HUNTER RESOURCES PLC

UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE 6 MONTHS ENDED 30 JUNE 2013

REPORT OF THE EXECUTIVE CHAIRMAN

Dear Shareholder,

I am pleased to announce the results of the Hunter Resources PLC ('Hunter' or the 'Company) group (the 'Group') for the six month period ended 30 June 2013.

As more fully described in the Company and Group financial statements for the year ended 31 December 2012, released on 8 August 2013 and available on the Company's website (www.hunter-resources.com), the Company is an Investing Company on AIM (as defined by the AIM Rules for Companies) focussed on the natural resources and mining sector. The Company's detailed Investing Policy (as defined by the AIM Rules for Companies) is available on the Company's website.

The initial funding to implement the Investing Policy was obtained in January 2013 when we successfully raised £310,000 before expenses through a share subscription of 284,131,944 new ordinary shares of £0.001 each ('Ordinary shares') to raise £284,132 and £25,868 by way of a convertible loan note. These funds have provided the initial working capital necessary for the Company to continue in operation and to commence implementing the Investing Policy.

The Group's loss for the six month period ended 30 June 2013 from continuing operations (excluding share based payments of £76,000) is £62,000, reflecting the significant reduction in cash expenditure which we have been successful in achieving following the renegotiation of certain supplier agreements and the underlying reduction in the level of administrative activities to support the Group as it implements the Investing Policy. The Group's loss from continuing operations including share based payments was £138,000 compared to a loss from continuing operations for the six months ended 30 June 2012 of £109,000 and a loss from continuing operations for the 12 months ended 31 December 2012 of £147,000. The one off non-cash share based payments charge of £76,000 affecting the loss for the current period is due to the accounting treatment of certain warrants issued to the Directors and suppliers as described more fully in note 8.

As at the date of this report, the Company has cash balances of approximately £83,000 which are sufficient for the immediate requirements of the Company, but will be insufficient to allow the Company to implement fully its Investing Policy. Accordingly the Group will require additional funding to develop its business. The board of Directors (the 'Board') believes that the necessary funding will be available on acceptable terms. Further details on the going concern status of the Company and Group are provided in note 2 to the Interim financial statements.

The Board has commenced the assessment of various potential projects in the natural resources and mining sector in accordance with its Investing Policy. While no such projects have come to fruition yet, the Board is confident of moving forward on a project in the relatively near future as it continues to actively examine potential projects.

Simon D Hunt
Executive Chairman
20 August 2013

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

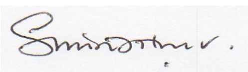
	Note	**6 months ended 30 June 2013 (Unaudited)** £'000	6 months ended 30 June 2012 (Unaudited) (represented – note 4 and restated – note 3) £'000	12 months ended 31 December 2012 (Audited) £'000
CONTINUING OPERATIONS				
Administrative expenses		**(59)**	(106)	(145)
Share based payments	**8**	**(76)**	-	-
Foreign exchange loss		**-**	(2)	(2)
Investment revenues		**-**	-	1
Finance costs		**(3)**	-	-
Loss before taxation		**(138)**	(108)	(146)
Taxation		**-**	-	-
Loss for the period from continuing operations		**(138)**	(108)	(146)
DISCONTINUED OPERATIONS				
Loss for the period from discontinued operations	**4**	**-**	(271)	(271)
LOSS FOR THE PERIOD		**(138)**	(379)	(417)
Foreign currency translation gains and losses recycled to loss from discontinued operations in the period		**-**	238	238
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(138)**	(141)	(179)
LOSS PER SHARE				
Basic and diluted loss per share from continuing operations – pence	**5.2**	**(0.04)**	(0.12)	(0.16)
Basic and diluted loss per share from continuing and discontinued operations – pence	**5.1**	**(0.04)**	(0.41)	(0.45)

