30 June 2015

Hunter Resources plc
("Hunter" or the "Company")
(AIM: HUN)

Final Results for the year to 31 December 2014

The board of directors of Hunter (the "Board") is pleased to announce the Company's annual results for the year to 31 December 2014. which are published below. The Company's annual report and audited accounts for the year have been published on the Company's website http://www.hunter-resources.com/ in accordance with the Company's articles of association, and are available to shareholders.

Chairman's Statement

Dear Shareholder,

I am pleased to announce the results of the Hunter Resources Plc ('Hunter' or the 'Company') group (the 'Group') for the year ended 31 December 2014.

This is the first full set of audited financial statements following the Company's successful Re-admission to AIM on 4 July 2014. As set out in the Admission Document published on 6 June 2014 (available on the Company's website at www.hunter-resources.com) the Company acquired 100% of the issued share capital of Gold Hunter SAC in Peru through a reverse takeover. Gold Hunter had entered into a joint venture agreement with the owners of the Pampamali Project in Peru, which is a potentially high grade gold and silver project with base metal credits.

In connection with the Re-admission and as more fully described in note 17, the Company raised £925,000 (before expenses) to provide the working capital necessary to carry out exploration and evaluation activities on the Pampamali Project.
The Pampamali Project consists of 8 exploration concessions with a total area of 3,500 hectares and is located in central Peru in the Department of Huancavelica, approximately 550 km by road from the City of Lima. The Pampamali project is a potentially high grade gold, silver and base metal project, consisting of 36 mineralised veins identified to date from surface outcrops. Outcrops of between 100 and 2,000 metres in length exist with mineralised widths ranging from 0.20 to over 3.00 metres.

Progress

Various sampling exercises have been carried out at Pampamali with encouraging results announced in August and December 2014 and February 2015. As previously advised we are continuing our negotiations with the communities in the Pampamali region to ensure that we have support on a wider basis.
In addition the Company announced on 19 June 2015 that, following further regional exploration in the Pampamali area in Peru, the Company has lodged applications for additional tenements covering 5,000 hectares to the north west of the Pampamali Project, to be named the Prospero Project. The Prospero Project is close to the Pampamali Project and could potentially share future facilities and infrastructure. This application has been accepted and the tenements will be owned 100% by Hunter's wholly owned subsidiary, Gold Hunter. The application is now progressing through the normal Peruvian mining tenement application process.
The ground under application is directly along strike of the Company's Pampamali Project from which the trend of mineralisation continues into this new area. Preliminary mapping of the Prospero Project by the Company's technical team has identified prospective geological structures and quartz veining with associated hydrothermal activity and breccias.

Improved terms of acquisition with the owners of Pampamali

We announced on 8 April 2015 that we had revised our agreement with the owners of the Pampamali project to enable us to acquire 51% in one step and on a cheaper basis than anticipated. The original deal would have seen us acquire a 20% interest within 12 months of re-listing for a payment of US$100,000 following an investment of at least US$150,000 in exploration. This would have been followed by a further payment in year 2 of US$200,000 and an exploration commitment of US$500,000 to acquire an additional 31%. Under the revised deal, Hunter has the right to acquire a 51% interest in the Pampamali Project at any time, but no later than 12 months from the receipt of the DIA (an environmental impact assessment), for a payment of US$90,000 to the current owners, without the exploration commitment of US$500,000. As part of the improved terms Hunter has agreed to assume certain 2014 tenement costs totalling US$34,000, previously payable by the current owners.

Financial Review

The Group's loss for the year ended 31 December 2014 was £476,000 including share based payments charge of £148,000 (2013: loss of £220,000 including share based payments charge of £76,000).

Exercise of Option on the Pampamali Project

The Board can confirm that it is its intention to exercise its option on the Pampamali Project and meet the admission conditions under Rule 9 of the AIM Rules for Companies as previously set out in the Company's announcement of 3 July 2014. A further announcement will be made shortly.

For further information, please contact:

Hunter Resources PLC Simon Hunt (Chairman) +44 7733 337 755 Andrew Richards +61 423 044 879 www.hunter-resources.com	**Allenby Capital Limited** (Nominated Adviser and Broker) Nick Harriss/Nick Naylor +44 20 3328 5656 www.allenbycapital.com

	Note	2014 Group £'000	2014 Company £'000	2013 Group and Company £'000
CONTINUING OPERATIONS				
Administrative expenses		**(320)**	**(307)**	(138)
Share based payments	**18.2**	**(148)**	**(148)**	(76)
Investment revenues	**8**	**-**	**3**	-
Finance costs	**8**	**(8)**	**(8)**	(6)
Loss before taxation	**5**	**(476)**	**(460)**	(220)
Taxation	**10**	**-**	**-**	-
LOSS FOR THE YEAR ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		**(476)**	**(460)**	(220)
LOSS PER SHARE				
Basic and diluted loss per share	**11**	**(0.56)**	**(0.54)**	(0.59)

	Note	2014 Group £'000	2014 Company £'000	2013 Group and Company £'000
Loss for the year		**(476)**	**(460)**	(220)
Items that may be reclassified subsequently to profit or loss:				
Foreign exchange translation differences	**17.5**	**(1)**	**-**	-
Other comprehensive income for the year		**(1)**	**-**	-
Total comprehensive income for the year attributable to owners of the parent Company		**(477)**	**(460)**	(220)

	Note	2014 Group £'000	2014 Company £'000	2013 Group and Company £'000
ASSETS				
Non-current assets				
Investment in subsidiary undertakings	12	-	199	-
Exploration and evaluation assets	13	353	-	-
Amounts due from subsidiary undertakings	14	-	172	-
		353	371	-
Current assets				
Prepayments		13	9	8
Other receivables		25	16	5
Cash and cash equivalents		478	471	14
		516	496	27
TOTAL ASSETS		869	867	27
LIABILITIES				
Current liabilities				
Convertible loan notes	16	-	-	26
Trade and other payables	15	80	61	21
TOTAL LIABILITIES		80	61	47
NET CURRENT ASSETS / (LIABILITIES)		436	435	(20)
NET ASSETS / (LIABILITIES)		789	806	(20)
Share capital	17	2,170	2,170	1,216
Share premium	17	5,406	5,406	5,187
Convertible loan note reserve	16	-	-	5
Currency translation reserve	17.5	470	471	471
Accumulated losses		(7,257)	(7,241)	(6,899)
EQUITY / (DEFICIT) ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT COMPANY		789	806	(20)

These financial statements were approved by the Board of Directors and authorised for issue on 29 June 2015. Signed on behalf of the Board of Directors by:

