

Panther Metals Plc
Half Yearly Financial Report
For the six months ended 30 June 2020

PANTHER METALS PLC

OPERATIONAL AND FINANCIAL REVIEW

FOR THE SIX MONTHS ENDED 30 JUNE 2020

Operational Highlights

Key operational milestones achieved during the six month period to 30 June 2020.

Canada

- Exploration Permit Applications were lodged for the Big Bear Gold Project (“Big Bear”) on 18 February 2020. The applications proposed ground geophysics, overburden stripping, trenching and drilling of up to 20 diamond drill holes.
- Exploration fieldwork commenced at Big Bear on 7 May 2020, despite the restrictions and delays caused by the COVID-19 pandemic. Exploration work conducted during the period includes systematic grid geochemical soil sampling over seven areas, outcrop mapping and rock sampling.
- On 17 June 2020 the company announced the commission of a high resolution helicopter-borne time-domain electromagnetic and magnetic geophysics survey over Big Bear. The survey was flown successfully with preliminary results made available to Panther before the period end.

Australia

- On 6 February 2020, the Annaburroo Gold Project licence was granted.
- On 18 June 2020, the Company announced the completion of its open-file desktop review of the wholly-owned Marrakai Gold Project, situated in the Northern Territory, Australia.

Corporate and Financial Highlights

- The Company’s listing moved from the NEX Exchange (now renamed Aquis Stock Exchange) to the Main Market of the London Stock Exchange where trading commenced on 9 January 2020. The Placing of 13,716,666 new ordinary shares raised gross proceeds of £823,000 and a further placing post-period end on 13 July 2020 of 3,846,153 new ordinary shares raised gross proceeds of £250,000.
- In February 2020 the Company strengthened the board of its Australian subsidiary, Panther Metals Pty. Ltd., with the appointment of Dr. David Groves, who is one of the most widely respected economic geologists in the world.
- In early April 2020 the Company acted immediately to mitigate against the risks presented to our shareholders and commercial partners as COVID-19 spread across the world. Whilst the situation unfolded across Panther’s operating jurisdictions and with governments providing little or no notice concerning their reactions to the pandemic, the Company decided to suspend all service provider contracts, where possible (given that to do otherwise might put the health of contractors and their families at risk); and reduced Directors remuneration during the initial period of uncertainty.
- In May, at the Company’s AGM, all resolutions were passed by shareholders as announced on 4 June 2020.

Dr Kerim Sener, Chairman commented:

The first six months of 2020 were marked by the onset of the Coronavirus pandemic. This created a large degree of uncertainty, which the Company mitigated by implementing a series of measures to ensure work programmes could proceed sensibly under a new set of conditions, where possible. In Canada work continued with fieldwork and sampling, in addition to the commencement of what has proven to have been a very successful airborne geophysical programme. This has highlighted several target areas worthy of follow-up work. In addition, the Company prepared for the acquisition of further claim areas in the vicinity of Big Bear and the acquisition of the Dotted Lake property, both occurring immediately post-period end. Meanwhile in Australia, due to COVID-19 travel restrictions no fieldwork could commence on the Annaburroo or Marrakai gold projects due to their proximity to potentially vulnerable Aboriginal communities. However, the Company quickly commenced work on all available historic geoscientific datasets to continue to advance our understanding of the exploration potential of these project areas. This work also included the acquisition and reprocessing of geophysical datasets, which has now highlighted

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several areas for field follow-up. We are looking forward to commencing fieldwork in these areas as soon as we are able to do so.

So, despite the issues presented by Coronavirus, it has been a very productive period for the Company and has established the basis for new exploration during the remaining 2020 field season and in to 2021. The Company remains on target to undertake drill-testing of several target areas in Canada and Australia during 2021.

Operational Review

Canada

On 18 February 2020 Panther Metals (Canada) Limited (“Panther Canada”) lodged exploration permit applications with the Ministry of Energy, Northern Development and Mines (“ENDM”), to cover the parts of the Big Bear Gold Project areas which were not covered by the pre-existing permit. The applications included details of proposed ground induced polarisation (“IP”) geophysics, overburden stripping over areas containing geochemical or geophysical anomalies, bedrock trenching of targets, the drilling of up to 20 diamond drill holes and creating access routes to the work areas and a camp area.

