

KERAS RESOURCES PLC

**UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

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KERAS RESOURCES PLC

COMPANY INFORMATION

Directors:	R Lamming G Stacey B Moritz C Parry	Non-Executive Chairman Chief Executive Officer Non-Executive Director Non-Executive Director
Company secretary:	B Moritz	
Company number:	07353748	
Registered office:	Coveham House Downside Bridge Road Cobham, Surrey KT11 3EP	
Nominated advisor & Joint Broker:	SP Angel Corporate Finance LLP 35-39 Maddox Street London W1S 2PP	
Joint broker:	Shard Capital Partners LLP 23rd Floor, 20 Fenchurch St, Bridge, London EC3M 3BY	
Solicitors:	Locke Lord (UK) LLP 201 Bishopsgate London EC2M 3AB	
Group auditors:	PKF Littlejohn LLP 1 Westferry Circus Canary Wharf London E14 4HD	

**CHAIRMAN'S REVIEW
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

I am pleased to provide an update on our progress since the last report and to set out our outlook for the business going forward.

2023 has been a transformative year for Keras with the unbundling of our investment interest in the Nayéga manganese mine in northern Togo and the focus on becoming the pre-eminent high grade organic phosphate producer in North America.

The Diamond Creek phosphate mine

The Diamond Creek phosphate mine, which is believed to be one of the highest grade organic rock phosphate deposits in the US, comprises an opencast operation located on an 840 acre Federal Lease located approximately 80km south-east of Salt Lake City, Utah. Our focus going forward is to build the operation into the premier high-grade organic phosphate producer in the US.

Our target market is the sustainable, organic agriculture sector and we are strong advocates for the benefits of enhancing soil health and reducing the impact that synthetic fertilisers have on water resources. Our organic phosphate fertilizer products help farmers realise better crop growth without sacrificing yields, and reduces the soil degradation seen when farmers use chemically manufactured fertilisers, while at the same time reducing the carbon footprint associated with growing their crops.

Sales for the first six months of 2023 were 2,192 tons sold, compared to the first six months of 2022 of 1,896 tons. Year to date sales total 3,467 tons. The lower than expected first half sales volume were a result of an extended Utah winter and flooding throughout the Central California Valley which impacted several key clients. High producer price inflation in the US also impacted on buying patterns of organic fertilizer feedstocks as aggregators and blenders preferred to preserve cash rather than build fertilizer stocks as cost pressures impacted their own operations.

Mining has commenced, later than initially planned as a result of both cash flow and inventory management which is a priority. Given our existing saleable inventory, mining for the 2023 season, between now and end-November will be between 2,500 and 4,000 tons dependent on offtake commitments from customers. Although sales for the first half of the year were below expectations, we are confident that these will pick up in the fourth quarter as seen during the same period in 2022. In addition to our own sales of dry crushed and milled product we have now seen a significant interest in organic fertiliser blenders who have now undertaken testwork on our high-grade phosphate rock to be incorporated in their blends. The results of this testwork have been positive and we look forward to updating shareholders once commercial terms have been agreed. As a company we believe that longer term offtakes with fertiliser blenders will form a significant proportion of our sales going forward.

Togo

In May 2023 the Company announced an agreement with the Republic of Togo (the "State") on a way forward for the Nayéga Manganese project ("Nayéga") in Northern Togo. Keras and the State agreed that Nayéga is a Togolese strategic asset and the exploitation permit will be awarded to Société Togolaise de Manganèse, a Togolese incorporated company 100% owned by the State ("STM") and Keras will no longer pursue the Nayéga exploitation permit.

KERAS RESOURCES PLC

CHAIRMAN'S REVIEW FOR THE SIX MONTHS ENDED 30 JUNE 2023

The State paid Keras a cash consideration of US\$1.7m (one million seven hundred thousand United States dollars) on 17 July 2023 and thereafter:

- Keras will be paid an advisory fee of 1.5% (one and a half percent) of gross revenue generated from the Nayéga mine for the provision of advisory services for 3 (three) years; and
- Keras will be paid 6.0% (six percent) of gross revenue generated from the Nayéga mine for the provision of brokerage services for the lesser of 3.5 (three and a half) years or 900,000 (nine hundred thousand) tonnes of beneficiated manganese ore produced and sold from Nayéga.