Simon Hunt
Director and Executive Chairman
29 June 2015

	Note	Share capital £'000	Share premium £'000	Convertible loan note reserve £'000	Currency translation reserve £'000	Accumulated losses £'000	Total £'000
GROUP							
Balance at 1 January 2013		932	5,202	-	471	(6,755)	(150)
Loss and total comprehensive income for the year		-	-	-	-	(220)	(220)
Share based payments	**18.2**	-	151	-	-	76	227
Issue of Ordinary Shares	**17**	284	-	-	-	-	284
Expenses incurred in issuing Ordinary Shares	**17**	-	(166)	-	-	-	(166)
Allocation of proceeds received from the issue of convertible loan notes	**16**	-	-	5	-	-	5
Balance as at 31 December 2013		1,216	5,187	5	471	(6,899)	(20)
Loss for the year		**-**	**-**	**-**	**-**	**(476)**	**(476)**
Other comprehensive income:							
Exchange translation loss on foreign operations		**-**	**-**	**-**	**(1)**	**-**	**(1)**
Total comprehensive income for the year		**-**	**-**	**-**	**(1)**	**(476)**	**(477)**
Share based payments	**18.2**	**-**	**93**	**-**	**-**	**108**	**201**
Issue of Ordinary Shares	**17**	**954**	**464**	**-**	**-**	**-**	**1,418**
Expenses incurred in issuing Ordinary Shares	**17**	**-**	**(338)**	**-**	**-**	**-**	**(338)**
Allocation of proceeds received from the issue of convertible loan notes	**16**	**-**	**-**	**5**	**-**	**-**	**5**
Transfer to accumulated loss on conversion of convertible loan notes	**16**	**-**	**-**	**(10)**	**-**	**10**	**-**
Balance as at 31 December 2014		**2,170**	**5,406**	**-**	**470**	**(7,257)**	**789**
COMPANY							
Balance at 1 January 2013		932	5,202	-	471	(6,755)	(150)
Loss and total comprehensive income for the year		-	-	-	-	(220)	(220)
Share-based payments	**18.2**	-	151	-	-	76	227
Issue of Ordinary Shares	**17**	284	-	-	-	-	284
Expenses incurred in issuing Ordinary Shares	**17**	-	(166)	-	-	-	(166)
Allocation of proceeds received from the issue of convertible loan notes	**16**	-	-	5	-	-	5
Balance as at 31 December 2013		1,216	5,187	5	471	(6,899)	(20)
Loss and total comprehensive income for the year		**-**	**-**	**-**	**-**	**(460)**	**(460)**
Share based payments	**18.2**	**-**	**93**	**-**	**-**	**108**	**201**
Issue of Ordinary Shares	**17**	**954**	**464**	**-**	**-**	**-**	**1,418**
Expenses incurred in issuing Ordinary Shares	**17**	**-**	**(338)**	**-**	**-**	**-**	**(338)**
Allocation of proceeds received from the issue of convertible loan notes	**16**	**-**	**-**	**5**	**-**	**-**	**5**
Transfer to accumulated loss on conversion of convertible loan notes	**16**	**-**	**-**	**(10)**	**-**	**10**	**-**
Balance as at 31 December 2014		**2,170**	**5,406**	**-**	**471**	**(7,241)**	**806**

.

	Note	2014 Group £'000	2014 Company £'000	2013 Group and Company £'000
Cash flows from operating activities				
Loss for the year		**(476)**	**(460)**	(220)
Adjustments for:				
Share based payments	**18**	**148**	**148**	76
Investment revenues	**8**	**-**	**(3)**	-
Finance costs	**9**	**8**	**8**	6
Foreign exchange gain		**(7)**	**(7)**	-
Operating cash flows before movements in working capital		**(327)**	**(314)**	(138)
Increase in receivables		**(26)**	**(13)**	-
Increase / (decrease) in trade and other payables		**53**	**34**	(165)
Cash used in operating activities		**(300)**	**(293)**	(303)
Cash flows from investing activities				
Advances to subsidiary undertakings		**-**	**(159)**	-
Acquisition of intangible exploration and evaluation assets		**(154)**	**-**	-
Net cash used in investing activities		**(154)**	**(159)**	-
Cash flows from financing activities				
Proceeds from the issue of new Ordinary Shares	**17**	**883**	**883**	284
Issue expenses of new Ordinary Shares	**17**	**(164)**	**(164)**	(15)
Proceeds from the issue of Convertible loan notes	**16**	**190**	**190**	26
Issue expenses of Convertible loan notes	**16**	**-**	**-**	(1)
Net cash provided by financing activities		**909**	**909**	294
Net increase / (decrease) in cash and cash equivalents		**455**	**457**	(9)
Effects of exchange rate changes on the balance of cash held in foreign currencies		**9**	**-**	-
Cash and cash equivalents at the beginning of the year		**14**	**14**	23
Cash and cash equivalents at the end of the year		**478**	**471**	14

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. Further details, including the address of the registered office, are given in the section of this report entitled 'Company Information and Advisers'. The nature of the Company and Group's operations and its principal activities are set out in the Directors' Report. Details of the Company's subsidiary undertakings, including the name, country of incorporation, operation and ownership interest are given in note 12.

As permitted by the AIM Rules for Companies, the financial statements have been prepared in accordance with IFRSs as issued by the IASB as they apply to the financial statements of the Company and Group for the year ended 31 December 2014.

The consolidated financial information is a consolidation of the Company and its subsidiary. These financial statements are presented in thousands of GBP. Foreign operations are included in accordance with the policies set out in note 3.5.

2. ADOPTION OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

2.1. New Standards and Interpretations adopted with no significant effect on the financial statements

The following new and revised Standards and Interpretations have been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements, but may impact the accounting for future transactions and arrangements.

IAS 32	Amendment 2011	Offsetting financial assets and financial liabilities
IAS 36	Amendment 2013	Recoverable amount disclosures for non-financial assets
IAS 39	Amendment 2013	Novation of derivatives and continuation of hedge accounting
IFRS 10, IFRS 12 and IAS 27	Amendment 2012	Investment entities
IFRIC 21	New 2013	Levies

2.2. New Standards and Interpretations in issue but not yet effective

At the date of authorisation of these financial statements, the following Standards and Interpretations are in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IAS 16	Amendment 2014	Acceptable methods of depreciation and bearer plants
IAS 19	Amendment 2013	Defined benefit plans: Employee contributions
IAS 38	Amendment 2014	Acceptable methods of amortisation
IAS 41	Amendment 2014	Amendment to bring bearer assets into IAS 16
IFRS 9	New 2009, Amendment 2010, 2011, 2013 and 2014	Financial instruments (Hedge Accounting and amendments to IFRS 9, IFRS 7 and IAS 39)
IFRS 10, IFRS 12, IAS 27 and IAS 28	Amendment 2014	Sale or contribution of assets and application of the consolidation exemption
IFRS 11	Amendment 2014	Acquisition of an interest in a joint operation
IFRS 14	New 2014	Regulatory deferral accounts
IFRS 15	New 2014	Revenue from Contracts with Customers
Improvements to IFRS	Amendments 2013	Annual improvements 2010-2012
Improvements to IFRS	Amendments 2013	Annual improvements 2011-2013
Improvements to IFRS	Amendments 2014	Annual improvements September 2014
Disclosure initiative	Amendments 2014	Amendments resulting from the disclosure initiative

The Directors do not anticipate that the adoption of these Standards and Interpretations will have a material impact on the Group's financial statements in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1. Basis of preparation

The Group's and the Company's financial statements are prepared on the historical cost basis, except for certain share based payments. The Group's and the Company's accounting policies have been consistently applied to the results, gains and losses, assets, liabilities and cash flows of entities included in the financial statements.

3.2. Critical accounting judgments and sources of estimation uncertainty

The preparation of financial statements in conformity with IFRSs requires the Directors to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that year or in the year of the revision and future periods if the revision affects both current and future years. Other than as discussed below in this note there are no critical accounting judgments or estimates that are considered to be material by the Directors.

The following are the critical judgements and estimates that the Directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

3.2.1.1. Going concern

The Company (and by extension the Group) financial statements have been prepared on a going concern basis, which contemplates the continuity of business activity. As described in the Chairman's Statement and note 20, the Company, through Gold Hunter, obtained an interest in the Farm In agreement during the period. The Farm In agreement was subsequently amended in March 2015 as more fully described in note 20 and 23. In accordance with the Farm In agreement (as amended), the Group has the option, but not the obligation, to acquire a staged economic interest in Project Pampamali. Funding of £925,000 was raised in connection with the acquisition of Gold Hunter and the Re-admission (refer to note 17).

