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DUNDAS TITANIUM A/S

C/O NUNA ADVOKATER APS, QULLILERFIK 2 6., POSTBOKS 59, 3900 NUUK

ANNUAL REPORT

1 JANUARY - 31 DECEMBER 2023

The Annual Report has been presented and adopted at the Company's Annual General Meeting on 20 June 2024

Eric Sondergaard

CVR NO. 12 90 51 14

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COMPANY DETAILS

Company	Dundas Titanium A/S c/o Nuna Advokater ApS, Qullilerfik 2 6. Postboks 59 3900 Nuuk	
	CVR No.:	12 90 51 14
	Established:	16 February 2017
	Municipality:	Sermersooq
	Financial Year:	1 January - 31 December
Board of Directors	Eric Martin Sondergaard, chairman Per Buhl Olsen Roderick McIllree	
Executive Board	Roderick McIllree	
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 Dundas Titanium 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.

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

Nuuk, 20 June 2024

Executive Board

Roderick McIllree

Board of Directors

Eric Martin Sondergaard Chairman	Per Buhl Olsen	Roderick McIllree

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Dundas Titanium A/S

Opinion

We have audited the Financial Statements of Dundas Titanium A/S for the financial year 1 January - 31 December 2023, which comprise income statement, Balance Sheet, statement of changes in equity, notes *and a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Greenlandic Financial Statements Act.*

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Greenland. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Greenland, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Material uncertainty relating to Going Concern

Please note that there are significant uncertainties that may raise significant doubts about the Company's ability to continue as going concern. We refer to note 2 in the financial statements, which states that it is currently uncertain whether sufficient financing can be obtained for the Parent Company to support and finance the Company's operations. It is management's assessment that financing will be provided during 2024, which is why the financial statements have accordingly been prepared as the Company is going concern. Our conclusion has not been modified on this matter.

Emphasis of matter

We would like to draw the attention to the information in note 3, where the material uncertainty concerning the valuation of the development projects in progress and prepayment for intangible assets is described.

We have not modified our opinion in respect of the matter.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Greenlandic Financial Statements Act and for such Internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

INDEPENDENT AUDITOR'S REPORT

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 and the additional requirements applicable in Greenland 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.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Greenland, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- *Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.*
- *Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.*
- *Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.*
- *Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.*
- *Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.*

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management Commentary
Management is responsible for Management Commentary.

Our opinion on the Financial Statements does not cover Management Commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management Commentary and, in doing so, consider whether Management Commentary is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management Commentary provides the information required under the Danish Financial Statements Act.

INDEPENDENT AUDITOR'S REPORT

Based on the work we have performed, we conclude that Management Commentary is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of Management Commentary.

Nuuk, 20 June 2024

BDO Statsautoriseret revisionsaktieselskab
CVR no. 20 22 26 70

Trine Tofting Hvidkjær
State Authorised Public Accountant
MNE no. mne48591

FINANCIAL HIGHLIGHTS

	2023 DKK '000	2022 DKK '000	2021 DKK '000	2020 DKK '000	2019 DKK '000
Income statement					
Gross profit/loss	-692	-1,426	-2,040	-146	-1,628
Operating profit/loss of main activities	-3,759	-5,115	-5,161	-4,591	-5,570
Financial income and expenses, net	-13,588	-4,976	-3,918	-4,077	-2,684
Profit/loss for the year	-17,257	-10,102	-9,361	-8,375	-8,864
Balance sheet					
Total assets	217,507	206,092	176,146	167,218	160,280
Equity	-61,082	-43,825	-33,723	-24,362	-15,987
Investment in property, plant and equipment	0	-335	-32	-28	-4,626
Average number of full-time employees	**5**	**6**	**2**	**3**	**7**
Key ratios					
Equity ratio	Neg.	Neg.	Neg.	Neg.	Neg.
Return on equity	Neg.	Neg.	Neg.	Neg.	Neg.

The ratios stated in the list of key figures and ratios have been calculated as follows:

Equity ratio: $\dfrac{\textit{Equity, at year-end x 100}}{\textit{Total assets, at year-end}}$

Return on equity: $\dfrac{\textit{Profit/loss after tax x 100}}{\textit{Average equity}}$

MANAGEMENT COMMENTARY

Principal activities
The principal activities of the Company are to maintain and develop the licenses for exploration of Ilminite (titanium) in Greenland.

Recognition and measurement uncertainty
There are uncertainties associated with the measurement of the Company's development projects. The exploration business is controlled by a number of global factors, principally supply and demand which in turn is a mainspring of global natural resource prices. These factors are beyond the control of the company. It is the managements assessment that the current development and the outlook for the future development in prices is fully satisfactory.