In March 2020 the Company attended the Prospectors & Developers Association of Canada (“PDAC”) conference in Toronto and interviewed potential contractors and service providers for the planned summer programme at Big Bear. A Provincial State of Emergency was declared by the Government of Ontario on 17 March 2020 due to the emerging COVID-19 pandemic. The ENDM placed the exploration permitting process on temporary hold in mid-April; the hold was lifted, post period end, in mid-August with a significant work backlog. At the time of reporting a decision on the permit awards is expected imminently.

On 7 May 2020, with Provincial work restrictions easing with regards to the exploration sector, and all necessary precautions and safe working practices in place, the company made the decision to commence field work, utilising a team of Ontario based geological contractors. Field work commenced with a rolling three week programme of soil and rock sampling and mapping designed to build an understanding of possible drill and trenching targets. Fieldwork on a broad three week-on three week off cycle has continued throughout the period with the team preparing to mobilise back to site at the time of reporting.

On 17 June 2020 Panther announced the commissioning of a high resolution airborne time-domain electromagnetic (“TDEM”) and magnetic (“Mag”) geophysics survey over Big Bear. The Prospectair Geosurveys helicopter flew the 678 line kilometre survey at 100m line spacing with preliminary data being made available to Panther for planning purposes before the period end.

At the end of June geochemical soil sampling was progressing over seven separate grids which were designed to test prospective structures interpreted from regional datasets and preliminary data from the helicopter survey.

Since the end of the period the processed geophysical survey data has been finalised (11 August 2020) and work has focused on investigating 39 high priority geophysical anomalies. Twenty eight additional mining claims were staked in September increasing the footprint of the Big Bear project to account for prospective structures identified by the geophysics. On 23 September 2020 Panther announced the geochemical soil sampling, outcrop mapping and geophysics had delineated five prospective target areas with two targets, Cook Lake East (with a strike length of over 600m) and Big Duck Creek (striking at least 580m) designated high priority for further groundwork.

On 16 July 2020 Panther acquired the Dotted Lake Property located over prospective ground approximately 20km from the Barrick Gold Corporation’s renowned Hemlo Gold Mine which has produced over 21 million oz of gold over 30 years. The footprint of the Dotted Lake Property was increased by 346% with the acquisition of 135 additional mining claims, announced 27 July 2020.

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Fieldwork currently continues whilst the company awaits a decision on the COVID-19 delayed Big Bear exploration permit applications.

Australia

On 6 February 2020, the Annaburroo Gold Project licence was granted, covering an area of 149.8km², located 105km to the southeast of Darwin, Northern Territory. The Company recognises that this licence area is highly prospective for the discovery of orogenic gold systems.

On 18 June 2020, the Company announced the completion of its open-file desktop review of the wholly-owned Marrakai Gold Project, situated in the Northern Territory, Australia. This review was completed while the licence area remained off-limits as a result of COVID-19 travel restrictions. The high-grade gold mineralisation identified at surface, along with historic drilling warrants further extensive ground exploration in the vicinity of the known gold prospects and further to the east and west, which remains underexplored.

Immediately post-period end, an open-file desktop review of the Annaburroo Gold Project was completed. This highlighted the potential for further delineation of gold mineralisation within the project area, particularly at the Donkey Hill gold prospect and the broader Annaburroo Dome, which yielded high grades of gold mineralization in rock-chip assays. The licence remains significantly underexplored, with over 95% of the current area remaining completely unsampled, with most of the historic exploration comprising wide-spaced sampling over the Annaburroo Dome.

Financial Review

The Group has reported an unaudited loss for the six months ended 30 June 2020 of £388,126 (six months ended 30 June 2018 – loss £91,458). The basic and diluted loss per share for the period was 0.79p (six months ended 30 June 2018 – loss 0.003p).

The key performance indicators are set out below:

	At 30-Jun-20 (unaudited) £	At 30-Jun-19 (unaudited) £	At 31-Dec-19 (audited) £
Net asset value	1,094,566	752,388	414,226

Outlook

Canada

Exploration fieldwork continues over high priority targets within Big Bear whilst the ENDM decision on the Exploration Permit Applications is awaited. Ahead of the snowfall work is focusing on delineating priority target areas for stripping, channel sampling and possible trenching and drill testing over the winter season, when access to the area will be facilitated by frozen ground and lake conditions.

