



Unicorn Mineral Resources PLC

Financial Statements

March 31, 2022

UNICORN MINERAL RESOURCES PLC
CONTENTS

	Page
Directors and Other Information	3
Directors' Report	4 - 5
Directors' Responsibilities Statement	6
Independent Auditor's Report	7 - 9
Statement of Financial Position	10
Statement of Loss and Comprehensive Loss	11
Statement of Changes in Equity	12
Cash Flow Statement	13
Notes to the Financial Statements	14 – 19

UNICORN MINERAL RESOURCES PLC

DIRECTORS AND OTHER INFORMATION

Directors

John O'Connor
Richard O'Shea
David Blaney
Patrick Doherty

Company Secretary

John O'Connor

Company Number

482509

Registered Office and Business Address

39 Castleyard
20/21 St Patrick's Road
Dalkey
Co Dublin

Auditors

MFOR Audit Services Limited t/a Brophy Gillespie
Chartered Accountants and Statutory Audit Firm
St Gall's House
Milltown
Dublin 14
D14 Y882

Bankers

Bank of Ireland
46 Parliament Street
Kilkenny
Co Kilkenny
Ireland

Solicitors

Mary Molloy Solicitors
2 Rose Inn Street
Kilkenny

OBH Partners
Pembroke Street Upper
Dublin 2

UNICORN MINERAL RESOURCES PLC

DIRECTOR'S REPORT

For the year ended March 31, 2022

The directors present their report and the audited financial statements for the financial year ended 31 March 2022.

Principal Activity and Review of the Business

The principal activity of the company during the period was the exploration for minerals and precious metals.

The directors are satisfied with the progress achieved during the year and the results received from the work carried out on the exploration licences owned by the company. They intend to continue with the current exploration plan for the foreseeable future.

There has been no significant change in these activities during the financial year ended 31 March 2022.

During the year the company re-registered as a Public Limited Company with the Registrar of Companies in Ireland.

Results and Dividends

The loss for the financial year amounted to €(515,712) (2021 - €(239,914)).

The directors do not recommend payment of a dividend.

At the end of the financial year, the company has assets of €266,893 (2021 - €423,494) and liabilities of €119,547 (2021 - €64,039). The net assets of the company have decreased by €156,601 .

Directors and Secretary

The directors who served throughout the financial year were as follows:

John O'Connor
Richard O'Shea
David Blaney
Patrick Doherty

The secretary who served throughout the financial year was John O'Connor.

The directors' and the secretary's interests in the shares of the company are as follows:

Name	Class of Shares	Number Held At	Number
		31/03/22	Held At 01/04/21
John O'Connor	Ordinary Shares	250,000	250,000
Richard O'Shea	Ordinary Shares	750,000	750,000
David Blaney	Ordinary Shares	370,000	370,000
Patrick Doherty	Ordinary Shares	655,500	655,500
		<u>2,025,500</u>	<u>2,025,500</u>

Future Developments

The company plans to continue its present activities and current trading levels. The directors are not expecting to make any significant changes in the nature of the business in the near future.

Employees are kept as fully informed as practicable about developments within the business.

Post Balance Sheet Events

The directors have assessed the impact of the continuing pandemic on the Firm's year-end financial position. The company had already ensured its operations were maintained despite the pandemic. The directors are not aware of any pandemic or other matters which would result in post balance sheet adjusting events to the company's year-end financial position.

The company has engaged brokers in London with a view to obtaining a quote on the London Stock Exchange. The members converted the company's legal status to being a public limited company on 28 October 2021 to enable such a quotation.

Auditors

The auditors, MFOR Audit Services Limited t/a Brophy Gillespie Chartered Accountants have indicated their willingness to continue in office in accordance with the provisions of section 383(2) of the Companies Act 2014.

UNICORN MINERAL RESOURCES PLC
DIRECTOR'S REPORT
For the year ended March 31, 2022

Share Options

On 1 April 2021 there were a total number of 3,950,000 Ordinary shares outstanding in unexercised share options.

On 28 October 2021, the company cancelled all the 3,950,000 outstanding options and implemented the New Share Option Scheme, and issued replacement options in respect of 3,700,000 options.