As at the date of this report the Company has available cash balances of approximately £262,000 which are sufficient to fund the implementation of the Farm In agreement (as amended) for the next twelve months. For the full implementation of the Farm In agreement (as amended), the Company would require additional new funding, which, in all likelihood, will involve the issue of additional new Ordinary Shares or convertible loan notes. The attractiveness of the Company's Ordinary Shares and convertible loan notes 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, the liquidity of the Company's equity instruments and the anticipated return available to Shareholders.

Subject to its ongoing exploration and evaluation activities, the Directors believe that Project Pampamali will provide attractive returns to investors and, having consulted with the Company's financial advisers, the Directors believe that the Company will be able to raise the additional funding to continue to implement the Farm In agreement (as amended). If the Directors are unable to raise the additional funding, or if the exploration and evaluation activities do not support continuing investment in Project Pampamali, then the Group will not complete the final option under the Farm In agreement (as amended).

As a result of the above factors the Directors have a reasonable expectation that the Group and the Company will 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 annual report and financial statements.

3.2.1.2. Convertible Loan Notes – initial measurement

During 2014, the Company issued approximately £190,000 of convertible loan notes. While in legal form the convertible loan notes are a liability of the Company, IFRSs requires the Group to identify the equity and liability component parts of the instrument and assign a value to each. Identification and valuation of the components requires management to exercise judgment. Further details are provided in note 16.

3.2.1.3. Warrants

Warrants issued in the period to the Directors and certain providers of services, or instruments that have been modified in the period, are accounted for as share based payments. The fair value of the warrants is measured at their grant date or date of modification using a valuation model. The valuation is sensitive to the inputs in the valuation model, some of which require judgment. The warrants do not create any obligation on the Company other than to deliver Ordinary Shares in the Company for a fixed price at the option of the holder, over the life of the warrants. Further details are provided in note 18.

3.2.1.4. Exploration and evaluation activities

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether future economic benefits are likely, from either future exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves.

In addition to applying judgement to determine whether future economic benefits are likely to arise from the Group's exploration and evaluation assets or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Group has to apply a number of estimates and assumptions. The estimates directly impact when the Group defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions about future events and circumstances, particularly, whether an

economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the relevant capitalised amount is written off to profit or loss in the period when the new information becomes available.

No impairment has been recorded against the Group's Exploration and evaluation assets as at 31 December 2014 due to the early stage of exploration of those assets and the initial work completed at Pampamali which provides comfort on the existence of an economically viable resource.

3.3. Basis of consolidation and discontinued operations

The Consolidated financial statements (comprising the balances and transactions identified as 'Group' within these financial statements) incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December. Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the Consolidated Statement of Profit or Loss and Other Comprehensive Income from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for resale in accordance with IFRS 5, *Non-Current Assets Held for Sale and Discontinued Operations*, which are recognised and measured at fair value less costs to sell.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceed the cost of the business combination, the excess is recognised immediately in profit or loss.

3.4. Revenue recognition

The Group did not recognise any revenue from the sale of goods or services in either period presented. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

3.5. Foreign currencies

In preparing the financial statements of the individual companies in the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the year in which they arise except for:

- exchange differences which relate to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on foreign currency borrowings; and
- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur, which form part of the net investment in a foreign operation, and which are recognised in the foreign currency translation reserve and recognised in profit or loss on disposal of the net investment.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's non GBP functional currency entities are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the year, unless exchange rates fluctuate significantly during that year, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are classified as other comprehensive income and transferred to the Group's translation reserve. Such translation differences are recognised as income or as expenses in the year in which the operation is disposed of, or abandoned.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

3.6. Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.7. Exploration and evaluation

3.7.1. Pre-licence costs

Pre-licence costs relate to costs incurred before the Group has obtained legal rights to explore in a specific area. Such costs may include the acquisition of exploration data and the associated costs of analysing that data. These costs are expensed in the period in which they are incurred.

3.7.2. Exploration and evaluation expenditure

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activities include, *inter alia*:

i. Licence costs paid in connection with a right to explore in an existing exploration area
ii. Researching and analysing historical exploration data
iii. Gathering exploration data through geophysical studies
iv. Exploratory drilling and sampling
v. Determining and examining the volume and grade of the resource
vi. Surveying transportation and infrastructure requirements
vii. Conducting market and finance studies

Once the legal right to explore a license areas has been acquired, exploration and evaluation expenditure is capitalised, and classified according to its nature as either a tangible or an intangible asset.

Exploration and evaluation assets are subsequently assessed for impairment when facts and circumstances indicate that the carrying amount of the Exploration and evaluation asset may exceed its recoverable amount. The impairment review is conducted in accordance with the policy disclosed below in 3.9.

When the technical and commercial feasibility of a project is determined, the related Exploration and evaluation asset is transferred to property, plant and equipment and depreciated on a units of production basis.

3.8. Investment in subsidiary

The investment in subsidiary undertakings in the Company only financial statements is stated at cost, less any provision for impairment.

3.9. Impairment of assets

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets (including Exploration and evaluation assets), and the Company further reviews the carrying amount of its investment in subsidiary undertakings, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill, intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired. An impairment of goodwill is not subsequently reversed.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in profit or loss immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised in profit or loss immediately.

3.10. Financial instruments

Financial assets and financial liabilities are recognised on the balance sheet when the Group becomes a party to the contractual provisions of the instrument.

3.10.1. Loans and other receivables

Trade receivables, loans and other receivables, including amounts due from subsidiary undertakings, that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when recognition of interest would be material.

All of the Group's financial assets are classified as 'loans and receivables'.

3.10.2. Other financial liabilities

Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

3.10.3. Compound instruments

The component parts of compound instruments, comprising convertible loan notes issued by the Company, are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated. For convertible loan notes, this amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component on initial measurement from the fair value of the compound instrument as a whole. This is recognised and included in equity and is not subsequently re-measured.

3.10.4. Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

For the loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

3.11. Share-based payments

Equity-settled share-based payments with employees and others providing similar services, which include share options, warrants and other similar instruments, are measured at the fair value of the equity instrument at the grant date. Fair value is measured by use of an appropriate valuation model, generally Black-Scholes. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of equity instruments that will eventually vest. Where there is no vesting period, the fair value is expensed immediately.

At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with other parties are measured at the fair value of the goods and services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability equal to the portion of the goods or services received is recognised at the current fair value determined at each reporting date.

4. SEGMENT REPORTING

IFRS 8, *Operating Segments*, requires operating segments to be identified on the basis of internal reports of the Group that are regularly reviewed by the Group's chief operating decision maker ('CODM'). The CODM of the Group is considered to be the Board. The Directors considered there to be one business segment, being the exploration and evaluation of mineral resources, currently undertaken exclusively in Peru through the Company's subsidiary undertaking, Gold Hunter. All income and expenditure is allocated to this activity which accounts for all of the Group's assets and liabilities as at 31 December 2014 and 31 December 2013 and all of the Group's results and cash flows for the 12 month periods then ended.

5. LOSS BEFORE TAXATION

Loss before taxation is stated after (crediting) / charging:

	2014 Group £'000	2014 Company £'000	2013 Group and Company £'000
Exchange gain	**(7)**	**(7)**	-
Staff costs (note 6)	**95**	**95**	75
Operating lease rentals	**1**	**-**	-
Auditor's remuneration – audit services	**19**	**19**	15
Auditor's remuneration – non audit services	**35**	**35**	-

The Company's Ordinary Shares were re-admitted to trading on AIM on 4 July 2014 following the acquisition of Gold Hunter and the Company securing new funding of £925,000 (before issue expenses) through the July 2014 Funding (refer to note 17.3.1).