The assay results from the preliminary reconnaissance visit to the Dotted Lake Property are awaited with follow-on work and survey options currently being considered.

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Australia

In Australia, travel restrictions brought in as a result of the COVID-19 precluded any fieldwork from being conducted on the Annaburroo and Marrakai project areas. As a result, work on the licences was limited to desktop data review and acquisition of geophysical datasets. Work on the geophysical data commenced during the period and concluded post-period end. The results of the geophysical data reprocessing have highlighted the requirement for further airborne geophysical data to be acquired and current planning includes a survey to commence in Q1 2021. In the meantime, travel restrictions have been eased somewhat and it is now possible to visit the licence areas. Accordingly, some fieldwork is due to commence prior to the onset of the wet season from the end of October 2020. After this time access to the areas will be limited by ground conditions, with fieldwork only able to recommence from May 2021.

Corporate

As the Company advances its understanding and development of the 100% owned Big Bear project in Ontario, Canada and the 100% owned Marrakai and Annaburroo projects in the Northern Territory, Australia, the Company recognised the advances made in the six months to 30 June 2020 warranted an acceleration of progress across its portfolio, which was facilitated by a further fundraising announced on 13 July 2020.

The next six months represent an exciting time for the Company despite the issues presented by COVID-19. The reduction in our cost base, combined with the restrictions on movement leaves the business in a strong financial position in cash terms as we enter the final six months of the year ended 31 December 2020.

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INTERIM MANAGEMENT REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2020

The Directors are required to provide an Interim Management Report in accordance with the Financial Conduct Authorities (“FCA”) Disclosure Guidance and Transparency Rules (“DTR”). The Directors consider the Operational and Financial Review on pages 1 to 4 of this Half Yearly Financial Report provides details of the important events which have occurred during the period and their impact on the financial statements as well as the outlook for the Company for the remaining six months of the year ended 31 December 2020.

The following statement of the Principal Risks and Uncertainties, the Related Party Transactions, the Statement of Directors’ Responsibilities and the Operational and Financial Review constitute the Interim Management Report of the Company for the six months ended 30 June 2020.

Principal Risks and Uncertainties

The principal risks and uncertainties of the Company are detailed on pages 14 and 15 of the Company’s most recent Annual Report for the year ended 31 December 2019 which can be found on the Company’s website at www.panthermetals.co.uk. The principal risks and uncertainties facing the Company remain unchanged from those disclosed in the Annual Report for the year ended 31 December 2019 and the Board are of the opinion that they will continue to remain unchanged for the forthcoming six month period.

The principal risks and uncertainties facing the Company are as follows:

- Adverse foreign exchange fluctuations;
- If the Group is unable to raise additional capital when needed or on suitable terms it could force a delay, reduce or eliminate its exploration development and production plans and efforts; and
- There are significant risks associated with any discovery and the ability of the Company to then generate any operational cashflows.

The Board has also reviewed emerging risks which may impact the forthcoming six-month period and the main risk facing the Company is the ongoing impact of the COVID-19 pandemic.

Related Party Transactions

There have been no material changes to the related party transactions described in the Annual Report that could have an effect on the financial position or performance of the Company.

Going Concern

As at 30 June 2020 the Group had total cash reserves of £261,786 (31 December 2019: £6,328). The directors are aware of the reliance on fundraising within the next 12 months and having reviewed the Group’s working capital forecasts they believe the Group is well placed to manage its business risks successfully providing future fundraisings are successful. The interim financial statements have been prepared on a going concern basis and do not include adjustments that would result if the Group was unable to continue in operation.

The Company successfully raised £823,000 through the placing and admission of its shares to the Main Market of the London Stock Exchange on 9 January 2020 and completed a further placing on 13 July 2020 raising gross proceeds of £250,000. As a junior exploration company, the Directors are aware that the Company must go to the marketplace to raise significant funds in the next 12 months to meet its investment and exploration plans and to maintain its listing status.