The interests of the directors in these share options were as follows:

Richard O'Shea 900,000 Ordinary shares at an exercise price of £0.05 per share
David Blaney 900,000 Ordinary shares at an exercise price of £0.05 per share
Patrick Doherty 900,000 Ordinary shares at an exercise price of £0.05 per share
John O'Connor 700,000 Ordinary shares at an exercise price of £0.05 per share

On 28 October 2021 John O'Connor exercised share options in the amount of 100,000 Ordinary shares at an exercise price of £0.05 per share.

At the balance sheet date of 31 March 2022 there remained a total number of 3,600,000 Ordinary shares outstanding in unexercised share options.

There have been no movements after the year end.

At the 12 September 2022 there remained a total number of 3,600,000 Ordinary shares outstanding in unexercised share options.

Share Capital

During the year the authorised share capital of the Company was increased from €1,000,000 to €2,000,000 by the creation of an additional 100,000,000 ordinary shares of €0.01 each.

Principal Risks and Uncertainties

The directors are responsible for the company's system of internal control and for reviewing its effectiveness. The internal control system is designed to manage, rather than eliminate the risk of failure to achieve the company's business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

Statement on Relevant Audit Information

In accordance with section 330 of the Companies Act 2014, so far as each of the persons who are directors at the time this report is approved are aware, there is no relevant audit information of which the statutory auditors are unaware. The directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and they have established that the statutory auditors are aware of that information.

Accounting Records

To ensure that proper books and accounting records are kept in accordance with Section 282 Companies Act, 2014, the directors have established appropriate books to adequately record the transactions of the company. The directors also ensure that the company retains the source documentation for these transactions. The books of account are maintained at the company's office at 39 Castleyard, 20/21 St Patrick's Road, Dalkey, Co Dublin.

Signed on behalf of the board

John O'Connor
Director

12 September 2022

Richard O'Shea
Director

12 September 2022

UNICORN MINERAL RESOURCES PLC
DIRECTORS' RESPONSIBILITIES STATEMENT
For the year ended March 31, 2022

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with the Companies Act 2014. Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' Report comply with the Companies Act 2014 and enable the financial statements to be readily and properly audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Signed on behalf of the board

John O'Connor
Director

12 September 2022

Richard O'Shea
Director

12 September 2022

UNICORN MINERAL RESOURCES PLC

INDEPENDENT AUDITOR'S REPORT

For the year ended March 31, 2022

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Unicorn Mineral Resources Plc ('the Company') for the year ended 31 March 2022 set out on pages 10 to 19, which comprise the Statement of Financial Position, the Statement of Loss and Comprehensive Loss, the Statement of Changes in Equity, the Statement of Cash Flows 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 Company as at 31 March 2022; and
- the 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.

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 Company 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).

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

Going concern basis of preparation

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgment, 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 arriving at our audit opinion above, the key audit matter for the Company is outlined below:

UNICORN MINERAL RESOURCES PLC

INDEPENDENT AUDITOR'S REPORT

For the year ended March 31, 2022

The key audit matter	How the matter was addressed in our audit
<p>The carrying value of Exploration assets at 31 March 2022 is €95,512.</p> <p>The assessment of the carrying value of Exploration assets requires management to exercise judgement and this judgement requires consideration of a number of factors, including but not limited to, an interpretation and assessment of the results of drilling and other appraisal activities during the year, the Company's intention and ability to proceed with a future work programme for a prospect or licence, and an assessment of the likely economic opportunity.</p>	<p>We evaluated management's assessment of Exploration assets with reference to the criteria of IFRS 6: Exploration for and Evaluation of Mineral Resources and the Company's accounting policy.</p> <p>The audit procedures we performed included, but were not limited to, obtaining an understanding of the Company's ongoing exploration activity by interviewing executive and finance staff in relation to all key licences, and gathering audit evidence to assess the value of Exploration assets carried forward. Such evidence included approved forecasts, evidence of ongoing appraisal activity and communications with joint venture partners and shareholders.</p> <p>Where an asset has demonstrated indicators of impairment but has been retained on the statement of financial position, we have gathered evidence to assess the status of current and future appraisal activity, the allocation of budgeted expenditure and any conclusion on commerciality.</p> <p>Where assets have been impaired we inspected evidence of the impairment and challenged management on the events that led to the impairment.</p> <p>Based on evidence obtained we found that the judgements exercised, and conclusions reached, by management are appropriate.</p>

Other information

The directors are responsible for the preparation of the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in 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 undertaken during the course of the audit, 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; and
- in our opinion, the directors' report has been prepared in accordance with the Companies Act 2014.

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.