During 2014 the Company incurred expenditure of £345,000 (2013: £nil) in connection with the Re-admission (excluding commissions related directly to the funds raised), principally comprising legal, geological, reporting accountants, corporate finance and other related fees and expenses. Of this expenditure, £115,000 was settled by the issue of 7,666,666 new Ordinary Shares in the Company (note 17) and £10,000 represents the fair value of 1,327,784 warrants issued to Allenby (note 18.4.2). As required by IFRS, this expenditure has been allocated pro-rata to the issue of new Ordinary Shares under the July 2014 Funding, and the re-admission of the Ordinary Shares in issue immediately preceding the July 2014 Funding. Accordingly, £118,000 (of which £43,000 was settled through the issue of new Ordinary Shares or warrants) has been expensed to profit

and loss and £227,000 (of which £82,000 was settled through the issue of new Ordinary Shares or warrants) has been recorded within the Share Premium account.

6. STAFF NUMBERS AND COSTS

The average number of persons employed (including Executive Directors) during the year, by category, was as follows:

	2014 Group and Company No.	2013 Group and Company No.
Executive Directors	**1**	1

The costs incurred in respect of this employee were:

	2014 Group and Company No.	2013 Group and Company No.
Wages and salaries	**61**	37
Share based payments (note 18.2)	**34**	38
	95	75

Staff costs exclude non-executive Director's emoluments. Information on the remuneration of the Directors, including executive and non-executive Directors is provided in note 7.

7. REMUNERATION OF DIRECTORS AND KEY MANAGEMENT

The Directors' remuneration (who are the key management personnel) in respect of both the Group and the Company is as follows:

	Basic Salary £'000	Fees £'000	Share based payments £'000	Total 2014 £'000	Total 2013 £'000
Executive Directors:					
Simon D Hunt[(1)]	**36**	**25**	**34**	**95**	75
Non-executive Directors:					
John Molyneux	**12**	**-**	**13**	**25**	27
David Paull	**12**	**-**	**13**	**25**	27
Andrew Richards	**6**	**-**	**14**	**20**	-
	66	**25**	**74**	**165**	129

(1) Of the amounts reported above, £36,000 (2013: £36,000) was in respect of executive fees, £20,000 was in respect of fees in connection with the Company's re-admission to AIM in July 2014 and £5,000 was in respect of additional days. All amounts were paid to Cornerstone Capital Limited, a company of which Mr S Hunt is both a Director and shareholder (refer to note 21.3).

8. INVESTMENT REVENUES

	2014 Company £'000	2013 Group and Company £'000
Interest income on loans to subsidiary companies	**3**	-

9. FINANCE COSTS

	2014 Group and Company £'000	2013 Group and Company £'000
Effective interest rate expense on Convertible loan notes (note 16)	**8**	6

10. INCOME TAX EXPENSE

10.1. Company

The Income Tax (Amendment) Act 2006 provides that a standard zero rate of income tax applies to the Company in the Isle of Man for 2006/07 and subsequent years of assessment. Therefore no provision for liability to Isle of Man income tax has been included in these accounts for the Company.

10.2. Group

	2014 Group £'000	2013 Group £'000
Loss before tax	**(476)**	(220)
Tax at the Peru corporation tax rate of 32% applicable to extractive industries	**152**	70
Tax effect of different tax rates	**(147)**	(70)
Tax effect of losses not recognized	**(5)**	-
Tax expense	**-**	-

The tax reconciliation has been prepared using a 32% tax rate, the corporate income tax rate in Peru applicable to mining and extractive industries, as this is where the Group's principal assets are located. As at 31 December 2014, the Group has unrecognised taxable losses in Peru which may be available for offset against future taxable profits amounting to approximately £16,000 (31 December 2013: £nil), with a tax value of approximately £5,000 (31 December 2013: £nil). No deferred tax asset has been recognised for these tax losses as the requirements of IAS 12, *'Income taxes'*, have not been met.

11. LOSS PER ORDINARY SHARE

There is no difference between the diluted loss per share and the basic loss per share presented as the Group and Company are loss making in all periods presented and instruments that are in issue which could result in the issue of new Ordinary Shares, being the warrants disclosed in note 18, are anti-dilutive.

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

	2014 Group	2014 Company	2013 Group and Company (represented for the Share Consolidation – note 17.1)
Loss for the year - £'000	**(476)**	**(460)**	(220)
Weighted average number of Ordinary Shares	**84,800,486**	**84,800,486**	37,262,612
Basic and diluted loss per Ordinary Share – pence	**(0.56)**	**(0.54)**	(0.59)

12. INVESTMENTS IN SUBSIDIARY UNDERTAKINGS - COMPANY

As at 31 December 2014, the Company has the following direct investments in subsidiary companies:

Subsidiary undertaking	Proportion held	Country of incorporation	Nature of business
Green Energy Madagascar sarl	100%	Madagascar	Dormant
Gold Hunter SAC	100%	Peru	Minerals exploration and evaluation

Movements in the carrying value of investments in subsidiary undertakings during the year were as follows:

	£'000
Cost	
At 1 December 2012 and 1 December 2013	2,169
Investment in the period in Gold Hunter SAC	**199**
At 31 May 2014	**2,368**
Provision for irrecoverable amounts	
At 31 December 2012, 31 December 2013 and 31 December 2014	**2,169**
Net book value	
31 December 2014	**199**
31 December 2013	-

The investment in Gold Hunter SAC during the year was satisfied by the issue of 13,277,838 new Ordinary Shares in the Company, with a fair value on the date of issue of £199,000.

The Company's investment at cost in Green Energy Madagascar sarl amounts is £2,169,000. The investment is fully provided against in all periods presented.

13. EXPLORATION AND EVALUATION ASSETS

	Intangible assets £'000
COST AND NET BOOK VALUE	
At 1 December 2012 and 1 December 2013	-
Additions	**353**
At 31 December 2014	**353**

Exploration and evaluation assets comprise the Group's initial investments to participate in Project Pampamali, related legal and other expenditure, and expenditure incurred by the Group in the initial exploration and evaluation of the resource at Pampamali. Initial exploration and evaluation expenditure includes, *inter alia*, the initial geological assessment and environmental impact assessment of the project.

In future periods, expenditure incurred which is directly attributable to the exploration and evaluation of the Group's license sites will be capitalised within 'Exploration and evaluation assets', such as geological analysis, drilling, trenching, sample analysis and similar expenditure.

Expenditure incurred in the Group's general administrative activities in Peru is expensed to profit and loss as incurred.

14. AMOUNTS DUE FROM SUBSIDIARY UNDERTAKINGS - COMPANY

'Amounts due from subsidiary undertakings' represents amounts due to the Company from Gold Hunter. The amounts due are unsecured, bear interest at 5% per annum, and are repayable by 31 December 2016. Movements in the carrying value during the period are as follows:

	£'000
At 1 December 2012 and 1 December 2013	-
Advances made in the year	**159**
Interest income	**3**
Foreign exchange gain	**10**
At 31 December 2014	**172**

15. TRADE AND OTHER PAYABLES

	2014 Group £'000	2014 Company £'000	2013 Group and Company £'000
Trade payables	**36**	**17**	2
Other payables	**8**	**8**	-
Accrued expenses	**36**	**36**	19
	80	**61**	21

The amounts reported above principally comprise amounts outstanding for recurring expenditure of the Group, such as audit, accounting and company secretarial fees. The amounts are stated at their invoiced value, or amount payable based on the Directors assessment of obligations incurred but not yet invoiced.

