


NAIP WEST EXPLORATION A/S
C/O NUNA ADVOKATER, QULLILERFIK 2 6., 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 21 June 2024



Thor Suhr

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COMPANY DETAILS

Company	NAIP West Exploration A/S c/o Nuna Advokater, Qullilerfik 2 6. 3900 Nuuk
	CVR No.: 42 47 53 78
	Established: 18 June 2021
	Municipality: Sermersooq
	Financial Year: 1 January - 31 December
Board of Directors	Nick Proulx, chairman Sebastian Andrew Marr Jonathan O'Callaghan Martin Andrew Roberts Bent Jensen
Executive Board	Jackie Chan Jonathan O'Callaghan
Auditor	PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab Strandvejen 44 Denmark Hellerup

MANAGEMENT'S STATEMENT

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

The Annual Report is presented in accordance with the Danish Financial Statements Act as implemented in Greenland.

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, 21 June 2024

Executive Board



Jackie Chan




Jonathan O'Callaghan

Board of Directors



Nick Proulx
Chairman



Sebastian Andrew Marr



Jonathan O'Callaghan



Martin Andrew Roberts



Bent Jensen

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of NAIP West Exploration A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the 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 Danish Financial Statements Act as implemented in Greenland.

We have audited the Financial Statements of NAIP West Exploration A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

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 (IESBA Code) and the additional ethical requirements applicable in Greenland, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Danish Financial Statements Act as implemented in Greenland, 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

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 judgement and maintain professional scepticism 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.*

INDEPENDENT AUDITOR'S REPORT

- *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 the 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 the Management Commentary and, in doing so, consider whether the 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 the Management Commentary provides the information required under the Danish Financial Statements Act as implemented in Greenland.

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

Hellerup, 21 June 2024

PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Søren Alexander
State Authorised Public Accountant
MNE no. mne42824

Frederik Tvedeskov Jantzen
State Authorised Public Accountant
MNE no. mne47815

MANAGEMENT COMMENTARY

Principal activities

The company's purpose is to conduct business within mineral exploration as well as other related business at the discretion of the Board.

Development in the year

The income statement of the Company for 2023 shows a loss of DKK 5,603,015, and at 31 December 2023 the balance sheet of the Company shows positive equity of DKK 273,286.

Moreover, in December 2023 the Company received a cash capital increase of approximately DKK 8.72 million.

Capital resources

The Company's Parent Company, Anglo American Explorations Overseas Holdings Ltd., has declared to provide the necessary finances available, so that the Company is able to pay its creditors as they fall due. The financial support is effective until 31 December 2024. Please refer to Note 1 of the Financial Statements.

INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2023 DKK	2022 DKK
GROSS LOSS.....		-5,689,150	-6,713,781
OPERATING LOSS.....		-5,689,150	-6,713,781
Other financial income.....		86,135	1,702
Other financial expenses.....		0	-300,863
LOSS BEFORE TAX.....		-5,603,015	-7,012,942
Tax on profit/loss for the year.....		0	0
LOSS FOR THE YEAR.....		-5,603,015	-7,012,942
PROPOSED DISTRIBUTION OF PROFIT			
Retained earnings.....		-5,603,015	-7,012,942
TOTAL.....		-5,603,015	-7,012,942

BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2023 DKK	2022 DKK
Cash and cash equivalents.....		12,881,083	4,108,552
CURRENT ASSETS.....		12,881,083	4,108,552
ASSETS.....		12,881,083	4,108,552
EQUITY AND LIABILITIES			
Share Capital.....		1,750,008	750,004
Retained earnings.....		-1,476,722	-3,590,182
EQUITY.....		273,286	-2,840,178
Trade payables.....		0	58,270
Debt to Group companies.....		12,607,797	6,890,460
Current liabilities.....		12,607,797	6,948,730
LIABILITIES.....		12,607,797	6,948,730
EQUITY AND LIABILITIES.....		12,881,083	4,108,552
Going concern	1		
Consolidated Financial Statements	2		
Staff costs	3		

EQUITY

DKK	Share Capital	Share Premium	Retained earnings	Total
Equity at 1 January 2023.....	750,004	0	-3,590,182	-2,840,178
Proposed profit allocation.....			-5,603,015	-5,603,015
Transactions with owners				
Capital increase.....	1,000,004	7,716,475		8,716,479
Transfers				
Retained premium.....		-7,716,475	7,716,475	0
Equity at 31 December 2023	1,750,008	0	-1,476,722	273,286

NOTES**Note****Going concern****1**

The Company's Parent Company, Anglo American Explorations Overseas Holdings Ltd., has issued a letter of support to the Company declaring that it will make the necessary finances available so that the Company is able to pay its creditors as they fall due. However, Anglo American Explorations Overseas Holdings Ltd. shows negative equity as per the most recently approved annual report. Consequently, in addition to the letter of support, Management has obtained documentation of the Group's intention to support the operation of NAIP West Exploration A/S for the next 12 months.

Based on this, Management considers the Company's capital resources adequate and expects the Company to continue operating in the foreseeable future. However, due to the above mentioned, this assessment is subject to some uncertainty.

Consolidated Financial Statements**2**

The Company is part of the group for Anglo American plc, 17 Charterhouse Street, London EC1n 6RA, England, Company no. 03564138.

	2023	2022	
Staff costs			3
Average number of full time employees	2	2	

ACCOUNTING POLICIES

The Annual Report of NAIP West Exploration A/S for 2023 has been presented in accordance with the provisions of the Danish Financial Statements Act as implemented in Greenland 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.

General about recognition and measurement

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities. Any costs, including depreciation, amortisation and writedown, are also recognised in the income statement.

Assets are recognised in the Balance Sheet when it is likely that future economic benefits will flow to the Company and the value of the asset can be measured reliably.

Liabilities are recognised in the Balance Sheet when it is likely that future economic benefits will flow from the Company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

INCOME STATEMENT

Other external expenses

Other external expenses comprise administrative expenses such as consultants fees etc.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

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

Cash and cash equivalents

Cash and cash equivalents include cash at bank.

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.

ACCOUNTING POLICIES

Liabilities

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

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Søren Alexander

PRICEWATERHOUSECOOPERS STATSATORISERET

REVISIONSPARTNERSELSKAB CVR: 33771231

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Frederik Tvedeskov Jantzen

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