UNICORN MINERAL RESOURCES PLC

INDEPENDENT AUDITOR'S REPORT

For the year ended March 31, 2022

We have nothing to report in this regard.

Respective responsibilities and restrictions on use Directors' responsibilities

As explained more fully in their statement set out on page 6, 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 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 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 <http://www.iaasa.ie/Publications/Auditing-standards/International-Standards-on-Auditing-for-use-in-Ire/Description-of-the-auditor-s-responsibilities-for>.

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.

Aidan Brophy

for and on behalf of

MFOR Audit Services Limited t/a Brophy Gillespie

Chartered Accountants and Statutory Audit Firm

St Gall's House

Milltown

Dublin, D14 Y882

Date: 12 September 2022

UNICORN MINERAL RESOURCES PLC
STATEMENT OF FINANCIAL POSITION
As at March 31, 2022

	2022	2021
Assets		
Current Assets		
Cash and cash equivalents (Note 9)	€ 152,877	€ 8,842
Accounts receivable (Note 3)	18,504	31,274
Total Current Assets	171,381	40,116
Non-Current Assets		
Intangible assets (Note 4)	95,512	383,378
Total Assets	€ 266,893	€ 423,494
Liabilities and Equity		
Current Liabilities		
Accounts payable (Note 5)	€ 119,547	€ 64,039
Total Current Liabilities	119,547	64,039
Total Liabilities	119,547	64,039
Equity		
Share capital (Note 6)	€ 184,557	€ 128,557
Reserves	1,166,603	919,000
Deficit	(1,203,814)	(688,102)
Total Equity	147,346	359,455
Total Liabilities and Equity	€ 266,893	€ 423,494

Nature and continuance of operations (Note 1)
Subsequent event (Note 10)

On behalf of the Board:

/s/
Director

12 September 2022

/s/
Director

12 September 2022

The accompanying notes are an integral part of these financial statements.

UNICORN MINERAL RESOURCES PLC
STATEMENT OF LOSS AND COMPREHENSIVE LOSS
For the year ended March 31, 2022

	2022	2021
Operating expenses		
Impairment of exploration assets (Note 4)	€ 291,619	€ 216,052
Administrative expenses (Note 11)	224,093	23,862
Loss and comprehensive loss for the year	€ (515,712)	€ (239,914)
Loss attributable to:		
Shareholders	€ (515,712)	€ (239,914)
	€ (515,712)	€ (239,914)

The accompanying notes are an integral part of these financial statements.

UNICORN MINERAL RESOURCES PLC
STATEMENT OF CHANGES IN EQUITY
For the years ended March 31, 2022 and 2021

	<u>Share Capital</u>				
	Shares	Amount	Reserves	Deficit	Total Equity
Balance, March 31, 2020	11,040,000	€ 110,400	€ 755,586	€ (448,188)	€ 417,798
Loss for the year	–	–	–	(239,914)	(239,914)
Net proceeds of equity ordinary share issue	–	18,157	163,414	–	181,571
Balance, March 31, 2021	12,855,663	128,557	919,000	(688,102)	359,455
Loss for the year	–	–	–	(515,712)	(515,712)
Net proceeds of equity ordinary share issue	–	56,000	247,603	–	303,603
Balance, March 31, 2022	18,455,664	€ 184,557	€ 1,166,603	€ (1,203,814)	€ 147,346

The accompanying notes are an integral part of these financial statements.

UNICORN MINERAL RESOURCES PLC
STATEMENT OF CASH FLOWS
For the years ended March 31, 2022

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	€ (515,712)	€ (239,914)
Impairment of exploration assets	291,619	216,052
Total Loss for the year	(224,093)	(23,862)
Changes in non-cash working capital items:		
Accounts receivable	12,770	(30,929)
Accounts payable	55,508	(120,323)
Net cash used in operating activities	(155,815)	(175,114)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments to acquire intangible assets	(3,753)	(2,017)
Net cash incurred by investing activities	(3,753)	(2,017)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of equity share capital	303,603	181,571
Net cash provided by financing activities	303,603	181,571
Change in cash	144,034	4,440
Cash, beginning of the year	8,842	4,402
Cash, end of the year	€ 152,877	€ 8,842

The accompanying notes are an integral part of these financial statements.