The loss and the total comprehensive loss for all periods presented are wholly attributable to equity holders of the parent Company.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**30 June 2013 (Unaudited) £'000**	30 June 2012 (Unaudited) (represented – note 4) £'000	31 December 2012 (Audited) £'000
ASSETS				
Non-current assets				
Property, plant and equipment		**-**	3	-
		-	3	-
Current Assets				
Prepayments		**20**	-	-
Other receivables		**9**	9	13
Cash and cash equivalents		**96**	107	23
		125	116	36
TOTAL ASSETS		**125**	119	36
LIABILITIES				
Current liabilities				
Trade and other payables		**40**	231	186
Convertible loan notes	**6**	**23**	-	-
TOTAL LIABILITIES		**63**	231	186
NET CURRENT ASSETS / (LIABILITIES)		**62**	(115)	(150)
NET ASSETS / (LIABILITIES)		**62**	(112)	(150)
Share capital	**7**	**1,216**	932	932
Share premium	**7**	**5,187**	5,202	5,202
Convertible loan note reserve	**6.1**	**5**	-	-
Currency translation reserve		**471**	471	471
Share option reserve		**-**	687	-
Accumulated losses		**(6,817)**	(7,404)	(6,755)
EQUITY / (DEFICIT) ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		**62**	(112)	(150)

These Interim financial statements were approved by the Board of Directors and authorised for issue on 20 August 2013. Signed on behalf of the Board of Directors by:



Simon Hunt
Director and Executive Chairman
20 August 2013

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital £'000	Share premium £'000	Convertible loan note reserve £'000	Currency translation reserve £'000	Share option reserve £'000	Accumulated losses £'000	Total £'000
Balance at 1 January 2012 (Audited)		932	5,202	-	233	687	(7,025)	29
Total comprehensive loss for the period (as represented and restated)	3,4	-	-	-	238	-	(379)	(141)
Balance at 30 June 2012 (Unaudited)		932	5,202	-	471	687	(7,404)	(112)
Total comprehensive loss for the period		-	-	-	-	-	(38)	(38)
Transferred to accumulated losses on lapse of share options		-	-	-	-	(687)	687	-
Balance as at 31 December 2012 (Audited)		932	5,202	-	471	-	(6,755)	(150)
Total comprehensive loss for the period		**-**	**-**	**-**	**-**	**-**	**(138)**	**(138)**
Share based payments	**8**	**-**	**-**	**-**	**-**	**-**	**76**	**76**
Issue of Ordinary Shares	**7.2**	**284**	**-**	**-**	**-**	**-**	**-**	**284**
Expenses incurred in issuing Ordinary Shares	**7.2**	**-**	**(15)**	**-**	**-**	**-**	**-**	**(15)**
Allocation of proceeds received from the issue of convertible loan notes	**6**	**-**	**-**	**5**	**-**	**-**	**-**	**5**
Balance as at 30 June 2013 (Unaudited)		**1,216**	**5,187**	**5**	**471**	**-**	**(6,817)**	**62**

CONSOLIDATED CASH FLOW STATEMENT

	6 months ended 30 June 2013 (Unaudited)	6 months ended 30 June 2012 (Unaudited) (restated – note 3)	12 months ended 31 December 2012 (Audited)
	£'000	£'000	£'000
Cash flows from operating activities			
Loss for the period	**(138)**	(379)	(417)
Adjustments for:			
Share based payments	**76**	-	-
Investment revenues	**-**	-	(1)
Finance costs	**3**	-	-
Foreign exchange loss	**-**	2	2
Recycled foreign exchange loss on discontinued operations	**-**	238	238
Loss on disposal of property, plant and equipment	**-**	-	3
Depreciation of property, plant and equipment	**-**	-	1
Operating cash flows before movements in working capital	**(59)**	(139)	(174)
(Increase) /decrease in receivables	**(16)**	24	20
Decrease in trade and other payables	**(146)**	(56)	(102)
Cash used in operating activities	**(221)**	(171)	(256)
Cash flows from investing activities			
Interest received	**-**	-	1
Net cash from investing activities	**-**	-	1
Cash flows from financing activities			
Proceeds from the issue of new Ordinary Shares	**284**	-	-
Issue expenses of new Ordinary Shares	**(15)**	-	-
Proceeds from the issue of convertible loan notes	**26**	-	-
Issue expenses of convertible loan notes	**(1)**	-	-
Net cash provided by financing activities	**294**	-	-
Net increase / (decrease) in cash and cash equivalents	**73**	(171)	(255)
Effects of exchange rate changes on the balance of cash held in foreign currencies	**-**	(2)	(2)
Cash and cash equivalents at the beginning of the period	**23**	280	280
Cash and cash equivalents at the end of the period	**96**	107	23

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Hunter Resources PLC is a company incorporated and domiciled in the Isle of Man, under the Companies Acts 1931 to 2004, with registered number 115011C.