Since the agreement was signed in May, the Company and State have had positive discussions regarding the development of Nayéga. This process continues and the Company believes that the continued constructive dialogue between the Company and the State will stand the project in good stead, and we look forward to updating shareholders on the way forward.

Financial review

The results for the 6 months ended 30 June 2023 show a loss of £255,000 compared to the six-month period ended 30 June 2022 of £467,000. The reduced loss was due to increased revenue of £397,00 (2022: £212,000) and a profit on sale of intellectual property of £184,000.

On 13 April 2023 Chris Grosso from Kershner Grosso & Co. ('Kershner Grosso'), a Saratoga Springs, New York State based Investment Advisor acquired First Uranium Resources Ltd's (CSE: URNM) (KMMIF:OTC) ('First Uranium') entire holding of 8,000,000 ordinary shares of 1 pence each in the Company ("Ordinary Shares") representing 10% of the Company's issued share capital. Subsequent to his initial investment he has increased his holding to 15.64%. The Keras Board is very pleased to have Kershner Grosso on board as a cornerstone shareholder. Kershner Grosso's investment philosophy is very much aligned with Keras's growth strategy in the US and the relationship is expected to provide access to new markets and opportunities throughout North America.

On 4 July 2023 the Company announced receipt of the US\$1.7m cash consideration from the Republic of Togo and made cash payments of US\$800,000, being part of the consideration for the acquisition of Falcon Isle Resources LLC Falcon Isle Holdings LLC ("Falcon Isle"), and US\$240,000, being part of a severance payment to the former CEO of Falcon Isle which totalled US\$340,000.

Outlook

Although it has been a tough first half of the year, the Company remains very positive about both the future of Diamond Creek and the fertiliser market macro-economic conditions that underpin its future. We are mining an essential resource that can create value, be part of the greener economy and contribute to a more sustainable future. As a mining company we remain ever conscious of our obligations and commitments in line with best environmental, social and governance ("ESG") practice and will continue to take the initiative within this area.

KERAS RESOURCES PLC

CHAIRMAN'S REVIEW FOR THE SIX MONTHS ENDED 30 JUNE 2023

I would like to thank our shareholders for their ongoing support and I look forward updating all stakeholders as we continue to build Keras and Diamond Creek into the premier organic phosphate producer in the US.

Russell Lamming
Chairman
29 September 2023

KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2023

	6 months to 30-Jun-23 (unaudited) £'000	6 months to 30-Jun-22 (unaudited) £'000	12 months to 31-Dec-22 (audited) £'000
Revenue	397	212	994
Cost of production	(44)	(104)	(263)
Gross profit/loss	353	108	731
Profit on sale of intellectual property relating to Togo	184	-	-
Administrative expenses	(686)	(550)	(1,524)
Loss from operating activities	(149)	(442)	(793)
Finance income	-	-	-
Finance costs	(106)	-	(204)
Net finance costs	(106)	(25)	(204)
Loss before taxation	(255)	(467)	(997)
Taxation	-	-	-
Loss for the period	(255)	(467)	(997)
Other comprehensive income – items that may be subsequently reclassified to profit or loss			
Exchange translation on foreign operations	29	53	150
Total comprehensive loss for the period	(226)	(414)	(847)
Loss attributable to:			
Owners of the Company	(255)	(470)	(1,076)
Non-controlling interests	-	3	79
Loss for the period	(255)	(467)	(997)
Total comprehensive loss attributable to:			
Owners of the Company	(226)	(414)	(907)
Non-controlling interests	-	-	60
Total comprehensive loss for the period	(226)	(414)	(847)
Earnings per share			
Basic and diluted loss per share (pence)	(0.28)	(0.015)	(1.148)

The notes on pages 11 to 16 are an integral part of this condensed consolidated interim financial report.

KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Notes	30-Jun-23 (unaudited) £'000	30-Jun-22 (unaudited) £'000	31-Dec-22 (audited) £'000
Assets				
Non-current assets				
Intangible assets	7	3,418	4,875	3,558
Property, plant and equipment	8	372	591	381
Right of use asset	9	59	185	121
		<u>3,849</u>	<u>5,651</u>	<u>4,060</u>
Current assets				
Inventory	10	660	484	668
Trade and other receivables	11	1,612	115	191
Assets held for sale		-	-	1,558
Cash and cash equivalents		39	440	207
		<u>2,311</u>	<u>1,039</u>	<u>2,624</u>
Total assets		<u>6,160</u>	<u>6,690</u>	<u>6,684</u>
Equity				
Equity attributable to owners of the Company				
Share capital	12	797	798	797
Share premium	12	5,838	5,838	5,838
Other reserves		311	173	282
Retained deficit		(3,245)	(2,885)	(2,990)
		<u>3,701</u>	<u>3,924</u>	<u>3,927</u>
Non-controlling interests		(146)	(133)	(146)
Total equity		<u>3,555</u>	<u>3,791</u>	<u>3,781</u>
Liabilities				
Current liabilities				
Trade and other payables	13	1,478	1,423	1,158
Liabilities held for sale		-	-	471
Lease liabilities - current	9	61	120	126
		<u>1,539</u>	<u>1,543</u>	<u>1,755</u>
Non-current liabilities				
Trade and other payables	13	1,066	1,293	1,148
Lease liabilities – non-current	9	-	63	-
		<u>1,066</u>	<u>1,356</u>	<u>1,148</u>
Total liabilities		<u>2,605</u>	<u>2,899</u>	<u>2,903</u>
Total equity and liabilities		<u>6,160</u>	<u>6,690</u>	<u>6,684</u>

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KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Share capital £'000	Share premium £'000	Share option/ warrant reserve £'000	Exchange reserve £'000	Retained earnings/ (deficit) £'000	Total £'000	Non- controlling interests £'000	Total equity £'000
Balance at 1 January 2023 (audited)	797	5,838	102	180	(2,990)	3,927	(146)	3,781
Loss for the period	-	-	-	-	(255)	(255)	-	(255)
Other comprehensive income	-	-	-	29	-	29	-	29
Total comprehensive loss for the period	-	-	-	29	(255)	(226)	-	(226)
Issue of ordinary shares	-	-	-	-	-	-	-	-
Issue costs	-	-	-	-	-	-	-	-
Non-controlling interest on acquisition of subsidiary	-	-	-	-	-	-	-	-
Share based payment transactions	-	-	-	-	-	-	-	-
Transactions with owners, recognised directly in equity	-	-	-	-	-	-	-	-
Balance at 30 June 2023 (unaudited)	797	5,838	102	209	(3,245)	3,701	(146)	3,555

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KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2022

	Share capital £'000	Share premium £'000	Share option/ warrant reserve £'000	Exchange reserve £'000	Retained Earnings/ (deficit) £'000	Total £'000	Non- controlling interests £'000	Total equity £'000
Balance at 1 January 2022 (audited)	630	4,033	100	11	(1,721)	3,053	229	3,282
Loss for the period	-	-	-	-	(1,076)	(1,076)	79	(997)
Other comprehensive income	-	-	-	169	-	169	(19)	150
Total comprehensive loss for the period	-	-	-	169	(1,076)	(907)	60	(847)
Issue of ordinary shares	167	1,845	-	-	-	2,012	-	2,012
Costs of share issue	-	(40)	-	-	-	(40)	-	(40)
Acquisition of non-controlling interest	-	-	-	-	(200)	(200)	(435)	(635)
Share option expense	-	-	9	-	-	9	-	9
Share option forfeit	-	-	(7)	-	7	-	-	-
Transactions with owners, recognised directly in equity	167	1,805	2	-	(193)	1,781	(435)	1,346
Balance at 31 December 2022 (audited)	797	5,838	102	180	(2,990)	3,927	(146)	3,781

The notes on pages 11 to 16 are an integral part of this condensed consolidated interim financial report.

