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CVR no. 20 22 26 70

TANBREEZ MINING GREENLAND A/S

NATERNAQ 17, 3905 NUUSSUAQ

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

**The Annual Report has been presented and
adopted at the Company's Annual General
Meeting on 19 June 2024**

Gregory Bennett Barnes

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COMPANY DETAILS

Company	TANBREEZ MINING GREENLAND A/S Naternaq 17 3905 Nuussuaq CVR No.: 12 57 99 18 Established: 26 January 2010 Municipality: Sermersooq Financial Year: 1 January - 31 December
Board of Directors	Bolette Erna Maqe Nielsen, chairman Gregory Bennett Barnes
Executive Board	Gregory Bennett Barnes
Auditor	BDO Statsautoriseret revisionsaktieselskab Imaneq 33, 7. etage, Box 20 GL-3900 Nuuk

MANAGEMENT'S STATEMENT

Today the Board of Directors and Executive Board have discussed and approved the Annual Report of TANBREEZ MINING GREENLAND A/S for the financial year 1 January - 31 December 2023.

The Annual Report is presented in accordance with the Greenlandic Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2023 and of the results of the Company's operations for the financial year 1 January - 31 December 2023.

The Management Commentary includes in our opinion a fair presentation of the matters dealt with in the Commentary.

The Board of Directors and Executive Board remain of the opinion that the conditions for opting out of audit have been fulfilled.

We recommend the Annual Report be approved at the Annual General Meeting.

Nuuk, 31 May 2024

Executive Board

Gregory Bennett Barnes

Board of Directors

Bolette Erna Maqe Nielsen
Chairman

Gregory Bennett Barnes

AUDITOR´S REPORT ON COMPILATION OF FINANCIAL INFORMATION

To the Shareholder of TANBREEZ MINING GREENLAND A/S

We have compiled these Financial Statements of TANBREEZ MINING GREENLAND A/S for the financial year 1 January - 31 December 2023 based on the Company's accounting records and other information provided by Management.

These Financial Statements comprise income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with the International Standard, Compilation Engagements.

We have applied our professional expertise to assist Management in the preparation and presentation of these Financial Statements in accordance with the Greenlandic Financial Statements Act. We have complied with relevant statutory provisions of the Danish Audit Act and International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), including principles of integrity, objectivity, professional behaviour, and due care.

These Financial Statements and the accuracy and completeness of the information used to compile these Financial Statements are Management's responsibility.

Since an engagement to compile financial information is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided by Management to us to compile these Financial Statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these Financial Statements are prepared in accordance with the Greenlandic Financial Statements Act.

Nuuk, 31 May 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Claus Bech
State Authorised Public Accountant
MNE no. mne31453

MANAGEMENT COMMENTARY

Principal activities

The company's primary activity is to hold an exploitation license for mining in South Greenland with the right to exploit minerals.

The management is working with both potential investors and governmental offices to finalize design, permits etc. with the aim to develop a mine.

Unusual matters

During 2023 it was discovered that an unintended error occurred in 2018 and again in 2021 where respectively 4.521.921 DKK and 4.290.231 DKK was invoiced from the parent company. These amounts are corrected with effect for this year and the comparison year.

Significant events after the end of the financial year

No events have occurred after the end of the financial year of material importance for the Company's financial position.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
GROSS LOSS.....		-7.635.881	-5.240.975
OPERATING LOSS.....		-7.635.881	-5.240.975
Other financial income.....		5.966.544	1.150.668
Other financial expenses.....		-314.788	-14.067
LOSS BEFORE TAX.....		-1.984.125	-4.104.374
Tax on profit/loss for the year.....		0	0
LOSS FOR THE YEAR.....		-1.984.125	-4.104.374
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		-1.984.125	-4.104.374
TOTAL.....		-1.984.125	-4.104.374

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Development projects in progress and prepayments.....		183.528.124	183.528.164
Intangible assets.....	2	183.528.124	183.528.164
NON-CURRENT ASSETS.....		183.528.124	183.528.164
Cash and cash equivalents.....		0	466
CURRENT ASSETS.....		0	466
ASSETS.....		183.528.124	183.528.630

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK	2022 DKK
Share Capital.....		5.000.000	5.000.000
Retained earnings.....		-4.688.119	-2.703.994
EQUITY.....		311.881	2.296.006
Bank debt.....		36	0
Trade payables.....		456.426	456.426
Debt to Group companies.....		182.759.781	180.776.198
Current liabilities.....		183.216.243	181.232.624
LIABILITIES.....		183.216.243	181.232.624
EQUITY AND LIABILITIES.....		183.528.124	183.528.630
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EQUITY

