

IMPERIAL X PLC

Incorporated in England and Wales with
Registered Number 6275976

Condensed Interim Financial Report

For the period
1st July 2020 – 31st December 2020

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Dear Shareholder,

I am pleased to present the unaudited financial results for Imperial X plc for the six months ended 31 December 2020.

During the period, the Company entered into a number of heads of agreement to acquire a platform of mineral assets, equity positions and royalty positions. The acquisitions will initiate the establishment of the Company as a new, growth-focused diversified project generator and natural resource royalty business. As the acquisitions are expected to constitute a reverse takeover, the Company's shares were suspended from trading on the AQSE. The Company entered into acquisition agreements to acquire these assets, equity positions and royalty positions on February 15, 2021. The Company also announced its intention to apply for its ordinary shares to be admitted to the Official List and to trading on the London Stock Exchange's Main Market for listed securities.

In addition, the Company completed the first tranche of a non-brokered private placement by placing 14,739,737 shares of 0.1p each at a price of 2.5p per share for a total value of £340,725 net of expenses. Each placee also received one warrant for every two placing shares, resulting in 7,369,868 warrants issued which are exercisable at 5.0p per share at any time until 30 November 2022. The second tranche was completed after the period end.

Financial Position

The Group's Statement of Financial Position as at 31 December 2020 and comparatives at 31 December 2019 and 30 June 2020 are summarized below:

	31 Dec 2020	31 Dec 2019	30 June 2020
	£	£	£
Current assets	206,327	209,348	74,448
Total assets	206,327	209,348	74,448
Current liabilities	140,911	129,743	110,024
Total liabilities	140,911	129,743	110,024
Net assets	65,416	79,605	(35,576)

Kyler Hardy

Chief Executive Officer

Imperial X plc - March 30, 2021



IMPERIAL X PLC (formerly Imperial Minerals plc)
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the six months ended 31 December 2020

		6 months to 31 Dec 2020 Unaudited £	6 months to 31 Dec 2019 Unaudited £	Year ended 30 June 2020 Audited £
Continuing operations				
Administrative expenses		(240,063)	(191,891)	(370,963)
Loss before taxation		(240,063)	(191,891)	(370,963)
Finance income – interest receivable		330	-	1,010
Income tax	2	-	-	-
Loss for the year attributable to the equity shareholders of the parent		(239,733)	(191,891)	(369,953)
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss		-	-	-
Other comprehensive income for the year, net of tax		-	-	-
Total comprehensive income for the period/year attributable to the equity shareholders of the parent		(239,733)	(191,891)	(369,953)
Loss per share				
Basic and diluted loss per share attributable to the equity shareholders of the parent (pence)	4	(0.41p)	(0.47p)	(0.81p)

IMPERIAL X PLC (formerly Imperial Minerals plc)
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2020

	As at 31 Dec 2020 Unaudited	As at 31 Dec 2019 Unaudited	As at 30 June 2020 Audited
	£	£	£
ASSETS			
Total non-current assets	-	-	-
Current assets			
Trade and other receivables	95,674	30,034	40,018
Cash and cash equivalents	110,653	179,314	34,430
Total current assets	206,327	209,348	74,448
TOTAL ASSETS	206,327	209,348	74,448
LIABILITIES			
Current Liabilities			
Trade and other payables	140,911	129,743	110,024
Total current liabilities	140,911	129,743	110,024
TOTAL LIABILITIES	140,911	129,743	110,024
NET ASSETS	65,416	79,605	(35,576)
EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY			
Share capital	242,326	221,703	227,586
Share premium	1,654,479	1,258,931	1,328,494
Equity to be issued	15,200	27,765	15,200
Other reserve	112,406	161,753	112,406
Retained losses	(1,958,995)	(1,590,547)	(1,719,262)
TOTAL EQUITY	65,416	79,605	(35,576)

IMPERIAL X PLC (formerly Imperial Minerals plc)
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the six months ended 31 December 2020