16. CONVERTIBLE LOAN NOTES

16.1. Carrying value

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

	Liability £'000	Equity £'000	Total £'000
At 1 January 2013	-	-	-
Initial measurement	21	5	26
Allocation of issue expenses	(1)	-	(1)
Interest charge	6	-	6
At 31 December 2013	**26**	**5**	**31**
Initial measurement	**185**	**5**	**190**
Interest charge	**8**	**-**	**8**
Interest transferred to accruals upon conversion	**(4)**	**-**	**(4)**
Conversion of loan notes	**(215)**	**(10)**	**(225)**
At 31 December 2014	**-**	**-**	**-**

16.2. Convertible Loan Notes in Issue

During the year the Company had three convertible loan notes in issue with Marine, the principal terms of which are summarised below. The convertible loan notes were all converted into Ordinary Shares of the Company on re-admission of the Company's Ordinary Shares to AIM on 4 July 2014 resulting in the issue of 15,223,601 new Ordinary Shares (refer to note 17.3).

16.2.1. The First Loan Note

In January 2013, the Company secured the placing of The First Loan Note raising gross proceeds of £26,000 before expenses. The First Loan Note, as amended, carried no interest charge, was unsecured and repayable by 31 December 2014 and was convertible (in part or in full) into Ordinary Shares in the Company at the holders request at any time and at a conversion price equal to the par value per Ordinary Share.

Upon Re-admission the First Loan Note was converted in full into 2,586,800 new Ordinary Shares.

16.2.2. The Second Loan Note

In March 2014 the Company issued The Second Loan Note with a face value of £100,000, which was drawn down in full during the year. The Second Loan Note, as amended, carried interest at the rate of 8% per annum (such interest to be accumulated and paid in cash upon conversion or repayment of The Second Loan Note), was unsecured and repayable, if not converted, on Re-admission. The Second Loan note was convertible in whole or in part at the note holder's request into Ordinary Shares at the price at which new Ordinary Shares were issued pursuant to the fundraise completed upon Re-admission.

Upon Re-admission the Second Loan Note was converted into 6,666,667 new Ordinary Shares. In accordance with the terms of the Second Loan Note, upon conversion, the Company issued the note holder with warrants over one new Ordinary Share for every 1.25 new Ordinary Shares issued on conversion of The Second Loan Note, exercisable at a price per warrant equal to the price at which new funds are raised on AIM upon Re-admission plus 15%, for three years from the date of conversion of the New Loan Notes.

16.2.3. The Third Loan Note

In March 2014 the Company issued The Third Loan Note with a face value of $150,000, which was drawn down in full during the year. Other than for the face value of the instrument, The Third Loan Note, as amended, has the same terms as The Second Loan Note.

Upon Re-admission $150,000 of the Third Loan Note was converted into 5,970,134 new Ordinary Shares at an agreed exchange rate of $1.675 per £1.0. Warrants were also issued under the same basis as for The Second Loan Note.

16.3. Measurement and conversion

While in legal form the Loan Notes were liabilities of the Group, the Loan Notes included components with liability and equity features as defined under IFRS. IAS 32, *'Financial Instruments: Presentation'*, required the Group to identify the equity and liability component parts of the instruments and assign a value to each. In each of the Loan Notes the material components were identified as the host debt contract and a holder call option to convert to Ordinary Shares. The fair value of the host debt component was determined for each Loan Note based on the present value of the contractual stream of future cash flows (being the redemption amount and interest due where applicable) 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 was estimated at 25%. The balance of the gross proceeds received was established as the equity component of the Loan Notes. Where applicable, issue expenses were allocated pro-rata to the initial carrying value of each component. The liability component was subsequently measured at amortised cost using the effective interest rate method and an effective interest rate of between 25% and 31.58%. The equity component was not re-measured.

Upon conversion, the carrying value of the Loan Notes liability at that date (which equated to the face value of the Loan Notes) was transferred to the share capital and share premium accounts. The balance on the Convertible loan note reserve was reclassified to accumulated losses.

17. SHARE CAPITAL, SHARE PREMIUM AND RESERVES

17.1. Share consolidation

On 30 June 2014 the Company completed the Share Consolidation pursuant to which the Company's:

1. 377,296,778 issued Ordinary Shares of £0.001 each at that date were consolidated into 37,729,678 Ordinary Shares of £0.01 each on a one for ten basis; and
2. 93,164,834 issued Deferred Shares of £0.009 each at that date were consolidated into 9,316,483 Deferred Shares of £0.09 each on a one for ten basis.

17.2. Authorised share capital and rights attaching to shares

The authorised share capital of the Company is comprised of the following:

	At 31 December 2014		At 31 December 2013	
	No.	£	No.	£
Ordinary Shares of £0.001 each	-	-	700,000,000	700,000
Deferred Shares of £0.009 each	-	-	200,000,000	1,800,000
Ordinary Shares of £0.01 each	**300,000,000**	**3,000,000**	-	-
Deferred Shares of £0.09 each	**20,000,000**	**1,800,000**	-	-
	320,000,000	**4,800,000**	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.

17.3. Shares in issue, Share capital and Share premium

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, adjusted for the share consolidation:

	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	9,316,484	9,316,483	932	5,202
Issue of Ordinary Shares at £0.001 each (2)	28,413,194	-	284	-
Cost of capital raising	-	-	-	(15)
Balance at 31 December 2013	37,729,678	9,316,483	1,216	5,187
New Ordinary Shares issued in July 2014:				
Subscription	36,408,467	**-**	**364**	**182**
Placing	22,472,133	**-**	**225**	**112**
Conversion of the Loan Notes	15,223,601	**-**	**152**	**63**
Marine Mandate	5,333,333	**-**	**53**	**27**
Commission and other Re-admission fees settled in Ordinary Shares	2,749,985	**-**	**27**	**15**

Acquisition of Gold Hunter	13,277,838	-	**133**	**66**
Cost of capital raising, net of share based payments credits	-	-	-	**(246)**
Balance at 31 December 2014	**133,195,035**	**9,316,483**	**2,170**	**5,406**

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

17.3.1. The Subscription and Placing

On 4 July 2014 the Company's Ordinary Shares were re-admitted to trading on AIM. On that date the Company completed the Subscription of 36,408,467 new Ordinary Shares at £0.015 each and the Placing of 22,472,133 new Ordinary Shares at £0.015 each raising gross proceeds before issue expenses of £883,000. At the same time, the Company, by agreement with Marine, completed the final drawdown on the Third Loan Note providing additional funds of £42,000 bringing the total for The July 2014 Funding to £925,000 of new monies. Total fees and expenses incurred in connection with the Re-admission and The July 2014 Funding, including fees due to Marine under the Marine Mandate Agreement (refer below) were approximately £479,000 of which £121,000 was settled through the issue of 8,083,333 new Ordinary Shares, £112,000 represents the fair value of warrants issued to Allenby and Marine, and £246,000 was settled in currency. The total fees and expenses were allocated directly to equity or profit and loss where appropriate, with common fees and expenses allocated pro-rata to equity and profit and loss as more fully described in note 5.