	Share Capital	Retained earnings	Total
Equity at 1 January 2023.....	5.000.000	-2.703.994	2.296.006
Proposed profit allocation.....		-1.984.125	-1.984.125
Equity at 31 December 2023.....	5.000.000	-4.688.119	311.881

NOTES

	2023 DKK	2022 DKK	Note
Staff costs			1
Average number of full time employees	1	1	
Intangible assets			2
		Development projects in progress and prepayments	
Cost at 1 January 2023.....		183.528.124	
Cost at 31 December 2023.....		183.528.124	
Carrying amount at 31 December 2023.....		183.528.124	

Development projects in progress consist of a mining project in South Greenland. The company holds an exploitation license for the project and intends to progress with developing a mine site.

Going concern assumptions **3**

The company has in 2023 continued the work with potential investors and governmental offices with the aim to build a mine and start exploitation.

The equity is less than the value of the nominal share capital.

When starting exploitation the operation is expected to be profitable and the management assumes that equity latest at that point will be reestablished.

The shareholder has guaranteed to provide sufficient funding for the company to carry out the planned activities at least for the coming year.

Information on unusual circumstances **4**

During 2023 it was discovered that an unintended error occurred in 2018 and again in 2021 where respectively 4.521.921 DKK and 4.290.231 DKK was invoiced from the parent company. These amounts are corrected with effect for this year and the comparison year.

Information on significant uncertainties at recognition and measurement **5**

There is uncertainty regarding the recognition of the intangible asset "Development projects in progress and prepayments for intangible assets" measured at 192.340.276 DKK. If in future, an against present expectations, it is not possible to establish a mine, the asset will be impaired.

ACCOUNTING POLICIES

The Annual Report of TANBREEZ MINING GREENLAND A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B and certain provisions applying to reporting class C.

The Annual Report is prepared consistently with the accounting principles applied last year.

INCOME STATEMENT

Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible assets, operating loss and conflict compensations, as well as salary refunds. Compensations are recognised when the income is estimated to be realisable.

Other external expenses

Other external expenses include other production, sales, delivery and administrative costs, including costs of energy, marketing, premises, loss on bad debts, lease expenses, etc

Financial income and expenses

Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from securities, debt and transactions in foreign currencies, as well as charges and allowances under the tax-on-account scheme, etc. Financial income and expenses are recognised by the amounts that relate to the financial year. Interest income and expenses are calculated on amortised cost prices.

Tax

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the Income Statement by the share that may be attributed to the profit for the year, and is recognised directly in equity by the share that may be attributed to entries directly to equity.

BALANCE SHEET

Intangible fixed assets

Development projects comprise acquisition costs and subsequent costs related to sampling, core drilling, analyzing etc. related to exploring the mineral potential, including wages and salaries, and amortisation, which directly or indirectly can be related to the Company's development activities and which fulfil the criteria for recognition in the Balance Sheet.

The accounting item is measured at the lower of the capitalised costs less accumulated amortisation and recoverable amount.

Capitalised development costs are amortised on a straight-line basis over the estimated useful life after completion of the development work. The amortisation period is normally 5 years.

Intangible fixed assets are generally written down to the recoverable amount if this is lower than the carrying amount.

Profit or loss from sale of intangible fixed assets is calculated at the difference between the sales price and the carrying amount at the time of the sale. Profit and loss are recognised in the Income Statement under other operating income or other operating expenses.

ACCOUNTING POLICIES

Impairment of fixed assets

The carrying amount of intangible fixed assets, are assessed annually for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the recoverable amount is lower than the carrying amount, the asset is written down to the recoverable amount.

The recoverable amount is calculated at the higher of the capital value and the sales value less expected costs of a sale. The capital value is determined as the Company's share in the current value of the net cash flows which the subsidiary is expected to generate through its activities and from sale of assets after the end of their useful lives. A discount rate is used which reflects the risk-free market rate and the owners' minimum return on interest requirements for similar assets. The growth rate in the terminal period is determined in accordance with the standards within the industry.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the Balance Sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carryforwards, are measured at the amount at which the asset is expected to be used within a reasonable number of years, either by setoff against tax on future earnings or by setoff against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the Balance Sheet date will be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less transaction costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using the effective interest, the difference between the proceeds and the nominal value being recognised in the Income Statement over the loan period.

The amortised cost of current liabilities corresponds usually to the nominal value.