Each exploration project is subject to an annual review by either a consultant or senior company geologist to determine if the exploration results returned during the year warrant further exploration expenditure and have the potential to result in an economic discovery. The review takes into consideration the expected costs of extraction, long term natural resource prices, anticipated resource volumens and supply and demand outlook. The Company´s data for assessment of the resourse is based on the satisfactory results from previous years.

The review takes into consideration the expected costs of extraction, long term natural resource prices, anticipated resource volumes and supply and demand outlook. In the event that a project does not represent an economic exploration target and results indicate there is no additional upside, a decision will be made to discontinue exploration.

Development in activities and financial and economic position
The income statement for 2023 shows a loss of DKK 17,257 thousand against a loss of DKK 10,102 thousand last year, and the balance sheet at 31 December 2023 shows a negative equity of DKK 61,082 thousand. Management considers the Company's financial performance in the year satisfactory.

The Company will in the current year focus on the preparation and approval of the production and closure plan in accordance with the exploration license.

The Company´s activity in the financial year 2023 will be financed by the Parent Company.

The Company's continued operations are dependent on the parent Company's continued willingness and ability to support the operations of the Company. Confirmation has been received from the parent company that group loans and balances will be maintained at least until 31 December 2025. Furthermore, the Parent Company has confirmed that it will financially support the operations of Dundas Titanium A/S through 2024. The cash flow forecasts indicate that the parent company, in order to support the operational objectives and to meet liabilities when they fall due, will need an injection of additional capital. It is management's assessment that the financing in the parent company will be provided during 2024, which is why the annual accounts have been prepared as going concern.

The Management in the Company have determined that the carrying value of the exploration projects totalling TDKK 205,741 in reasonable and that no impairment is necessary.

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 '000	2022 DKK '000
GROSS LOSS		**-692**	**-1,426**
Staff costs	1	-910	-1,104
Depreciation, amortisation and impairment losses		-2,045	-2,398
Other operating expenses		-22	-198
OPERATING LOSS		**-3,669**	**-5,126**
Other financial income		30	33
Other financial expenses	2	-13,618	-5,009
LOSS BEFORE TAX		**-17,257**	**-10,102**
Tax on profit/loss for the year		0	0
LOSS FOR THE YEAR		**-17,257**	**-10,102**

PROPOSED DISTRIBUTION OF PROFIT

Retained earnings		-17,257	-10,102
TOTAL		**-17,257**	**-10,102**

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK '000	2022 DKK '000
Intangible fixed assets		205,741	191,947
Intangible assets	3	**205,741**	**191,947**
Other plant, machinery tools and equipment		9,850	11,915
Property, plant and equipment	4	**9,850**	**11,915**
NON-CURRENT ASSETS		**215,591**	**203,862**
Trade receivables		0	23
Receivables from group enterprises		1,448	1,088
Deferred tax assets	5	0	0
Other receivables		150	150
Prepayments		35	3
Receivables		**1,633**	**1,264**
Cash and cash equivalents		**283**	**966**
CURRENT ASSETS		**1,916**	**2,230**
ASSETS		**217,507**	**206,092**

BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2023 DKK '000	2022 DKK '000
Share Capital		500	500
Retained earnings		-61,582	-44,325
EQUITY		**-61,082**	**-43,825**
Trade payables		2	33
Debt to Group companies		277,609	247,998
Other liabilities		978	1,886
Current liabilities		**278,589**	**249,917**
LIABILITIES		**278,589**	**249,917**
EQUITY AND LIABILITIES		**217,507**	**206,092**

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EQUITY

DKK '000	Share Capital	Retained earnings	Total
Equity at 1 January 2023	500	-44,325	-43,825
Proposed profit allocation		-17,257	-17,257
Equity at 31 December 2023	**500**	**-61,582**	**-61,082**

NOTES

	2023 DKK '000	2022 DKK '000	Note
Staff costs			1
Average number of full time employees	5	6	
Wages and salaries	904	1,097	
Social security costs	6	7	
	910	**1,104**	
Other financial expenses			2
Group enterprises	13,554	4,925	
Other interest expenses	64	84	
	13,618	**5,009**	

Intangible assets 3

DKK '000	Intangible fixed assets acquired
Cost at 1 January 2023	191,948
Additions	13,793
Cost at 31 December 2023	**205,741**
Carrying amount at 31 December 2023	**205,741**

Property, plant and equipment 4

DKK '000	Other plant, machinery tools and equipment
Cost at 1 January 2023	25,215
Disposals	-728
Cost at 31 December 2023	**24,487**
Depreciation and impairment losses at 1 January 2023	13,299
Reversal of depreciation of assets disposed of	-707
Depreciation for the year	2,045
Depreciation and impairment losses at 31 December 2023	**14,637**
Carrying amount at 31 December 2023	**9,850**

Deferred tax assets 5

A deferred asset of 63,856 TDKK has not been recognized in the balance sheet, as it is uncertain, when it can be utilized in future earnings.