KERAS RESOURCES PLC

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2022

	Share capital £'000	Share premium £'000	Share option/ warrant reserve £'000	Exchange reserve £'000	Retained earnings £'000	Total £'000	Non- controlling interests £'000	Total equity £'000
Balance at 1 January 2022 (audited)	630	4,033	100	11	(1,721)	3,053	229	3,282
Loss for the period	-	-	-	-	(470)	(470)	3	(467)
Total other comprehensive income	-	-	-	56	-	56	(3)	53
Total comprehensive loss for the period	-	-	-	56	(470)	(414)	-	(414)
Issue of ordinary shares	168	1,845	-	-	-	2,013	-	2,013
Issue costs	-	(40)	-	-	-	(40)	-	(40)
Acquisition of NCI without a change in control (note 14)	-	-	-	-	(694)	(694)	(362)	(1,056)
Share based payment transactions	-	-	6	-	-	6	-	6
Transactions with owners, recognised directly in equity	168	1,805	6	-	(694)	1,285	(362)	923
Balance at 30 June 2022 (unaudited)	798	5,838	106	67	(2,885)	3,924	(133)	3,791

The notes on pages 11 to 16 are an integral part of this condensed consolidated interim financial report.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

	30-Jun-23 (unaudited) £'000	30-Jun-22 (unaudited) £'000	31-Dec-22 (audited) £'000
Cash flows from operating activities			
Loss from operating activities	(226)	(467)	(997)
Adjustments for:			
Depreciation and amortisation	61	99	179
Profit on sale of intellectual property relating to Togo	(184)	-	-
Expenses settled in shares	-	-	109
Finance costs recognised	106	-	204
Foreign exchange differences	-	(356)	-
Equity-settled share-based payment transactions	-	6	9
	<u>(243)</u>	<u>(718)</u>	<u>(496)</u>
Changes in:			
- inventories	8	(211)	(395)
- trade and other receivables	(8)	(21)	(97)
- trade and other payables	116	(747)	119
Cash used in operating activities	<u>(127)</u>	<u>(1,697)</u>	<u>(869)</u>
Interest paid	<u>(9)</u>	<u>-</u>	<u>(52)</u>
Net cash used in operating activities	<u>(136)</u>	<u>(1,697)</u>	<u>(921)</u>
Cash flows from investing activities			
Interest received	-	-	-
Acquisition of property, plant and equipment	-	-	-
Exploration and licence expenditure	-	(2)	-
Consideration for purchase of minority interest in subsidiary	-	-	(286)
Net cash used in investing activities	<u>-</u>	<u>(2)</u>	<u>(286)</u>
Cash flows from financing activities			
Net proceeds from issue of share capital	-	1,973	1,641
Loans received	-	-	100
Repayment of loans	-	-	(375)
Payment of lease obligations	<u>(61)</u>	<u>-</u>	<u>(93)</u>
Net cash flows from financing activities	<u>(61)</u>	<u>1,973</u>	<u>1,273</u>
Net (decrease)/increase in cash and cash equivalents	<u>(197)</u>	<u>274</u>	<u>66</u>
Cash and cash equivalents at beginning of period	207	166	166
Effect of foreign exchange rate changes	<u>29</u>	<u>-</u>	<u>(25)</u>
Cash and cash equivalents at end of period	<u><u>39</u></u>	<u><u>440</u></u>	<u><u>207</u></u>

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023

1. Reporting entity

Keras Resources plc (the “Company”) is a company domiciled in England and Wales. The unaudited condensed consolidated interim financial statements of the Company as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and jointly controlled entities. The Group currently operates as an explorer and developer.

2. Basis of preparation

(a) Statement of compliance

This condensed consolidated interim financial report has been prepared in accordance with IAS 34 *Interim Financial Reporting*. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial performance and position of the Group since the last consolidated financial statements as at and for the period ended 31 December 2022. This condensed consolidated interim financial report does not include all the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards.

This condensed consolidated interim financial report was approved by the Board of Directors on 27 September 2023, subject to certain amendments that were delegated to and approved by a Director on 29 September 2023.