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The Company has acted quickly to mitigate the short-term risks presented following the rapid spread of COVID-19 across the globe. The reduction in our cost base, combined with the restrictions on movement (directly affecting our ability to access our exploration properties) leaves the business in a strong financial position in cash terms.

The medium to long term effects of the virus are an unknown to us all but the Company will monitor developments across our portfolio and act accordingly. We note the positive impact on the gold price and we believe we are in a strong position should future opportunities arise.

For and on behalf of the Board of Directors

**Darren Hazelwood
Chief Executive Officer
29 September 2020**

PANTHER METALS PLC

STATEMENT OF DIRECTORS' RESPONSIBILITY FOR THE HALF YEARLY REPORT

FOR THE SIX MONTHS ENDED 30 JUNE 2020

The Directors confirm to the best of their knowledge:

- The interim financial information has been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting, as adopted by the EU;
- Give a true and fair view of the assets and liabilities, financial position and the loss of the Group
- The interim report includes a fair review of the information required by DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year and their impact on the interim financial information, and a description of the principle risks and uncertainties for the remaining six months of the year; and
- The interim financial information includes a fair review of the information required by DTR 4.2.8R of the Disclosure and Transparency Rules, being information required on related party transactions.

For and on behalf of the Board of Directors

Darren Hazelwood
Chief Executive Officer
29 September 2020

PANTHER METALS PLC

**CONSOLIDATED CONDENSED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX MONTHS ENDED 30 JUNE 2020**

	Notes	Period ended 30 June 2020 £ Unaudited	Period ended 30 June 2019 £ Unaudited
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Administrative expenses		(252,377)	(134,285)
Share-based payment charge	4	(135,806)	42,814
Operating loss		(388,183)	(91,471)
Finance income		57	13
Loss before taxation		(388,126)	(91,458)
Taxation		-	-
Loss for the period		(388,126)	(91,458)
Other comprehensive income			
Translation of foreign currency transactions		9,660	13,010
Total comprehensive income for the period		(378,466)	(78,448)
Loss attributable to:			
Equity holders of the company:		(378,466)	(78,448)
		(378,466)	(78,448)
Basic and diluted loss per share (pence)	2	(0.79)p	(0.003)p

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**CONSOLIDATED CONDENSED STATEMENT OF FINANCIAL POSITION
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2020**

	Notes	As at 30 June 2020 £ Unaudited	As at 30 June 2019 £ Unaudited	As at 31 December 2019 £ Audited
Non-current assets				
Goodwill		553,656	475,378	553,656
Exploration and evaluation assets		401,577	307,850	316,966
Total non-current assets		955,233	783,228	870,622
Current assets				
Receivables		14,191	11,682	8,045
Cash at bank and in hand		261,786	44,192	6,328
Total current assets		275,977	55,874	14,373
Total assets		1,231,210	839,102	884,995
Current liabilities				
Trade and other payables		(136,644)	(86,714)	(470,769)
Total liabilities		(136,644)	(86,714)	(470,769)
Net assets		1,094,566	752,388	414,226
Capital and reserves				
Called up share capital	3	2,882,988	1,828,071	1,958,071
Share-based payment reserve	4	476,682	146,455	342,793
Retained losses		(2,265,104)	(1,222,138)	(1,886,638)
Total equity		1,094,566	752,388	414,226

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**CONSOLIDATED CONDENSED STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2020**

	Notes	As at 30 June 2020 £ Unaudited	As at 30 June 2019 £ Unaudited	As at 31 December 2019 £ Audited
Cash flows from operating activities				
Loss for the financial year		(378,466)	(78,448)	(749,948)
<i>Adjusted for:</i>				
Interest received		(57)	(13)	(17)
Foreign exchange		(9,660)	(13,010)	(1,485)
Share-based payment charge		135,806	(42,814)	153,524
(Increase)/decrease in receivables		(6,146)	(4,494)	(857)
Cash held by related party*		-	68,270	68,270
(Decrease)/increase in payables		(243,290)	28,687	345,166
Net cash (used in)/generated from operating activities		(501,813)	(41,822)	(185,347)
Investing activities				
Interest received		57	13	17
Cash spent on exploration activities		(75,786)	(18,921)	(41,265)
Cash received on acquisition of subsidiary		-	83,675	81,676
Net cash generated from investing activities		(75,729)	64,767	40,428
Financing activities				
Proceeds from issuing shares	3	823,000	-	130,000
Proceeds from exercising share options		-	20,000	20,000
Proceeds from exercising warrants	4	10,000	-	-
Net cash generated from financing activities		833,000	20,000	150,000
Net increase in cash and cash equivalents		255,458	42,945	5,081
Cash and cash equivalents at beginning of period		6,328	1,247	1,247
Cash and cash equivalents at end of period		261,786	44,192	6,328