The condensed consolidated financial statements of the Group for the six months ended 30 June 2013 (the 'Interim financial statements', collectively with the Report of the Executive Chairman, the 'Interim report'), which are unaudited and have not been reviewed by the Company's auditor, have been prepared in accordance with the International Financial Reporting Standards ('IFRS') accounting policies adopted by the Group and set out in the annual report for the year ended 31 December 2012 (the '2012 Financial statements'). The Group does not anticipate any change in these accounting policies for the year ended 31 December 2013.

This Interim report has been prepared to comply with the requirements of the AIM rules of the London Stock Exchange (the 'AIM Rules'). In preparing the Interim financial statements, the Group has adopted the guidance in the AIM rules for interim accounts which do not require that the Interim financial statements are prepared in accordance with IAS 34, *'Interim financial reporting'*. While the financial figures included in this report have been computed in accordance with IFRSs applicable to interim periods, this report does not contain sufficient information to constitute an interim financial report as that term is defined in IFRSs.

The financial information contained in this Interim report also does not constitute statutory accounts under the Isle of Man Companies Acts 1931 to 2004. The financial information for the year ended 31 December 2012 is based on the 2012 Financial statements. The auditors reported on those accounts: while their report was unqualified it included a statement of emphasis of matter regarding the Company and Group's going concern status. Readers are referred to the auditors' report to the 2012 Financial statements (available at www.hunter-resources.com).

These Interim financial statements have been prepared in accordance with the IFRS principles applicable to a going concern, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations. Having carried out a going concern review in preparing these Interim financial statements, the Directors have concluded that there is a reasonable basis to adopt the going concern principle. Further details are provided in note 2.

The Group's presentation currency is Great British Pounds ('£' or GBP') which is the functional currency of the Company and the currency of the country in which the Company's Ordinary Shares are listed on AIM. Except where otherwise noted, amounts are presented in this Interim report in rounded thousands of £'s.

2. GOING CONCERN

The Interim financial statements have been prepared on a going concern basis, which contemplates the continuity of business activity. As at the date of this report the Company and Group have available cash balances of approximately £83,000 which are sufficient for the immediate working capital requirements of the Company and, subject to careful management of expenditure, sufficient to enable the Company (and by extension the Group) to continue in operation for a period of twelve months from the date of this report. As discussed in the section of this Interim report entitled 'Report of the Executive Chairman', the Company is now an Investing Company on AIM. The Group's available cash balances are insufficient to fund the full implementation of the new Investing Policy. To implement the Investing Policy and therefore to remain a going concern for a period greater than 12 months from the date of this Interim report, the Company will need to access additional sources of funding which in all likelihood will involve the issue of additional new Ordinary Shares. The attractiveness of the Company's Ordinary Shares as an investment opportunity will depend on a number of factors, including but not limited to, the quality and experience of its management team, the nature of the projects it identifies and the anticipated return available to holders of the Company's Ordinary Shares ('Shareholders').

The Directors are assessing various potential investment opportunities and believe that they will identify suitable assets in which to invest and which will provide an investment grade return to Shareholders. Accordingly, and having consulted with the Company's financial advisers, the Directors believe that the Company will be able to raise additional funding to implement its Investing Policy. While the Directors have been successful in securing funding in January 2013 (refer to note 7.2), there can however be no certainty that additional funding will be available, or if available, whether the terms will be acceptable to the Company.

As a result of the above factors, the Directors acknowledge that material uncertainties exist which may cast significant doubt on the Company and the Group's ability to continue as a going concern and, therefore, to realise its assets and discharge its liabilities in the normal course of business. Nevertheless after making enquiries, and considering the uncertainties described above, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the Interim financial statements.

3. RESTATEMENT OF THE COMPARATIVE INFORMATION FOR THE SIX MONTH PERIOD ENDED 30 JUNE 2012

During the preparation of these Interim financial statements, certain non-material, arithmetic and other errors were identified in the computation of amounts reported in the Interim financial statements for the six months period ended 30 June 2012. These errors are all of a clerical nature and do not affect the underlying recording of transactions and balances, or previously reported net assets and total equity. The errors have been corrected by restatement of the comparative disclosures within these Interim financial statements.