(b) Judgements and estimates

Preparing the interim financial report requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial report, significant judgements made by Management in applying the Group’s accounting policies and key sources of estimation uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the period ended 31 December 2022.

3. Significant accounting policies

The accounting policies applied by the Group in this condensed consolidated interim financial report are the same as those applied by the Group in its audited consolidated financial statements as at and for the period ended 31 December 2022.

4. Financial instruments

Financial risk management

The Group’s financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements as at and for the period ended 31 December 2022.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023 (CONTINUED)**

5. Segment information

The Group considers that it operates in two distinct business areas, manganese mining in West Africa and phosphate mining in Utah, USA. These business areas form the basis of the Group's operating segments. For each segment, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis.

Operations ceased in the manganese segment of the Group during the period. This was a result of the sale of the intellectual property relating to this geographic region. As a result, an amount of £1,412,077 is recognised within other receivables reflecting the amounts due on the sale and an amount of £184,653 recognised as a gain on disposal within operating profit.

Other operations relate to the group's administrative functions conducted at its head office and by its intermediate holding company together with consolidation adjustments.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment results are used to measure performance as Management believes such information is the most relevant in evaluating the performance of certain segments relative to other entities that operate within the exploration industry.

Information about reportable segments

For the six months ended 30 June 2023 (unaudited)

	Manganese £'000	Phosphate £'000	Other operations £'000	Total £'000
External revenue	<u>-</u>	<u>397</u>	<u>-</u>	<u>397</u>
Profit/(loss) before tax	<u>-</u>	<u>141</u>	<u>(396)</u>	<u>(255)</u>
Segment assets	<u>-</u>	<u>4,689</u>	<u>1,471</u>	<u>6,160</u>

For the six months ended 30 June 2022 (unaudited)

	Manganese £'000	Phosphate £'000	Other operation s£'000	Total £'000
External revenue	<u>-</u>	<u>212</u>	<u>-</u>	<u>212</u>
Profit/(loss) before tax	<u>22</u>	<u>9</u>	<u>(498)</u>	<u>(467)</u>
Segment assets	<u>1,228</u>	<u>4,744</u>	<u>718</u>	<u>6,690</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023 (CONTINUED)

5. Segment information (continued)

For the twelve months ended 30 December 2022 (audited)

	Manganese £'000	Phosphate £'000	Other operations £'000	Total £'000
External revenue	<u>-</u>	<u>994</u>	<u>-</u>	<u>994</u>
Profit/(loss) before tax	<u>(131)</u>	<u>68</u>	<u>(934)</u>	<u>(997)</u>
Segment assets	<u>1,558</u>	<u>5,027</u>	<u>99</u>	<u>6,684</u>

Information about geographical segments:

For the six months ended 30 June 2023 (unaudited)

	West Africa £'000	US £'000	Other operations £'000	Total £'000
External revenue	<u>-</u>	<u>397</u>	<u>-</u>	<u>397</u>
Profit/(loss) before tax	<u>-</u>	<u>141</u>	<u>(396)</u>	<u>(255)</u>
Segment assets	<u>-</u>	<u>4,689</u>	<u>1,471</u>	<u>6,160</u>

For the six months ended 30 June 2022 (unaudited)

	West Africa £'000	US £'000	Other operatio ns£'000	Total £'000
External revenue	<u>-</u>	<u>212</u>	<u>-</u>	<u>212</u>
Profit/(loss) before tax	<u>22</u>	<u>9</u>	<u>(498)</u>	<u>(467)</u>
Segment assets	<u>1,228</u>	<u>4,744</u>	<u>718</u>	<u>6,690</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023 (CONTINUED)

5 **Segment information (continued)**
Information about geographical segments(continued)

For the 12 months ended 31 December 2022 (audited)

	West Africa £'000	US £'000	Other operations £'000	Total £'000
External revenue	-	994	-	994
Profit/(loss) before tax	(131)	68	(934)	(997)
Segment assets	1,558	5,027	99	6,684

6. **Seasonality of operations**

Mining at Falcon Isle takes place between May and November due to winter snow cover at the mine site and on the approach road. The fertiliser produced is used primarily during the planting and growing seasons, but sales by Falcon Isle take place throughout the year.