*** Cash held by a related party**

As at 31 December 2018 the Company was in the process of finalising new banking arrangements and as such the Company's cash balance of £68,270 was held by a related party. This does not meet the definition of cash or cash equivalents and has therefore been shown separately within other receivables.

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**CONSOLIDATED CONDENSED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2020**

Group	Notes	Share capital £	Share based payment reserve £	Retained losses £	Total £
Balance at 1 January 2019		1,184,331	246,878	(1,143,690)	287,519
Loss for the year		-	-	(742,948)	(742,948)
<i>Total comprehensive loss for the year</i>		-	-	(742,948)	(742,948)
<i>Transactions with owners of the company</i>					
Shares issued	3	130,000	-	-	130,000
Shares issued to acquire exploration and evaluation assets	3	7,647	-	-	7,647
Shares issued to acquire a subsidiary	3	545,332	-	-	545,332
Shares issued upon directors exercising share options	3	90,761	(70,761)	-	20,000
		773,740	(70,761)	-	702,979
<i>Other transactions</i>					
Debit relating to equity-settled share-based payments	4	-	(29,663)	-	(29,663)
Subscription warrants issued	4	-	196,339	-	196,339
Balance at 31 December 2019		1,958,071	342,793	(1,886,638)	414,226
Balance at 1 January 2020		1,958,071	342,793	(1,886,638)	414,226
<i>Total comprehensive loss for the year</i>		-	-	(378,466)	(378,466)
<i>Other comprehensive income</i>		-	-	-	-
		-	-	(378,466)	(378,466)
<i>Transactions with owners of the company</i>					
Shares issued on IPO	3	823,000	-	-	823,000
Shares issued to Australian Consultants	3	90,000	-	-	90,000
Shares issued upon exercising warrants	3	11,917	(1,917)	-	10,000
		924,917	(1,917)	-	923,000
<i>Other transactions</i>					
Placing and bookrunner warrants issued	4	-	148,989	-	148,989
Debit relating to equity-settled share-based payments	4	-	(13,183)	-	(13,183)
Balance at 30 June 2020		2,882,988	476,682	(2,265,104)	1,094,566

PANTHER METALS PLC

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2020

1 Accounting policies

1.1. Half-yearly report

The consolidated interim financial information of Panther Metals plc and its subsidiaries (together, "the Group") is presented for the six months ended 30 June 2020 and 30 June 2019. The interim financial information is unaudited and does not constitute statutory financial statements within the meaning of the Companies Act 1982 (Isle of Man). The Board of Directors approved it on 29 September 2020.

The figures for the year ended 31 December 2019 have been extracted from the statutory financial statements which have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, ("IFRS") and which have been reported on by the company's auditor. The auditor's report on those financial statements was unqualified.

The condensed interim financial statements have not been reviewed by the Company's auditors.

1.2. Basis of accounting

The condensed interim financial information has been prepared in accordance with the requirements of IAS 34 "Interim financial reporting".

The interim financial information does not include all notes of the type normally included in the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the group as the full financial report.

The financial information has been prepared on the historical cost basis. The accounting policies and methods of computation adopted in the Company's preparation of the condensed interim financial information are consistent with those adopted and disclosed in the financial statements for the year ended 31 December 2019 and those expected to be used for the year ending 31 December 2020.

The interim financial information incorporates the financial information of the Company and its subsidiary undertakings. Where necessary, adjustments are made to the financial information of subsidiaries to bring their accounting policies into line with those used by other members of the group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

The Company will report again in full for the year ended 31 December 2020.