	Share capital £	Share premium £	Equity to be issued £	Other reserves £	Retained losses £	Total Equity £
At 1 July 2019	202,786	876,297	31,215	161,753	(1,398,656)	(126,605)
Loss for the period	-	-	-	-	(191,891)	(191,891)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(191,891)	(191,891)
Issue of ordinary options	18,917	382,634	-	-	-	401,551
Equity to be issued – movement	-	-	(3,450)	-	-	(3,450)
Balance at 31 December 2019	221,703	1,258,931	27,765	161,753	(1,590,547)	79,605
At 1 July 2020	227,586	1,328,494	15,200	112,406	(1,719,262)	(35,576)
Loss for the period	-	-	-	-	(240,063)	(240,063)
Other comprehensive income for the period	-	-	-	-	330	330
Total comprehensive income for the period	-	-	-	-	(239,733)	(239,733)
Issue of shares – private placements	14,740	325,985	-	-	-	340,725
Equity to be issued	-	-	-	-	-	-
Balance at 31 December 2020	242,326	1,654,479	15,200	112,406	(1,958,995)	65,416

IMPERIAL X PLC (formerly Imperial Minerals plc)
CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 31 December 2020

	Note	6 months to 31 Dec 2020 Unaudited £	6 months to 31 Dec 2019 Unaudited £	Year ended 30 June 2020 Audited £
Cash flows from operating activities	5	(264,832)	(223,569)	(283,716)
Net cash used in operating activities		(264,501)	(223,569)	(283,716)
Cash flows from investing activities				
Interest received		330	-	1,010
Interest paid		-	-	(1,122)
Cash flows generated from investing activities		330	-	(112)
Cash flows from financing activities				
Repayment of loans		-	-	446
Proceeds from issue of shares		340,725	401,551	316,480
Cash Flows generated from financing activities		340,725	401,551	316,926
Net increase/(decrease) in cash and cash equivalents		76,223	177,982	33,098
Cash and cash equivalents at beginning of the period		34,430	1,332	1,332
Cash and cash equivalents at end of the period		110,653	179,314	34,430

IMPERIAL X PLC

(formerly Imperial Minerals plc)

Notes to the Financial Statements

For the six months ended 31 December 2020

NOTE 1: BASIS OF PREPARATION

The condensed consolidated interim financial information of the Group for the six months ended 31 December 2020 which comprise the Company and its subsidiaries (together referred to as the "Group") were approved by the Board on March 25, 2021. The interim financial information has not been reviewed or audited. The interim financial information has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU. The financial information for the six months to 31 December 2020 does not constitute statutory accounts of the Group. This financial information has been prepared in accordance with the accounting policies that are expected to be applied in the Report and Accounts of Imperial X plc for the year ending 30 June 2020. The statutory accounts for the year ended 30 June 2020 have been filed with the Registrar of Companies. The auditor's report on those accounts was unqualified, included reference to a material uncertainty relating to going concern and did not contain a statement under section 498(2)-(3) of the Companies Act 2006.

Going Concern

The financial statements have been prepared on a going concern basis notwithstanding that the Group incurred a net loss of £239,733 during the six months ended 31 December 2020. The Directors have concluded that the current circumstances represents a material uncertainty that casts significant doubt upon the Group's and Company's ability to continue as a going concern and that, therefore, the Group and Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Group and Company will be required to raise additional funds before being able to meet their contracted operating expenditure during the going concern period and further invest in existing projects and acquisition targets. The Directors are confident that sufficient additional funds will become available in order to meet contracted operating expenditure. The amount of funding for investment in projects and targets is unforeseen at the point of approval of these financial statements, however, the Group and Company will be required to raise additional funds either via an issue of equity or through the issuance of debt.

Nevertheless, after making enquiries and considering the uncertainties described above, the Directors have a reasonable expectation that the Group and Company will have access to adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the Financial Statements.

Imperial X plc, the legal parent, is domiciled and incorporated in the United Kingdom. The functional currency of Imperial X plc is £ sterling.

The Financial Statements are presented in sterling (£), rounded to the nearest pound and have been prepared on the going concern basis.