UNICORN MINERAL RESOURCES PLC

Notes to the Financial Statements

As at March 31, 2022

1. NATURE AND CONTINUANCE OF OPERATIONS

Unicorn Mineral Resources PLC is a public limited company incorporated in the Republic of Ireland. 39 Castleyard, 20/21 St Patrick's Road, Dalkey, Co Dublin is the registered office, which is also the principal place of business of the company. The principal activity of the company during the period was the exploration for minerals and precious metals. The financial statements have been presented in Euro (€) which is also the functional currency of the company.

These financial statements are prepared on a going concern basis which assumes that the Company will be able to realise its assets and discharge its liabilities in the normal course of business for the foreseeable future. The company has engaged brokers in London with a view to obtaining a quote on the London Stock Exchange. The members converted the company's legal status to being a public limited company on 28 October 2021 to enable such a quotation. The directors are confident that the listing process will be concluded before the end of 2022. The Directors have carefully considered the current financial position of the company in conjunction with the listing process, and in that context, have prepared cash flow forecasts which exceed one year from date of flotation. Based on their consideration of those cash flow forecasts the Directors are satisfied that the company will have access to sufficient funds to cover its working capital and capital expenditure expected for the foreseeable future. Consequently, the Directors have adopted the going concern basis in preparing the annual financial statements and do not include any adjustments that would be necessary if this basis was inappropriate.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) *Basis of Presentation*

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The financial statements were approved and authorised for issue by the board of directors on 12 September 2022.

(b) *Foreign Currencies*

These financial statements are presented in the Euro. The functional currency of the Company is also the Euro.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognised in profit or loss in the period in which they arise.

(c) *Cash*

Cash is comprised of cash on hand and demand deposits.

(d) *Financial Instruments*

The Company applies the requirements of IFRS 9 – Financial Instruments ("IFRS 9") which utilises a model for recognition and measurement of financial instruments and a single, forward-looking "expected loss" impairment model. The following is the Company's accounting policy for financial instruments under IFRS 9:

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI"), or at amortised cost. The Company determines the classification of financial assets at initial recognition. The classification of

UNICORN MINERAL RESOURCES PLC

Notes to the Financial Statements

As at March 31, 2022

receivable instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortised cost

Financial assets and liabilities at amortised cost are initially recognised at fair value plus or minus transaction costs, respectively, and subsequently carried at amortised cost less any impairment. Other receivables, accounts payable and accrued liabilities and exploration partner advances are measured at amortised cost.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realised and unrealised gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Cash is measured at FVTPL.

Impairment of financial assets at amortised cost

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognised based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognised for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognised in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortised cost decreases, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

Derecognition of financial assets

The Company derecognises financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognised in profit or loss.

Exploration and Evaluation Assets

All costs related to the acquisition of mineral properties are capitalised by property. All exploration and evaluation expenditures are expensed until properties are determined to have economically recoverable resources. These direct expenditures include such costs as materials used, surveying costs, geological studies, drilling costs, payments made to contractors and depreciation of equipment during the exploration phase.

Mineral property acquisition costs for each mineral property are carried forward as an asset provided that one of the following conditions is met:

- Such costs are expected to be recouped in full through successful exploration and development of the mineral property or alternatively, by sale; or
- Exploration and evaluation activities in the mineral property have not reached a stage which permits a reasonable assessment of the existence of economically recoverable reserves; however; active and significant operations in relation to the mineral property are continuing or planned for the future.

UNICORN MINERAL RESOURCES PLC

Notes to the Financial Statements

As at March 31, 2022

The carrying values of capitalised amounts are reviewed annually, or when indicators of impairment are present. In the case of undeveloped properties, there may be only inferred resources to allow management to form a basis for the impairment review. The review is based on the Company's intentions for the development of such a property. If a mineral property does not prove viable, all unrecoverable costs associated with the property are charged to profit or loss at the time the determination is made.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined and the Company has made a decision to proceed with development, the property is considered to be a mine under development and is classified as "mining assets", within PP&E. Exploration and evaluation acquisition costs accumulated are also tested for impairment before they are transferred to development properties.

(e) *Impairment of Tangible and Intangible Assets*

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. 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 risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognised in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(f) *Share Capital*

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares and options are classified as equity instruments. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

Equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are assigned value based on the residual value method and included in share capital with the common shares that were concurrently issued. Warrants that are issued as payment for agency fees or other transactions costs are accounted for as share-based payments.

(g) *Loss per Share*

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants and convertible loan, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and the convertible loans were converted and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. For the periods presented, the calculations proved to

UNICORN MINERAL RESOURCES PLC

Notes to the Financial Statements

As at March 31, 2022

be anti-dilutive.