4. DISCONTINUED OPERATIONS

As described more fully in the 2012 Financial statements, the Group's Jatropha Operations (as defined in the 2012 Financial statements), principally conducted through the Company's subsidiary in Madagascar were abandoned during the year ended 31 December 2012.

The Jatropha Operations represented the major business segment of the Group and accordingly, as required by IFRS 5, the results of the Jatropha Operations were presented as discontinued operations within the Consolidated Statement of Profit or Loss and Other Comprehensive Income in the 2012 Financial statements. The results of operations reported for the period ended 30 June 2012 have accordingly been re-presented for these discontinued operations as required by IFRS 5.

The results of the discontinued Jatropha Operations, which have been included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income, were as follows:

	6 months ended 30 June 2013 (Unaudited) £'000	6 months ended 30 June 2012 (Unaudited) £'000	12 months ended 31 December 2012 (Audited) £'000
Loss from Jatropha Operations [1]:			
Expenses	**-**	**(33)**	**(33)**
Loss before taxation	**-**	**(33)**	**(33)**
Taxation	**-**	**-**	**-**
Loss after tax from discontinued operations	**-**	**(33)**	**(33)**
Loss on abandonment of Jatropha Operations:			
Recycled foreign exchange losses on discontinued operations	**-**	**(238)**	**(238)**
Net loss attributable to discontinued operations (attributable to owners of the Company)	**-**	**(271)**	**(271)**

(1) The Jatropha Operations did not realise any sales or revenue in any period presented.

5. LOSS PER ORDINARY SHARE

There is no difference between the diluted loss per share and the basic loss per share presented as the Group is loss making in all periods presented and the convertible loan notes (refer to note 6) are anti-dilutive.

5.1. From continuing and discontinued operations

The calculation of basic and diluted loss per share from continuing and discontinued operations is based on the following data:

	6 months ended 30 June 2013 (Unaudited)	6 months ended 30 June 2012 (Unaudited) (restated – note 3)	12 months ended 31 December 2012 (Audited)
Loss for the period - £	**(138,000)**	(379,000)	(417,000)
Weighted average number of Ordinary Shares	**367,878,040**	93,164,834	93,164,834
Basic and diluted loss per Ordinary Share – pence	**(0.04)**	(0.41)	(0.45)

5.2. From continuing operations

The calculation of basic and diluted loss per share from continuing operations is based on the following data:

	6 months ended 30 June 2013 (Unaudited)	6 months ended 30 June 2012 (Unaudited) (represented - note 4 and restated – note 3)	12 months ended 31 December 2012 (Audited)
Loss for the period - £	**(138,000)**	(379,000)	(417,000)
Adjustments to exclude loss for the period from discontinuing operations – £	**-**	271,000	271,000
Loss from continuing operations – £	**(138,000)**	(108,000)	(146,000)
Weighted average number of Ordinary Shares	**367,878,040**	93,164,834	93,164,834
Basic and diluted loss per Ordinary Share – pence	**(0.04)**	(0.12)	(0.16)

6. CONVERTIBLE LOAN NOTES

6.1. Carrying value

The following summarises the movements in the convertible loan notes liability and equity components during the period:

	Liability £'000	**Equity £'000**	**Total £'000**
At 1 January 2012, 1 July 2012 and 1 January 2013	**-**	**-**	**-**
Initial measurement	**21**	**5**	**26**
Allocation of issue expenses	**(1)**	**-**	**(1)**
Interest accrued at effective interest rate	**3**	**-**	**3**
At 30 June 2013	**23**	**5**	**28**

6.2. Initial measurement

In January 2013, the Group secured the placing of £25,868 of convertible loan notes (the 'Loan Note') with Marine Investments (WA) Pty Ltd ('Marine') raising gross proceeds of £25,868 before expenses. The Loan Note carries no interest charge, is unsecured and repayable within one year and is convertible (in part or in full) into Ordinary Shares in the Company at the holders request at any time and at a conversion price of £0.001 per Ordinary Share. By mutual agreement between the Company and Marine, the fees and Underwriting Warrants due to Marine under the Underwriting Agreement (refer to note 7.2) were extended to the Loan Note as if the Loan Note were a subscription of new Ordinary Shares in the Company. Accordingly, fees of £1,000 were allocated to the issue of the Loan Note.