IMPERIAL X PLC

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Notes to the Financial Statements

For the six months ended 31 December 2020

NOTE 2: TAXATION

No taxation has been provided due to losses in the period. No deferred tax asset has been recognised for past or current losses as the recoverability of any such assets is not probable in the foreseeable future.

NOTE 3: TRADE AND OTHER RECEIVABLES

Included within the trade and other receivables balance is C\$110,000 of convertible debentures in a private placement undertaken by Imperial Helium Corp. The convertible debentures yield a 10% coupon, mature 18 months from the date of issuance, converting automatically into common shares of Imperial Helium at the IPO at a 20% discount to the IPO price.

NOTE 4: LOSS PER SHARE

The calculation of the basic loss per share of 0.41 pence is based on the loss attributable to ordinary shareholders of £239,733 and on the weighted average number of ordinary shares of 59,127,188 in issue during the period.

In accordance with IAS 33, no diluted earnings per share is presented as the effect on the exercise of share options or warrants would be to decrease the loss per share.

NOTE 5: NOTES TO THE CASH FLOW STATEMENT

	6 months to 30 Dec 2020 Unaudited £	6 months to 30 Dec 2019 Unaudited £	Year ended 30 June 2020 Audited £
Reconciliation of loss from operations to cash flows from operating activities			
Loss from operations	(239,733)	(191,891)	(369,953)
Interest receivable	-	-	(1,010)
Accrued interest	-	-	1,122
Share based payments	-	(3,450)	97,905
Share options expense	-	-	-
(Increase)/Decrease in trade and other receivables	(55,656)	(23,699)	(33,683)
Increase / (Decrease) in trade and other payables	30,888	(4,529)	21,903
Cash flow from operating activities	(264,832)	(223,569)	(283,716)

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Notes to the Financial Statements

For the six months ended 31 December 2020

NOTE 6: SHARE CAPITAL

	As at 31 Dec 2020 Number	£	As at 30 June 2020 Number	£
Allotted and called up:				
Ordinary Shares of £0.001 each	71,370,949	71,371	56,631,212	56,631
Deferred Shares of £0.009 each	18,995,000	170,955	18,995,000	170,955
		<u>242,326</u>		<u>227,586</u>

The holders of the deferred shares have no right to attend or vote at any general meeting and the shares carry no right to receive any dividend or distribution on winding up.

On November 26, 2020 the Company completed the first tranche of a two tranche placement by placing 14,739,737 new ordinary shares at 0.1p each at a price of 2.5p per share for a total value of £340,725 net of expenses. Each placee received one warrant for every two placing shares resulting in 7,369,868 warrants issued, exercisable at 5.0p per share expiring November 30, 2022. The Company also announced its intention to apply for its ordinary shares to be admitted to the Official List and to trading on the London Stock Exchange's Main Market for listed securities.

Other reserves consist of:

Equity to be issued

As at 31 December 2020 various creditors to the Company, to the value of £15,200 (30 June 2020: £15,200), have agreed to have their obligations satisfied by a future issue of share equity. These shares were not issued as at 31 December 2020. The number of shares to be issued will be determined by reference to the fair value of the share at the time of issue.

Share option and warrant reserve

As at 31 December 2020 £112,406 (30 June 2020: £112,406) is included in a share option reserve in relation to the below options and warrants in issue as at the period end.

Options and warrants in issue:

	December 31 2020			
Range of exercise prices (£)	Weighted average exercise price (£)	Number of options/warrants	Weighted average remaining life expected (years)	Weighted average remaining life contracted (years)
0.01	0.01	636,625	0.99	1.98
0.025 – 0.05	0.04	12,419,869	4.96	4.96

IMPERIAL X PLC

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Notes to the Financial Statements

For the six months ended 31 December 2020

30 June 2020					
Range of exercise prices (£)	Weighted average exercise price (£)	Number of options/warrants	Weighted average remaining life expected (years)	Weighted average remaining life contracted (years)	
0.02	0.01	636,625	1.5	2.5	
0.025	0.025	5,050,000	10	10	

The valuation of the options issued on 1 June 2020 was carried out using the Black Scholes model. Key assumptions used in the valuation included; volatility of 40%, continuous growth rate of 0.53%, dividend yield 0% and time to maturity of 10 years. The options vest over 24 months and as a result the total fair value of these options will be recognised over this period. The fair value attributed to the year ended 30 June 2020 was immaterial and has not been recognised in the financial statements.