1.3. Accounting policies

The accounting policies are unchanged from those used in the last published annual financial statements for the year ended 31 December 2019.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2020

2 Loss per share

The basic loss per share for the interim period to 30 June 2020 is 0.79p (2019: - loss 0.003p) and has been calculated by dividing the loss for the period by the weighted average number of ordinary shares in issue of 47,896,267 (2019: 578,688,700 rebased following the share consolidation to 28,934,435).

Shares issued in the period to 30 June 2020 are detailed in note 3.

There are 18,450,159 potentially issuable shares which relate to share options issued to Directors and professional advisers under option (see note 4) and warrants issued as part of various placings of the Company shares. The weighted average number of potential ordinary shares in issue is 66,346,425 (2019: 603,688,700 rebased following the share consolidation to 30,184,435). Due to the losses for the period the diluted loss per share is anti-dilutive and therefore has been kept the same as the basic loss per share of 0.79p per share.

3 Share capital

On 14 November 2019 the Company passed a resolution consolidating every 20 old ordinary shares ("Old Ordinary Shares") into one new ordinary share ("Ordinary Shares") (the "Share Consolidation"), resulting in 33,513,302 Ordinary Shares being in issue, at that time.

The table below presents the number of Old Ordinary Shares before the Share Consolidation and the new Ordinary Shares after for each equity transactions that occurred in the year ended 31 December 2019 and interim period to 30 June 2020. Post the Share Consolidation only the new Ordinary Shares are shown for equity transactions.

	Number of new Ordinary shares No	Number of Old Ordinary shares No	Share Capital £
Allotted, issued and fully paid:			
As at 1 January 2019	25,830,250	516,605,000	1,184,331
Share issue on 18 March 2019	4,957,563	99,151,250	545,332
Share issue on 9 May 2019	500,000	10,000,000	90,761
Share issue on 22 May 2019	58,823	1,176,470	7,647
Share issue on 22 July 2019	2,166,666	43,333,332	130,000
As at 31 December 2019	<u>33,513,302</u>	<u>670,266,053</u>	<u>1,958,071</u>
As at 1 January 2020	33,513,302		1,958,071
Placing on 9 January 2020	13,716,666		823,000
Share issue to Australian Consultants	1,500,000		90,000
Shares issued upon exercising warrants	166,666		11,917
As at 30 June 2020	<u>48,896,634</u>		<u>2,882,988</u>

On 15 March 2019 the Company acquired Panther Metals Pty Ltd through the issue and in-specie distribution of 99,151,250 new fully paid shares. The market price of the shares at that time was 0.55 pence totalling £545,332.

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2020

3. Share Capital (continued)

On 9 May 2019 two Directors of the Company converted 5,000,000 0.2 pence options for a cash consideration of £20,000 under the share option scheme announced on 15 February 2018.

On 22 May 2019, Panther Metals (Canada) Ltd acquired additional mining claims covering ground immediately to the north of the company's Big Bear asset in Ontario, Canada. Part of the consideration for these mining claims was \$10,000 of Company shares at the market price prevailing at that time. 1,176,470 shares were issued totalling £7,647.

On 22 July the Company issued 43,333,332 Old Ordinary Shares at a price of 0.3 pence per share in connection with a placing raising £130,000.

On 9 January 2020 the Company raised £823,000 (before expenses) following the placing of 13,716,666 Ordinary Shares at a price of 6 pence per share on the Main Market of the London Stock Exchange. A further 1,500,000 Ordinary Shares were issued to Australian consultants in connection with the acquisition of Panther Metals Pty Limited at Admission.

On 19 June 2020 the Company announced that it has received notice of exercise of 166,666 Subscription Warrants to acquire 166,666 shares of no par value at a price of 6p per share for a cash consideration of £10,000. The admission of those shares took place on 25 June 2020. Following admission the enlarged share capital consisted of 48,896,634 Ordinary Shares.