17.3.2. Conversion of Loan Notes

On 4 July 2014, at Marine's election and in accordance with the terms of the Loan Notes (refer to note 16):

1. the First Loan Note, the Second Loan Note and the Third Loan Note were converted into new Ordinary Shares in the Company resulting in the issue of 15,223,601 new Ordinary Shares to extinguish the outstanding amounts on the Loan Notes, excluding accrued interest, of £215,000 at that date; and
2. the Company issued Marine with warrants over 7,880,596 new Ordinary Shares at a price of £0.01725 per Ordinary Share (being the price equal to the price at which new funds were raised under the Subscription and Placing plus 15%) for a period of three years.

17.3.3. Marine Mandate

On 4 December 2012, the Company had entered into an agreement with Marine under which the Company agreed (i) to pay a fee of £50,000 to Marine, and (ii) to issue 2,000,000 Ordinary Shares (as adjusted for the Share Consolidation) to Marine, if Marine introduced a project or transaction to the Company which resulted in:

a) the acquisition by the Company of an asset considered by the Board to be valued at £500,000 or more; or
b) a reverse takeover by the Company (as defined in Rule 14 of the AIM Rules).

Given the terms of the acquisition of Gold Hunter, the Company's obligations under this agreement with Marine were triggered at Re-admission. The Company issued an aggregate of 5,333,333 Ordinary Shares to Marine at the Subscription Price in settlement of such obligations being (1) 2,000,000 new Ordinary Shares contractually due and (2) 3,333,333 new Ordinary Shares through mutual agreement with Marine to pay the £50,000 referred to above in Ordinary Shares rather than in cash.

17.3.4. Acquisition of Gold Hunter

On 4 July 2014 the Company acquired the entire issued share capital of Gold Hunter SAC through the issue of 13,277,838 new Ordinary Shares in the Company, with a fair value on the date of issue of £199,000. Refer to note 12.

17.4. Share Premium reserve

The Share Premium reserve represents the premium over the nominal value of Ordinary Shares raised on the issue of Ordinary Shares by the Company, less expenses incurred directly in connection with the issue of new Ordinary Shares.

17.5. Currency translation reserve

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's non GBP functional currency entities are translated at exchange rates prevailing at the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of the transactions are used. Exchange differences arising are taken to the 'Currency translation reserve'.

18. SHARE-BASED PAYMENTS

18.1. Equity-settled share options and warrants

The Company and Group have two share option schemes for Directors and executives of the Group. Options and warrants over Ordinary Shares in the Company are also issued to Directors for services rendered and certain service providers. These instruments are not granted under the terms of the Share Plan. There are no share options in issue as at 31 December 2013 and 31 December 2014.

18.2. Charge in the period

The total charge recorded in profit and loss for share based payments in the year ended 31 December 2014 was £148,000 (31 December 2013: £76,000) of which £74,000 (31 December 2013: £69,000) arises in respect of the Directors Warrants (refer to note 18.4.3 below), £6,000 (31 December 2013: £7,000) arises in respect of the Allenby Warrants and the pro-rata allocation of the Allenby Re-admission Warrants (refer to note 18.4.2 below), £29,000 (31 December 2013: £nil) arises in respect of the Marine Consultancy Warrants, and £39,000 (31 December 2013: £nil) arises in respect of the allocation to profit and loss of expenses incurred in relation to the Re-Admission which were settled in Ordinary Shares. A further £185,000 (31 December 2013: £151,000) was charged to the Share premium account, representing £109,000 for the fair value of the Underwriting Warrants, the Marine Convertible Warrants and the pro-rata allocation of the Allenby Re-admission Warrants, and £76,000 for the allocation to profit and loss of expenses incurred in relation to the Re-Admission which were settled in Ordinary Shares (31 December 2013: incurred in respect of the Subscription for underwriting services provided by Marine (refer to note 18.4.1 below)).

18.3. Summary of share options and warrants accounted for as share based payments

Details of the number of Ordinary Shares that may be issued to satisfy warrants which are accounted for as share based payments are as follows:

	No.[1]	Weighted average exercise price GBp
At 1 January 2013	-	-
Granted in the period	10,100,000	4.822
At 31 December 2013	-	-
Issued in the period	**32,937,224**	**1.725**
Terminated in the period	**(10,100,000)**	**4.822**
At 31 December 2014[2]	**32,937,224**	**1.725**

(1) Where applicable, the number of Ordinary Shares that may be issued to satisfy warrants has been adjusted for the Share Consolidation (refer to note 17.1).

(2) As at 31 December 2014, all warrants are exercisable.

The outstanding and exercisable options and warrants and bonus shares that are accounted for as share based payments could result in the issue of new Ordinary Shares at the following prices:

			Total		Exercisable
Price – GBp	**Expiry**	**31 December 2014 No.**	**31 December 2013 No.**	**31 December 2014 No.**	**31 December 2013 No.**
0.5	8 January 2018	**-**	65,000,000	**-**	65,000,000
0.45	28 February 2018	**-**	36,000,000	**-**	18,000,000
0.1725	3 July 2017	**32,937,224**	-	**32,937,224**	-
		32,937,224	101,000,000	**32,937,224**	83,000,000

18.4. Warrants issued during the period

18.4.1. Warrants issued to Marine

On 4 December 2012, the Company entered into an underwriting agreement with Marine in accordance with which, on 28 February 2013, the Company issued Marine with the Underwriting Warrants, being 6,200,000 warrants (as adjusted for the Share Consolidation) over new Ordinary Shares. Each Underwriting Warrant conferred the right (but not the obligation) to subscribe for one new Ordinary Share prior to 8 January 2018 at a price of £0.05 per Ordinary Share (as adjusted for the Share Consolidation).

Pursuant to an agreement dated 6 June 2014, and conditional upon Re-admission, the Company agreed with Marine that with effect from Re-admission the Underwriting Warrants would be cancelled and replaced with 6,200,000 warrants over New Ordinary Shares exercisable at a price of £0.01725 per Ordinary Share (being the price equal to the price at which new funds were raised under the Subscription and Placing plus 15%) for a period of three years from Re-admission.

In addition, in June 2014, the Company entered into an agreement with Marine to (1) procure the services of Mr Peter Lalor to conduct due diligence on new projects and acquisitions, (2) review the Company's exploration and production programs, (3) assist the Board in all matters relating to exploration for and production of and marketing of minerals designated by the Company, (4) provide the Board with the benefit of his knowledge of the mining industry and (5) evaluate the performance of Global Pearl (and the Management Team) under the Global Pearl Consultancy Agreement, including monitoring when payment milestones have been achieved and when payments should be made as against the agreed budget. In consideration for providing these services to the Company, and following Re-admission, the Company granted Marine 4,000,000 warrants (the 'Marine Consultancy Warrants') to subscribe for new Ordinary Shares at a price of £0.01725 per Ordinary Share (being the price equal to the price at which new funds were raised under the Subscription and Placing plus 15%) for a period of three years.

Further, and in connection with the conversion of the Loan Notes (refer to note 16), the Company issued Marine with warrants over 10,109,440 new Ordinary Shares at a price of £0.01725 per Ordinary Share (being the price equal to the price at which new funds were raised under the Subscription and Placing plus 15%) for a period of three years (the 'Marine Convertible Warrants').

18.4.2. Warrants issued to Allenby

On 25 February 2013 the Company issued Allenby the Allenby Warrants, being 300,000 warrants (as adjusted for the Share Consolidation) over new Ordinary Shares, as part of the fee agreement between the Company and Allenby. The Allenby Warrants had the same terms as the Underwriting Warrants.

Pursuant to an agreement dated 6 June 2014, and conditional upon Re-admission, the Company agreed with Allenby that with effect from Re-admission the Allenby Warrants would be cancelled and replaced with 300,000 warrants over New Ordinary Shares exercisable at a price of £0.01725 per Ordinary Share (being the price equal to the price at which new funds were raised under the Subscription and Placing plus 15%) for a period of three years from Re-admission.