While in legal form the Loan Note is a liability of the Group, the Loan Note includes components with liability and equity features as defined under IFRS. IAS 32, *'Financial Instruments: Presentation'*, requires the Group to identify the equity and liability component parts of the instrument and assign a value to each. The material components have been identified as the host debt contract and a holder call option to convert to Ordinary Shares. The fair value of the host debt component has been determined at £21,000 based on the present value of the contractual stream of future cash flows (being the redemption amount) discounted at the market rate of interest that would have applied to an instrument of comparable credit quality with substantially the same cash flows, on the same terms, but without the conversion feature. The relevant market interest rate applicable to the Company has been estimated at 25%. The balance of the gross proceeds received of £5,000 has been established as the equity component of the Loan Note. After allocation of the £1,000 issue expenses pro-rata to the carrying value of each component, the liability component was initially recorded at £20,000 and the equity component at £5,000. The liability component is subsequently measured at amortised cost using the effective interest rate method and an effective interest rate of 31.58%. The equity component is not re-measured.

7. SHARE CAPITAL AND SHARE PREMIUM

7.1. Authorised share capital and rights attaching to shares

The authorised share capital of the Company, as at 31 December 2012 and 30 June 2013 is comprised of the following:

	No.	£
Ordinary Shares of £0.001 each	**700,000,000**	**700,000**
Deferred Shares of £0.009 each	**200,000,000**	**1,800,000**
	900,000,000	**2,500,000**

The Company's Ordinary Shares carry no right to fixed income. Each Ordinary Share carries the right to one vote at the general meetings of the Company. The Company's Deferred Shares do not carry voting rights or a right to receive a dividend. The holders of Deferred Shares do not have the right to receive notice of any general meeting of the Company, nor have any right to attend, speak or vote at any such meeting. In addition, holders of Deferred Shares will only be entitled to a payment on a return of capital or on a winding up of the Company after each of the holders of Ordinary Shares has received a payment of £100,000 in respect of each Ordinary Share. Accordingly, the Deferred Shares have no economic value. The Deferred Shares are not admitted to trading on any stock exchange.

7.2. Shares in issue

The table below presents a reconciliation of the Company's Ordinary Shares and Deferred Shares in issue and the Company's Share Capital and Share Premium accounts during the six month period ended 30 June 2013:

	Number of Ordinary Shares Issued and Fully Paid	Number of Deferred Shares Issued and Fully Paid	Share Capital [(1)] £'000	Share Premium £'000
Balance at 1 January 2013	**93,164,834**	**93,164,834**	**932**	**5,202**
Issue of Ordinary shares at £0.001 each [(2)]	**284,131,944**	**-**	**284**	**-**
Cost of capital raising	**-**	**-**	**-**	**(15)**
Balance at 30 June 2013	**377,296,778**	**93,164,834**	**1,216**	**5,187**

(1) The amounts reported for Share Capital include the nominal value of the Ordinary Shares and Deferred Shares issued by the Company.

On 7 January 2013 the Company raised £284,132 (pre issue expenses) through a subscription (the 'Subscription') of new Ordinary Shares (the 'Subscription Shares') at a price of £0.001 per Subscription Share. The Subscription, in combination with the issue of the Loan Note (refer to note 6) was completed to provide funds to the Company for working capital purposes and to commence implementing its Investing Policy.

The Subscription was underwritten by Marine by way of an underwriting agreement (the 'Underwriting Agreement') dated 4 December 2012. In accordance with the terms of this agreement, Marine undertook to subscribe for new Ordinary Shares at £0.001 per Ordinary Share (the 'Subscription Price') in respect of the amount by which the aggregate proceeds of the Subscription (before expenses) received by the Company were less than £250,000. The Subscription was therefore underwritten by Marine to the extent required to result in the Company raising a minimum of £250,000 (before expenses) pursuant to the Subscription. In consideration for underwriting the Subscription and conditional on Marine performing its obligations under the Underwriting Agreement, the Company agreed to pay a fee of 5 per cent. of the total gross proceeds of the Subscription and to issue the Underwriting Warrants (refer to note 8) to Marine. To provide additional funds to the Company, by mutual agreement between the Company and Marine, and following the Subscription raising in excess of the underwritten amount, Marine agreed to subscribe (in addition to £108,000 through the Subscription) for the Loan Notes (refer to note 6) and the terms of the Underwriting Agreement were extended to the issue of the Loan Notes as if the Loan Notes were a subscription of Ordinary Shares by Marine. Marine was accordingly due a fee in cash of £15,500 (the 'Fee') in connection with the Subscription and Loan Notes which was settled from the proceeds of the Subscription and a further 62,000,000 Underwriting Warrants which were issued in accordance with the terms of that agreement (refer to note 8.1). The Fee was allocated between the issue of Ordinary Shares and the Loan Notes in proportion to the relative gross proceeds received by the Company.