NOTES

Note

The amount breaks down as follows:

	Carrying Value	Tax Value	Tax depre. or amort. above carrying value
	0	0	0
Deferred tax assets 31 December 2023............................		0	0

Related parties 6

The Company's activity is financed by the Parent Company Bluejay Mining plc. The Parent Company has confirmed that the total outstanding amount of 277,609 TDKK is not due or payable until at least 31 December 2025. The Parent Company has in addition given a letter of support, that it will provide additional necessary financial funding enabling Dundas Titanium A/S to carry on activities until 20 June 2025.

Ownership:
The following shareholders are registered in the Company's register og shareholders as holding minimum 5 % of the votes or minimum 5 % of the share capital.
- Bluejay Mining plc ; 6 Heddon St, London, W1B 4BT

Information on uncertainty with respect to going concern 7

The Company's continued operations are dependent on the Parent Company's continued willingness and ability to support the operations of the Company. Confirmation has been received from the Parent Company that group loans and balances will be maintained at least until 31 December 2025. Furthermore, the Parent Company has confirmed that it will financially support the operations of Dundas Titanium A/S through 2023.

The cash flow forecasts indicate that the Parent Company, in order to support the operational objectivities and to meet liabilities when they fall due, will need an injection of additional capital. It is management's assessment that the financing in the Parent Company will be provided through second half of 2024, which is why the annual report have been prepared as going concern.

Information on significant uncertainties at recognition and measurement 8

There is uncertainty in measuring the company's development projects, as the future of raw materials exploration companies is driven by a number of global factors, including primarily supply and demand, which are key driver of global natural resource prices. These factors are external and cannot be influenced by the company.
Each exploration project is subject to an annual review by either consultant or senior company geologist to determine if the exploration results returned during the year warrant further exploration expenditure and have the potential to result in an economic discovery. The review takes into consideration the expected costs of extraction, long term natural resource prices, anticipated resource volumens and supply and demand outlook. The Company's data for assessment of the resource is based on the satisfactory results from previous years.

NOTES

	Note
Consolidated Financial Statements	9

Dundas Titanium A/S is part of the Parent Company's consolidated financial statements.
Bluejay Mining plc, England, 6 Heddon St, London, W1B 4BT.

ACCOUNTING POLICIES

The Annual Report of Dundas Titanium A/S for 2023 has been presented in accordance with the provisions of the Greenlandic 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

Net revenue
Net revenue from the sale of merchandise and finished goods is recognised in the Income Statement if supply and risk transfer to purchaser has taken place before the end of the year and if the income can be measured reliably and is expected to be received.

Cost of sales
Cost of sales comprise costs incurred to achieve the net revenue for the year, including direct and indirect costs of raw materials and consumables.

Other operating income
Other operating income comprise items of a secondary nature relative to the Company's core activities, including gains on the sale of fixed assets.

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

Staff costs
Staff costs comprise wages and salaries, including holiday pay and pensions, and other costs of social security etc., for the Company's employees.

Other operating expenses
Other operating expenses include items of a secondary nature in relation to the Group's and the Company's activities. Losses from sale of intangible and tangible fixed assets are also included.

Financial income and expenses
Financial expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest expenses etc.

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

ACCOUNTING POLICIES

Development costs comprise e.g the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a resource.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities areidentifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised on a straightline basis over the estimated useful life. The amortisation period is usually 10 years.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Tangible fixed assets

Land and buildings, production plant and machinery, other plant, fixtures and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	*Residual value*
Other plant, fixtures and equipment...	*2-15 years*	*0 %*

Profit or loss on sale of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the date of sale. Profit or loss is recognised in the Income Statement as other operating income or other operating expenses.

Impairment of fixed assets

The carrying amount of intangible fixed and tangible 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.

ACCOUNTING POLICIES

Receivables
Receivables are measured at amortised cost which usually corresponds to nominal value. The value is written down to meet expected losses.

Write-off is performed to provide for losses when an objective indication has been assessed to have incurred that a receivable or a portfolio of receivables are impaired. If there is an objective indication that an individual receivable is impaired, the write-off is performed at individual level.

Accruals, assets
Accruals recognised as assets include costs incurred relating to the subsequent financial year.

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.

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.

Foreign currency translation
Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate on the transaction date and the rate on the payment date are recognised in the Income Statement as a financial income or expense.

Receivables, payables and other monetary items in foreign currencies that are not settled on the Balance Sheet date are translated at the exchange rate on the Balance Sheet date. The difference between the exchange rate on the Balance Sheet date and the exchange rate at the date when the receivables or payables come into existence recognised in the Income Statement as financial income or expenses.

Fixed assets acquired in foreign currencies are translated at the rate of exchange on the transaction date.