NOTE 7: RELATED PARTY TRANSACTIONS

As at December 31, 2020, in trade and other payables £15,000 (June 30, 2020 - £7,859) is owing to a company with a director in common and £2,000 (June 30, 2020 - £1,033) to a director of the company. During the period, the Company incurred director fees of £6,000 (December 31, 2019 - £6,000) and consulting fees of £15,000 (December 31, 2019 - £nil) and share issuance costs of £15,000 (December 31, 2019 - £nil) to a company with director in common.

NOTE 8: SUBSEQUENT EVENTS

On January 14, 2021 the Company completed the second tranche of a two tranche placement by placing 1,914,200 new ordinary shares at 0.1p each at a price of 2.5p per share for a total value of £47,855 net of expenses. Each placee received one warrant for every two placing shares resulting in 957,100 warrants issued, exercisable at 5.0p per share expiring January 5, 2023.

On February 15, 2021 Company entered into a £10 million equity drawdown agreement ("the Facility") with Crescita Capital LLC ("Crescita") for an aggregate amount of £10 million, with the facility being made available for drawdown for a period of three years. The Company has agreed to pay to Crescita certain commitment fees which shall comprise a two per cent (2%) commission on the amount of the facility (£200,000) which will be settled by way of the issue of 4,000,000 Ordinary Shares at an issue price of £0.05 per share and warrants over 8% of the issued share capital of the Company as of 10 September 2020 (equating to warrants over 4,530,497 Ordinary Shares) with an exercise price of £0.10 per share for a period of three years (together, the "Commitment Fee").

On February 15, 2021 the Company entered into acquisition agreements to acquire a platform of mineral assets, equity positions and royalty positions (the "Acquisitions"). The acquisitions will constitute a reverse take-over and are as follows:

- I. The acquisition of 100 per cent of Cloudbreak Discovery Corp. ("Cloudbreak") for consideration of 149,558,502 new ordinary shares in the Company;
- II. The acquisition of 100 per cent of Howson Ventures Inc. for consideration of 31,614,118 new ordinary shares in the Company ("Howson");
- III. The acquisition of 100 per cent of Cabox Gold Corp. ("Cabox") for consideration of 35,000,000 new ordinary shares in the Company; and

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Notes to the Financial Statements

For the six months ended 31 December 2020

- IV. The acquisition of certain assets in Anglo African Minerals PLC ("AAM") in the form of certain share acquisitions in AAM, the acquisition of two separate warrants to subscribe for shares in AAM and three acquisitions of convertible loan notes from various parties for consideration of 29,430,378 new ordinary shares in the Company

NOTE 9: POST BALANCE SHEET EVENTS

There have not been any matter or circumstance occurring subsequent to the end of the half year, that has significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

NOTE 10: FORWARD LOOKING STATEMENTS

This report contains certain forward looking statements, which include assumptions with respect to future plans, results and expenditures. The reader is cautioned that assumptions used in the preparation of such information may prove to be incorrect. All such forward looking statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control. Please refer to the Company's Annual Report available from the Company's web site for a list of risk factors. The Company's actual results could differ materially from those expressed in, or implied by, these forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur, or if any of them do so, what benefits the Company will derive therefrom. All subsequent forward-looking statements, whether written or oral, attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by these cautionary statements. Furthermore, the forward-looking statements contained in this report are made as at the date of this report.

NOTE 11: INTERIM REPORT

Copies of this interim report for the six months ended December 31 2020 will be available from the offices of Imperial X plc, 6th Floor, 60 Gracechurch Street London EC3V 0HR, and on the Company's website www.imperialx.co.uk.