(h) Significant Accounting Estimates and Judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- i. The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.
- ii. The inputs used in calculating the fair value for share-based payment expense included in profit or loss and comprehensive loss and statement of shareholders' equity. The share-based payment expense is estimated using the Black-Scholes option-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.

Critical accounting judgments

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. The Company's principal critical accounting judgment is the determination of functional currency for the parent entity and each of its subsidiaries. Determination of functional currency involves certain judgments to determine the primary economic environment in which each entity operates. This determination is reassessed if there is a change in events and conditions which were used in the determination of the primary economic environment.

3. ACCOUNTS RECEIVABLE

March 31	2022	2021
Other debtors	€ 273	€ 273
Taxation	18,231	31,001
Accounts receivable	€ 18,504	€ 31,274

UNICORN MINERAL RESOURCES PLC

Notes to the Financial Statements

As at March 31, 2022

4. INTANGIBLE FIXED ASSETS

All of the Company's exploration and evaluation assets are located in Ireland.

	Cumulative to March 31, 2020		Change during the year		Cumulative to March 31, 2021		Change during the year		Cumulative to March 31, 2022	
Acquisition costs										
Exploration and evaluation assets acquired	€	749,555	€	2,017	€	751,572	€	3,753	€	755,325
Impairment of exploration assets		(152,142)		(216,052)		(368,194)		(291,619)		(659,813)
Total acquisition costs	€	597,413	€	(214,035)	€	383,378	€	(287,866)	€	95,512

Exploration and evaluation assets relate to expenditure incurred in the development of mineral exploration opportunities.

The realisation of intangible assets amounting to €95,512 at the financial year end, 31 March 2022, is dependent on the further successful development and ultimate production of the mineral reserves and availability of adequate finance to bring the reserves to economic maturity and profitability. The directors have considered the proposed work programmes for the underlying mineral reserves. They are satisfied that there are no indicators of impairment.

5. ACCOUNTS PAYABLE

March 31	2022	2021
Accounts payable	€ 103,847	€ 60,339
Other payables	700	700
Accrued liabilities	15,000	3,000
Accounts payable	€ 119,547	€ 64,039

6. SHARE CAPITAL

Authorised: 200,000,000 ordinary shares at €0.01 each (2021: 100,000,000 at €0.01 each).

Issued: 18,455,664 ordinary shares (2021: 12,855,664 ordinary shares).

7. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. The Company monitors its adjusted capital which comprises all components of equity. The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements. No changes were made to the Company's capital management practices during the year.

8. RELATED PARTY BALANCES AND TRANSACTIONS

The company incurred costs of €5,892 (2021 : €10,603) from BRG (Geotechnics) Limited during the year. David Blaney who is a director of Unicorn is also a director, and owns 50% of, BRG. BRG was owed €nil (2020 : €20,379) at the year end. The directors are satisfied that the amounts charged by BRG to the company were on an arm's length basis.

UNICORN MINERAL RESOURCES PLC

Notes to the Financial Statements

As at March 31, 2022

9. CASH AND CASH EQUIVALENTS

March 31	2022	2021
Cash and bank balances	€ 152,877	€ 8,842
Cash and cash equivalents	€ 152,877	€ 8,842

10. SUBSEQUENT EVENT

The directors have assessed the impact of the continuing pandemic on the Firm's year-end financial position. The company had already ensured its operations were maintained despite the pandemic. The directors are not aware of any pandemic or other matters which would result in post balance sheet adjusting events to the company's year-end financial position.

The company has engaged brokers in London with a view to obtaining a quote on the London Stock Exchange. The directors are proposing to convert the company's legal status to being a public limited company in that regard.

11. ADMINISTRATIVE EXPENSES

	2022	2021
Administrative expenses		
Insurance	€ 1,213	€ 297
Computer bureau costs	933	562
Funding costs	1,243	-
Printing, postage and stationery	969	1,040
Management expenses	140	-
Telephone	2,040	2,640
Motor and travel expenses	9,456	4,262
Bank charges	506	208
General expenses	3,733	4,799
PDAC and conferences	40	54
Auditor's remuneration	12,022	10,000
Exchange loss	1,064	-
Listing costs	1,346	-
Legal fees	9,640	-
Flotation costs	179,748	-
Administrative expenses	€ 224,093	€ 23,862