In addition to the above warrants, In addition the Company issued Allenby with warrants over 1,327,784 new Ordinary Shares, being equal to 1% of the Company's issued Ordinary Share capital immediately following Re-admission, exercisable at a price of £0.01725 per Ordinary Share (being the price equal to the price at which new funds were raised under the Subscription and Placing plus 15%) for a period of three years (the 'Allenby Re-admission Warrants').

18.4.3. Directors' Warrants

On 25 February 2013 the Company issued 3,600,000 warrants (as adjusted for the Share Consolidation) to the Directors (the 'Directors Warrants'), as follows:

a) Simon Hunt (through Cornerstone Capital Limited) – 2,000,000 warrants;
b) David Paull – 800,000 warrants; and
c) John Molyneux – 800,000 warrants.

Each Directors Warrant conferred the right (but not the obligation) to subscribe for one Ordinary Share prior to 28 February 2018 at a price of £0.045 (as adjusted for the Share Consolidation). Half of the Directors Warrants could only be exercised if, in addition, (i) the Company has first completed either a reverse takeover (as defined in Rule 14 of the AIM Rules) or acquired an asset valued in excess of £500,000 (at the date of the acquisition), and (ii) the 30-day average VWAP of the Ordinary Shares (as calculated in accordance with the warrant instrument) is equal to or in excess of £0.0625 pence per share at the time of exercise (as adjusted for the Share Consolidation).

Pursuant to an agreement dated 6 June 2014, and conditional upon Re-admission, the Company agreed with each of the Directors that with effect from Re-admission the Directors Warrants would be cancelled and replaced with 9,000,000 warrants over new Ordinary Shares exercisable at a price of £0.01725 per Ordinary Share (being the price equal to the price at which new funds were raised under the Subscription and Placing plus 15%) for a period of three years from Re-admission (the 'New Directors Warrants'), allocated as follows:

a) Simon Hunt (through Cornerstone Capital Limited) – 5,000,000 warrants;
b) David Paull – 2,000,000 warrants; and
c) John Molyneux – 2,000,000 warrants.

In addition, 2,000,000 warrants were issued to Andrew Richards with effect from Re-admission, with the same terms as the New Directors Warrants.

18.5. Fair value

The cancellation and replacement of the Underwriting Warrants, the Allenby Warrants and the Director Warrants has been accounted for as a modification to the terms of those warrant instruments. Accordingly, the fair value of the modified instruments has been determined at the date of effective modification (being the Re-admission date) and compared to the fair value, at that date, of the instruments had they not been modified. The difference has been expensed immediately to profit and loss for the Allenby Warrants and the Director Warrants, and to Share Premium for the Underwriting Warrants. This reflects the fact that all service vesting conditions have been met and the nature of the services provided.

The fair value of the Marine Consultancy Warrants, the Marine Convertible Warrants and the Allenby Re-admission Warrants has been determined at the date of grant (i.e. the Re-admission date) and expensed immediately to the Share Premium account for the Marine Convertible Warrants, to profit and loss account for the Marine Consultancy Warrants and pro rata allocated between profit and loss and Share Premium for the Allenby Re-admission Warrants. This reflects the fact that all service vesting conditions have been met and the nature of the services provided.

The fair value of the all of the warrants granted, or modified, in the year, and the fair value of the Director's Warrants immediately under the original conditions, has been determined using a Black-Scholes valuation model with the following inputs:

	Warrants granted or modified	**Directors' Warrants under original conditions**
Weighted average share price – GBp	**1.60**	**5.00**
Weighted average exercise price – GBp	**1.73**	**1.60**
Expected volatility - %[2]	**70.9**	**89.1**
Expected life – years[1]	**3**	**1.65**
Risk free rate - %	**1.49**	**0.91**
Expected dividend yield - %	**-**	**-**

(1) Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions and behavioural considerations.

(2) The volatility assumption has been determined based on the historical volatility of the Company's Ordinary Share price, where applicable adjusted for periods of abnormal volatility.

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

19.1. Financial risk management objectives

The Company and Group manage the risks arising from their operations, and financial instruments at Board level. The Board has overall responsibility for the establishment and oversight of the risk management framework and to ensure that the Company and Group have adequate policies, procedures and controls to manage successfully the financial risks that they face.

While the Group does not have a written policy relating to risk management of the risks arising from any financial instruments held, the close involvement of the Executive Chairman in the day to day operations of the Group ensures that risks are monitored and controlled in an appropriate manner for the size and complexity of the Group. Financial instruments are not traded, nor are speculative positions taken. The principal risks that the Group faces as at 31 December 2014 and 31 December 2013 with an impact on financial instruments are summarised below.

19.2. Risk exposure

The principal risks arising from financial instruments that affect the Group and Company are credit risk on its balances held at bank and liquidity risk. The Group and Company have no significant exposure to market risk, where market risk is the risk that changes in interest rates, foreign exchange rates, equity prices and other rates, prices, volatilities, correlations or other market conditions, will have an adverse impact on the Group and Company's financial position or results.

19.2.1. Credit risk

The Group and the Company's principal financial assets are bank balances and cash, and recoverable VAT assets. In addition the Company has receivable balances from its subsidiary companies. The Group and Company has two significant concentrations of credit risk being (1) cash balances held with its bank and, (2) recoverable VAT assets from Her Majesty's Revenue and Customs in the United Kingdom. Credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. Credit risk on VAT recoverable assets is limited because of the credit standing of the counterparty. The Company has further concentration of credit risk on its balances with its subsidiary companies – the Company does not hedge this risk which is considered limited as the Company controls its subsidiaries.

19.2.2. Liquidity risk and managing capital

Liquidity risk is the risk that the Company and Group will not be able to meet their financial obligations as they fall due. The Company raises funds as and when required on the basis of forecast expenditure and inflows. When funding is required, the Company balances the costs and benefits of equity and debt financing. When funds are received they are deposited with banks of high standing in order to obtain competitive market interest rates. The Company aims to optimise the Group's capital structure by holding an appropriate level of debt relative to equity in order to maximise shareholder value. The appropriate level of debt is set with reference to a number of factors and financial ratios including expected operating and capital expenditure cash flows, contingent liabilities and the level of unrestricted cash as well as the general economic environment. The Company aims to control its capital structure by issuing new Ordinary Shares and raising debt finance to the extent that it is possible on commercially acceptable terms. The Group's developing nature and the economic conditions prevailing are restricting the Company's ability to raise traditional

bank debt finance and exert any significant degree of control over its gearing ratio. As a result, the Company is currently financed exclusively from equity.

As at 31 December 2014, the Group and Company have limited liquidity risk with net current assets in excess of the current and short term forecast cash requirements. The Group and Company's liabilities are due as follows:

	Group		Company	
	2014	2013	**2014**	2013
	£'000	£'000	**£'000**	£'000
1 month	**77**	21	**58**	21
2 to 3 months	**-**	-	**-**	-
3 to 6 months	**3**	26	**3**	26
	80	47	**61**	47

Note 3.2.1.1 provides further information on the planned future liquidity and the Going Concern basis of the Company and Group.