7. **Intangible assets**

	30-Jun-23 (unaudited) £'000	30-Jun-22 (unaudited) £'000	31-Dec-22 (audited) £'000
Cost			
Balance at beginning of period	3,613	4,643	4,643
Additions	-	3	-
Effect of movement in exchange rates	(145)	298	349
Transfers to assets held for sale	-	-	(1,379)
Balance at end of period	3,468	4,944	3,613
Impairment losses			
Balance at beginning of period	55	37	37
Impairment	-	26	-
Amortisation	-	-	13
Disposals	-	-	-
Effect of movement in exchange rates	(5)	6	5
Balance at end of period	50	69	55
Carrying amounts			
Balance at end of period	3,418	4,875	3,558
Balance at beginning of period	3,558	4,606	4,606

Intangible assets comprise the fair value of prospecting and exploration rights.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023 (CONTINUED)

8. **Property, plant and equipment**
Acquisitions and disposals

No assets were acquired or disposed of during the six months ended 30 June 2023 or the comparative period.

9. **Right of use asset**

	30-Jun-23 (unaudited) £'000	30-Jun-22 (unaudited) £'000	31-Dec-22 (audited) £'000
Balance at beginning of period	121	215	215
Additions	-	-	-
Depreciation	(59)	(66)	(118)
Effects of movements in exchange rates	(3)	36	24
	<u>59</u>	<u>185</u>	<u>121</u>

Lease liability

	£'000	£'000	£'000
Balance at beginning of period	126	219	219
Principal reduction	(61)	(64)	(93)
Finance cost	2	5	9
Effects of movements in exchange rates	(6)	23	(9)
	<u>61</u>	<u>183</u>	<u>126</u>
Current portion	61	120	126
Non current portion	-	63	-
	<u>61</u>	<u>183</u>	<u>126</u>

10. **Inventories**

	30-Jun-23 (unaudited) £'000	30-Jun-22 (unaudited) £'000	31-Dec-22 (audited) £'000
Phosphate	660	484	668
	<u>660</u>	<u>484</u>	<u>668</u>

11. **Trade and other receivables**

	30-Jun-23 (unaudited) £'000	30-Jun-22 (unaudited) £'000	31-Dec-22 (audited) £'000
Trade receivables	89	-	69
Other receivables	1,496	95	85
Prepayments	27	20	37
	<u>1,612</u>	<u>115</u>	<u>191</u>

Trade receivables and other receivables are stated at their nominal values less allowances for non-recoverability.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2023 (CONTINUED)**

12. Share capital and reserves

Dividends

No dividends were declared or paid in the six months ended 30 June 2023 (six months ended 30 June 2022 : £nil, twelve months ended 31 December 2022: £nil).

13. Trade and other payables

Current	30-Jun-23 (unaudited) £'000	30-Jun-22 (unaudited) £'000	31-Dec-22 (audited) £'000
Trade payables	510	401	262
Accruals	92	208	59
Other payables	247	814	209
Deferred consideration and loans to previous minority shareholders	629	-	628
	<u>1,478</u>	<u>1,423</u>	<u>1,158</u>
Non-current	30-Jun-23 (unaudited) £'000	30-Jun-22 (unaudited) £'000	31-Dec-21 (audited) £'000
Other payables	-	1,293	83
Deferred consideration and loans to previous minority shareholders	1,066	-	1,065
	<u>1,066</u>	<u>1,293</u>	<u>1,148</u>

There is no material difference between the fair value of trade and other payables and their book value.

14. Acquisition of non-controlling interest ("NCI") in Falcon Isle

In the comparative period, the Group agreed to acquire the outstanding 49% equity interest in Falcon Isle, together with loans totalling \$1,816,527 made by the vendor to Falcon Isle for total consideration of \$3.2 million payable in four annual tranches of \$800,000 commencing on 1 July 2022. The first payment was made on 30 June 2022., The second payment, due by 1 July 2023, has been treated as a current liability and is included in other payables. The final two instalments have been treated as non-current liabilities.