



## Tanbreez Mining Greenland A/S

Musaq 5  
3905 Nuussuaq  
CVR No. 12579918

## Annual report 2021

The Annual General Meeting adopted the  
annual report on 15.07.2022

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**Bolette Erna Maqe Nielsen**  
Chairman of the General Meeting

# Contents

Entity details	2
Statement by Management	3
The independent auditor's compilation report	4
Management commentary	5
Income statement for 2021	6
Balance sheet at 31.12.2021	7
Statement of changes in equity for 2021	9
Notes	10
Accounting policies	11

# Entity details

## Entity

Tanbreez Mining Greenland A/S

Musaq 5

3905 Nuussuaq

Business Registration No.: 12579918

Registered office: Sermersooq

Financial year: 01.01.2021 - 31.12.2021

## Board of Directors

Bolette Erna Maqe Nielsen

Anna Wingell

Gregory Bennett Barnes

## Executive Board

Gregory Bennett Barnes

## Auditors

Deloitte Statsautoriseret Revisionspartnerselskab

Imaneq 33, 6-7th floor

3900 Nuuk

Greenland

# Statement by Management

The Board of Directors and the Executive Board have today considered and approved the annual report of Tanbreez Mining Greenland A/S for the financial year 01.01.2021 - 31.12.2021.

The annual report is presented in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2021 and of the results of its operations for the financial year 01.01.2021 - 31.12.2021.

We believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

We consider the preconditions for not auditing the financial statements for the financial year 01.01.2021 - 31.12.2021 as complied with.

We recommend the annual report for adoption at the Annual General Meeting.

Nuuk, 15.07.2022

## Executive Board

**Gregory Bennett Barnes**

## Board of Directors

**Bolette Erna Maqe Nielsen**

**Anna Wingell**

**Gregory Bennett Barnes**

# The independent auditor's compilation report

## To Management of Tanbreez Mining Greenland A/S

We have compiled the financial statements of Tanbreez Mining Greenland A/S for the financial year 01.01.2021 - 31.12.2021 based on the Entity's bookkeeping records and other information Management has provided.

These financial statements comprise the income statement, balance sheet, statement of changes in equity, notes and accounting policies.

We performed this compilation engagement in accordance with ISRS 4410, Compilation Engagements.

We have applied our expertise in accounting and financial reporting 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 provisions of the Greenlandic Public Accountants Act and FSR – Danish Auditors' Code of Conduct for professional accountants, including principles of integrity, objectivity, professional competence and due care.

These financial statements and the accuracy and completeness of the information used to compile the financial statements are Management's responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the disclosures Management provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion about whether the financial statements have been prepared in accordance with the Danish Financial Statements Act.

Nuuk, 15.07.2022

### **Deloitte**

Statsautoriseret Revisionspartnerselskab  
CVR No. 33963556

### **Claus Bech**

State Authorised Public Accountant  
Identification No (MNE) mne31453

# Management commentary

## Primary activities

The company's primary activity is exploration and mining of minerals in Greenland, trading minerals and other related activities.

## Development in activities and finances

The year shows a loss DKK 14.197k compared with a loss of DKK 2.740k last year. The result is as expected.

## Events after the balance sheet date

No other significant events have occurred after the balance sheet date to this date, which would influence the evaluation of this annual report.

# Income statement for 2021

	Notes	2021 DKK	2020 DKK
<b>Gross profit/loss</b>		<b>(9,620,092)</b>	<b>(3,726,659)</b>
Other financial income		0	986,735
Other financial expenses		(4,577,251)	(2)
<b>Profit/loss for the year</b>		<b>(14,197,343)</b>	<b>(2,739,926)</b>
<b>Proposed distribution of profit and loss</b>			
Retained earnings		(14,197,343)	(2,739,926)
<b>Proposed distribution of profit and loss</b>		<b>(14,197,343)</b>	<b>(2,739,926)</b>

# Balance sheet at 31.12.2021

## Assets

	Notes	2021 DKK	2020 DKK
Development projects in progress	3	192,340,316	192,340,316
<b>Intangible assets</b>	2	<b>192,340,316</b>	<b>192,340,316</b>
<b>Fixed assets</b>		<b>192,340,316</b>	<b>192,340,316</b>
<b>Cash</b>		<b>10,625</b>	<b>197</b>
<b>Current assets</b>		<b>10,625</b>	<b>197</b>
<b>Assets</b>		<b>192,350,941</b>	<b>192,340,513</b>

**Equity and liabilities**

	<b>Notes</b>	<b>2021 DKK</b>	<b>2020 DKK</b>
Contributed capital		5,000,000	5,000,000
Retained earnings		1,400,380	15,597,723
<b>Equity</b>		<b>6,400,380</b>	<b>20,597,723</b>
Trade payables		1,199,400	453,483
Payables to group enterprises		183,711,800	169,385,370
Deferred income		1,039,361	1,903,937
<b>Current liabilities other than provisions</b>		<b>185,950,561</b>	<b>171,742,790</b>
<b>Liabilities other than provisions</b>		<b>185,950,561</b>	<b>171,742,790</b>
<b>Equity and liabilities</b>		<b>192,350,941</b>	<b>192,340,513</b>

Going concern

1

# Statement of changes in equity for 2021

	<b>Contributed capital DKK</b>	<b>Retained earnings DKK</b>	<b>Total DKK</b>
Equity beginning of year	5,000,000	15,597,723	20,597,723
Profit/loss for the year	0	(14,197,343)	(14,197,343)
<b>Equity end of year</b>	<b>5,000,000</b>	<b>1,400,380</b>	<b>6,400,380</b>

# Notes

## 1 Going concern

The management has obtained a statement from the legal owner, which express sufficient financial support. The support covers the period to at least 31 December 2022 and will cover the company financially, by extending loans or providing credits for the company to the extent necessary, to finance current and future activities and to service all current debts. The management expect funding of the mining project will be completed in near future.

On this background the management consider the going concern assumption fulfilled.

## 2 Intangible assets

	<b>Development projects in progress DKK</b>
Cost beginning of year	192,340,316
<b>Cost end of year</b>	<b>192,340,316</b>
<b>Carrying amount end of year</b>	<b>192,340,316</b>

## 3 Development projects

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

# Accounting policies

## Reporting class

This annual report has been presented in accordance with the provisions of the Greenlandic Financial Statements Act governing reporting class B enterprises with addition of a few provisions for reporting class C.

The accounting policies applied to these financial statements are consistent with those applied last year.

## Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

## Foreign currency translation

Foreign currency transactions are translated applying the average exchange rate. Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are translated using the exchange rate at the balance sheet date. Exchange rate differences that arise between the average exchange rate and the balance sheet date, are recognised in the income statement as financial income or financial expenses.

## Income statement

### Gross profit or loss

Gross profit or loss comprises own work capitalised, other operating income, cost of consumables and external expenses.

### Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities.

### Other external expenses

Other external expenses comprise expenses for distribution, sale, marketing, administration, premises, bad debts, etc.

**Other financial income**

Other financial income comprises interest income, including interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies etc.

**Other financial expenses**

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies etc.

**Balance sheet****Development projects in progress**

Development projects in progress consist of a mining project in South Greenland. .

The cost of development projects comprises costs such as exploration and evaluation, salaries and amortisation that are directly and indirectly attributable to the development projects.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

**Cash**

Cash comprises cash in bank deposits.

**Other financial liabilities**

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

**Deferred income**

Deferred income comprises income received for recognition in subsequent financial years. Deferred income is measured at cost.