4 Share based payment transactions

Equity settled share based payments

The Share Consolidation had the effect of rebasing both the number of share options and warrants in issue at 31 December 2019 and the exercise prices as detailed below. This table also includes the Placing Warrants and Bookrunner Warrants issued on 9 January 2020, after the Share Consolidation:

	Number of options no	Weighted average exercise price (pence)	Rebased number of options no	Rebased Weighted average exercise price (pence)
Share Options				
May 2018	10,000,000	0.2	500,000	4
Bonus options	10,000,000	0.5	500,000	10
September 2018	5,000,000	0.3	250,000	6
	25,000,000	0.3	1,250,000	7
Warrants				
Subscription warrants	43,333,332	0.3	2,166,666	6
Placing warrants	n/a	n/a	13,716,666	12
Bookrunner warrants	n/a	n/a	1,483,492	6
	43,333,332	0.3	17,366,824	11

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NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2020

4. Share based payment transactions (continued)

On 22 July 2019 the Company issued 43,333,332 warrants ("Subscription Warrants") in connection with a fundraising to acquire Old Ordinary Shares, such warrants being exercisable at a price of 0.3 pence per Old Ordinary Shares, vest immediately and are exercisable at any time up to 22 July 2021. These warrants were rebased to 2,166,666 warrants exercisable at a price of 6 pence per share.

On 9 January 2020 following the Placing and Admission to the Main Market of the London Stock Exchange a total of 1,483,492 warrants were issued to the Company's brokers ("Bookrunner Warrants") vest immediately and exercisable at a price of 6 pence per Ordinary Share at any time until 9 January 2022 and a total of 13,716,666 warrants ("Placing Warrants") were issued to participants in the Placing on a one for one basis. The Placing Warrants vest immediately, are exercisable at a price of 12 pence per Ordinary Share and at any time until 9 January 2022.

Options issued, cancelled and outstanding at 30 June 2020

	At 1 January 2020 No of options	<i>Issued</i>	<i>Forfeited</i>	<i>Exercised</i>	At 30 June 2020 No of options	Weighted average exercise price (pence)
	-	-	-	-	-	-
May 2018	500,000	-	-	-	500,000	4
Bonus options	500,000	-	-	-	500,000	10
September 2018	250,000	-	-	-	250,000	6
Subscription Warrants	2,166,666			(166,666)	2,000,000	6
Bookrunner Warrants		1,483,492			1,483,492	6
Placing Warrants		13,716,666			13,716,666	12
	<u>3,416,666</u>	<u>15,200,158</u>	<u>-</u>	<u>(166,666)</u>	<u>18,450,158</u>	<u>10</u>

Options and warrants outstanding and exercisable at the interim period end

	No of options, vested and exercisable	Exercise price	Weighted average contractual life (years)	Expiry date
May 2018	500,000	4	0.86	10 May 2021
Bonus options	500,000	10	0.86	10 May 2021
September 2018	250,000	6	0.22	17 Sept 2020
Subscription Warrants	2,000,000	6	2.06	22 July 2022
Bookrunner Warrants	1,483,492	6	1.50	9 January 2022
Placing Warrants	13,716,666	12	1.50	9 January 2022

A Black-Scholes model has been used to determine the fair value of the share options and warrants on the date of grant. The model assesses a number of factors in calculating the fair value. These include the market price on the date of grant, the exercise price of the share options, the expected share price volatility of the Company's share price, the expected life of the options, the risk-free rate of interest and the expected level of dividends in future periods.

PANTHER METALS PLC

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2020

4. Share based payment transactions (continued)

For those options granted where IFRS 2 "Share-Based Payment" is applicable, the fair values were calculated using the Black-Scholes model. The inputs into the model were as follows:

Date of grant	Risk free rate	Share price volatility	Expected life	Share price at grant date £
May 2018	1.30%	24.9%	3 years	0.180
September 2018	1.24%	31.0%	2 years	0.180
Subscription Warrants	0.53%	33.0%	2 years	0.150
Bookrunner Warrants	0.66%	45.0%	2 years	0.075
Placing Warrants	0.66%	45.0%	2 years	0.075

The total charge to the consolidated statement of comprehensive income for the period to 30 June 2020 was £148,989. The transactions from exercising share options are shown within the statement of changes in equity.

5 Subsequent events

On 13 July 2020 the Company announced a placing of its ordinary shares raising gross proceeds of £250,000.

The Company receive notice of the exercise of 166,667 warrants to acquire 166,667 ordinary shares of no par value at a price of 6p per share. The placing of these shares took place on 15 August 2020.

Following the admission of the placing shares and exercise of warrants the number of shares in issue totalled 52,909,454 ordinary shares.

There were no other reportable events after the reporting period.