, Machinery and Vehicles $'000	Total $'000
Right of Use Assets			
As at 1 January 2021 (audited)	40	38	78
Additions	-	156	156
Amortisation(capitalised)	(9)	(4)	(13)
Amortization	-	(71)	(71)
As at 30 June 2021 (unaudited)	31	119	150
Additions	-	666	666
Amortisation(capitalised)	-	(5)	(5)
Amortization	(11)	(83)	(94)
As at 31 Dec 2021 (Audited)	20	697	717
Additions	-	-	-
Amortisation(capitalised)	(9)	(1)	(10)
Amortization	-	(139)	(139)
As at 30 June 2022 (unaudited)	11	557	568

	Office Lease $'000	Plant, Machinery and Vehicles $'000	Total $'000
Lease Liabilities			
As at 1 January 2021 (audited)	40	40	80
Additions	-	156	156
Interest Payments	1	5	6
Lease Payments	(10)	(91)	(101)
As at 30 June 2021 (unaudited)	31	110	141
Additions	-	666	666
Interest Payments	1	8	9
Lease Payments	(10)	(84)	(94)
As at 31 Dec 2021 (Audited	22	700	722
Interest Payments	1	11	12
Lease Payment	(5)	(146)	(151)
As at 30 June 2022 (unaudited)	18	565	583

Lease Liability	June 2022	June 2021	December 2021
Current	266	122	302
Non-Current	317	19	420
	583	141	722

9. Dividends

No dividend is proposed for the period.

10. Earnings per share

Earnings per ordinary share have been calculated using the weighted average number of shares in issue during the relevant financial year as provided below.

	6 months to 30 June 2022 (Unaudited) $'000	6 months to 30 June 2021 (Unaudited) $'000	Year to 31 December 2021 (Audited) $'000
Weighted average number of shares - Basic	1,593,558,030	1,573,956,203	1,593,558,030
Weighted average number of shares – Diluted	1,593,558,030	1,573,956,203	1,593,558,030
Earnings for the period	$127,000	$207,000	$156,000
Earnings per share in the period - Basic	¢0.08	¢0.13	¢0.10
Earnings per share in the period - Diluted	¢0.08	¢0.13	¢0.10

11. Share capital and premium

	30 June 2022 No	30 June 2022 $'000	30 June 2021 No	30 June 2021 $'000
Allotted, called up and fully paid				
Ordinary shares	2,015,964,616	52,303	1,909,297,949	51,780

Share options and warrants

The number of options as at 30 June 2022 and a reconciliation of the movements during the half year are as follows:

Date of Grant	Granted as at 31 December 2021	Expired	Granted as at 30 June 2022	Exercise price	Date of vesting	Date of expiry
15.02.18	17,500,000	(17,500,000)	-	5.00p	01.01.22	30.06.22
09.08.18	4,750,000	(4,750,000)	-	5.00p	01.01.22	30.06.22
	22,250,000	(22,250,000)	-			

Warrants

The number of warrants as at 30 June 2022 and a reconciliation of the movements during the half year are as follows:

	Granted as at 31 December 2021	Expired	Granted as at 30 June 2022	Exercise price	Date of vesting	Date of expiry
03.12.20	175,000,000	-	175,000,000	1.00p	03.12.20	30.12.22

12. Post balance date events

Critical Minerals List

In August 2022 the UK Government issued both a Critical Minerals List and Strategy. Both Tin and Tungsten, the main minerals identified at Redmoor, are on this list. Accordingly, the Redmoor project, has the potential to benefit from the Government's stated strategy to provide assistance in developing such resources.

New Shareholding

In September 2022, a respected professional investor, Mr Philip Richards of RAB Capital purchased 81,000,000 ordinary shares of 0.1 pence in the Company representing 4.02% of the Company's issued share capital.

Copies of this interim report will be made available on the Company's website, www.strategicminerals.net.