8. SHARE-BASED PAYMENTS

On 28 February 2013 the Company issued warrants to certain parties as more fully described below over 101,000,000 Ordinary Shares in the Company. These warrants, and the Loan Note (refer to note 6), are the only instruments outstanding as at 30 June 2013 by the Company that could result in the issue of new Ordinary Shares in the Company. The warrants are accounted for in accordance with IFRS 2, *Share based payments*.

The total charge recorded in profit and loss for share based payments in the six months ended 30 June 2013 was £76,000 (12 months ended 31 December 2012 and 6 months ended 30 June 2012: £nil). A further £151,000 (12 months ended 31 December 2012 and 6 months ended 30 June 2012: £nil) has been charged to the Share premium account as underwriting expenses incurred in respect of the Subscription (refer to note 7.2).

Of the amount charged to profit and loss, £69,000 arises in respect of the 36,000,000 Directors Warrants (refer below) and £7,000 arises in respect of the 3,000,000 Allenby Warrants (refer below). The amount charged to the Share Premium account of £151,000 relates to the issuance of the 62,000,000 Underwriting Warrants (refer below) to Marine in accordance with the terms of the Underwriting Agreement (refer to note 7.2).

The warrants issued in the period were valued using an options pricing model reflecting the terms of each grant. None of the warrants include service conditions and accordingly the full expense arising from the warrants has been recognised immediately.

8.1. Underwriting Warrants

The Company issued Marine with 62,000,000 Underwriting Warrants in connection with the Underwriting Agreement and the Subscription and Loan Note as more fully described in notes 6 and 7.2. Each Underwriting Warrant entitles Marine to subscribe for one Ordinary Share in the Company at a price of £0.005 per Ordinary Share at any time until 8 January 2018. The share based payments expense arising on the Underwriting Warrants of £151,000 was charged, and credited, to the Share Premium account.

8.2. Allenby Warrants

The Company issued 3,000,000 warrants to Allenby Capital Limited (‘Allenby’), the Company’s Nominated Adviser and Broker, as part of the fee agreement between the Company and Allenby (the ‘Allenby Warrants’). The Allenby Warrants have the same terms as the Underwriting Warrants. The share based payments expense arising on the Allenby Warrants of £7,000 was charged to profit and loss.

8.3. Directors’ Warrants

The Company issued 36,000,000 Director’s Warrants to the Directors as follows:

- warrants over 20,000,000 Ordinary Shares to Mr S Hunt through Cornerstone Capital Limited;
- warrants over 8,000,000 Ordinary Shares to Mr D Paull;
- warrants over 8,000,000 Ordinary Shares to Mr J Molyneux.

Each Director’s Warrant entitles the holder to subscribe for one Ordinary Share in the Company at a price of £0.0045 per Ordinary Share at any time until 28 February 2018. The exercise price of the Directors’ Warrants was calculated on the average volume weighted trading price of the Ordinary Shares of the Company over the 30 trading days prior to the issue of the warrant. Half of the Directors’ Warrants issued to each director are subject to the following exercise conditions:

- the Company must have completed either a Reverse Takeover (as defined in the AIM Rules for Companies) or acquired an asset valued in excess of £500,000 (at the date of the acquisition); and
- the average volume weighted trading price of the Ordinary Shares of the Company over the 30 trading days prior to the vesting of the Directors’ Warrants subject to the additional conditions must be in excess of £0.00625 per Ordinary Share.

9. ULTIMATE CONTROLLING PARTY

As at the date of this report, the Directors are of the opinion that there is no ultimate controlling party of the Company.