19.2.3. Currency risk

On its on-going trading activities the Company and Group undertake a small number of transactions in currencies other than GBP but there is limited currency risk. At the end of both periods presented, all of the Group's material financial assets and liabilities are denominated in the functional currency of the relevant group entity and accordingly the Group has no material exposure to currency risk. The Company's balance receivable from subsidiary undertakings is denominated in US$ and accordingly the Company is subject to currency risk on fluctuations in the US$ to GBP exchange rate on this balance. As at 31 December 2014, a 10% increase / decrease in the US$ to GBP exchange rate would result in a foreign exchange loss / gain of £16,000 and a corresponding decrease / increase in equity of £16,000.

19.2.4. Interest rate risk

Interest rate risk arises when interest rates move. Neither the Group nor the Company have any interest bearing borrowings (refer to note 16 for details on the Company's convertible loan notes outstanding during the year). The Group and Company hold cash balances on deposit but do not hedge or fix these rates given the scale and nature of the Group and the Company's operations. All amounts are carried at amortised cost, and, other than cash in hand, are interest bearing assets, with interest rates arranged with counterparty financial institutions based on commercial negotiations, reflecting the term, currency and amount of each deposit. As at 31 December 2014 and 31 December 2013 all bank balances were held in current accounts or deposit accounts with a maturity of less than one month. Interest income or expense and the related changes in interest rates are accordingly insignificant to the carrying value of the Company and Group's financial instruments and interest rate risk is not material to the Company or Group.

19.3. Categories and classes of financial instruments

19.3.1. Financial assets

The Group's financial assets comprise the amounts disclosed in the Statement of Financial Position as 'Cash and cash equivalents' and 'Other receivables'. The Company has further financial assets in the balance of 'Amounts due from subsidiary undertakings'. Based on the application of the accounting policies with respect to financial instruments, these financial assets are accounted for as loans and receivables. The financial assets are considered one class of financial instrument based on the risk profile to which they expose the Company and Group, being credit risk. The maximum exposure to credit risk is the carrying value of the class. Further details are provided in note 19.2.1. None of the Group's and Company's financial assets are past due, or impaired, nor has the Group or Company provided against any financial assets.

19.3.2. Financial liabilities

The Company's and Group's financial liabilities comprise the amounts disclosed in the Statement of Financial Position as 'Trade and other payables' and 'Convertible loan notes'. Based on the application of the accounting policies with respect to financial instruments, these financial liabilities are accounted for as financial liabilities at amortised cost.

'Trade and other payable' are considered one class of financial instrument based on the risk profile to which they expose the Company and Group, being liquidity risk. Further details are provided in note 19.2.2.

'Convertible loan notes' were considered a separate class of financial instrument. While in legal form a liability of the Company and Group which exposed the Company and Group to liquidity risk, the Directors considered this class of financial instrument to be similar to equity because it was provided by Marine, the Company's largest shareholder, with which the Company maintains good working relationships. This was corroborated in the year ended 31 December 2014 when Marine converted the balance due on the Convertible loan notes into new Ordinary Shares.

19.3.3. Fair value of financial assets and financial liabilities

The carrying amount of the Company's and Group's financial instruments approximates to their fair value due to their short maturity.

20. ACQUISITION OF GOLD HUNTER

On 4 July 2014 and pursuant to a sale and purchase agreement dated 2 June 2014 and Re-admission, the Group acquired 100 per cent of the issued share capital of Gold Hunter S.A.C.. Gold Hunter is registered and operates in Peru, and was acquired to provide the Group with access to the Pampamali Project through the Farm In agreement between Gold Hunter, Compania Minera Pampamali ('CMP'), H&P Contratistas Mineros S.A.C. ('H&P'), American Gold S.A.C. and Sociedad Minera de Responsbilidad Limitada Desiree (collectively the 'Farm In agreement parties'). Gold Hunter was established by Global Pearl for the sole purpose of entering into the Farm In agreement and as at 4 July 2014 had no assets or liabilities, other than the right to participate in the Pampamali project through the Farm In agreement (refer below). The consideration paid for the acquisition of Gold Hunter was 13,277,838 new Ordinary Shares in the Company which, at the acquisition date, had a fair value of £199,000 based on the market price of the Company's Ordinary Shares on Re-admission, being a Level 1 fair value measurement in the IFRS 13 fair value hierarchy. For Group purposes, this fair value is reported within Exploration and Evaluation Assets which, as at 31 December 2014, relate solely to Project Pampamali. There were no direct cash flows pertaining to the acquisition of Gold Hunter.

Gold Hunter contributed £13,000 (2013: £nil) to the Group's loss for the period. Had the acquisition been completed on 1 January 2014, the contribution would have been unchanged.

The acquisition of Gold Hunter was completed in connection with the Re-admission. The direct acquisition costs of Gold Hunter were immaterial. The aggregate costs related to Re-admission are disclosed in note 5.

The Farm In agreement

The Farm In agreement provides Gold Hunter with the right, but not the obligation, to obtain an interest in the Pampamali Project. The Farm in agreement was renegotiated by the Group in March 2014.

Under the terms of the initial Farm In agreement and in the first year, Gold Hunter was granted the right to earn a 20 per cent. interest in the mining concessions comprising the Pampamali Project. To exercise this option, Gold Hunter was required to pay $40,000 to CMP and H&P (which was paid during the year) and incur aggregate expenditure of not less than $150,000 during the first year of operations, to include at least one thousand metres of drilling. If and when this option was exercised, Gold Hunter was required to make payments of in aggregate a further $100,000 to CMP and H&P to acquire the 20 per cent. interest. This interest would be acquired and held through a joint venture company which would be established at this time for this purpose ('HOLDCO'). The option would terminate if Gold Hunter did not exercise it within the specified period or if it is otherwise terminated by Gold Hunter in accordance with the Farm In Agreement; Gold Hunter could terminate the mining option on giving notice at any time before HOLDCO is incorporated. In the second year, and subject to exercising the first year option, Gold Hunter would, during a period of one year from the date on which the Pampamali Project concessions were transferred to HOLDCO, have the right but not the obligation to earn a further 31 per cent. interest in HOLDCO, taking its aggregate interest in HOLDCO to 51 per cent. To acquire this additional interest, Gold Hunter would have been required to carry out works of at least $500,000 on the Pampamali Project during the option period and pay CMP and H&P in aggregate $200,000 upon exercise of the option.

Due principally to delays in completing the necessary environmental impact assessment, reflecting delays in obtaining the necessary community approvals to permit access by the Group, the drilling activities have not yet started. Due to this, and other factors, the Farm In agreement was amended in March 2015. Under the Farm In agreement (as amended), Gold Hunter has the option to acquire a 51% in HOLDCO in one step by paying to the CMP and H&P $90,000 and agreeing to take on the obligation to pay $34,000 by way of outstanding 2014 tenement costs. This is in addition to showing that it has incurred at least $150,000 in expenditure on the project but without the commitment for one thousand metres of drilling. Once Gold Hunter owns 51% of HOLDCO it has the option to acquire an additional 49% on completion of a feasibility study and a payment of $1,500,000 to CMP and H&P as before.

Gold Hunter will be the operator at the Pampamali Project concessions during the period covered by the Farm In agreement (as amended) afterwards so long as it is the largest shareholder in HOLDCO. If Gold Hunter, CMP or H&P wishes to dispose of an interest in the JV Agreement or shares in HOLDCO, it must first give the others a right to purchase before offering such interest or shares to any third party. Should CMP's, Gold Hunter's or H&P's shareholding in HOLDCO fall below five per cent., that shareholder shall be deemed to have transferred its shares in HOLDCO to the other shareholders pro rata to their respective holdings and in return it will receive a net smelter royalty. The royalty is for one per cent. of gross proceeds received from the sale of minerals less any deductions for the costs associated with further processing of those minerals. In the event that more than one party becomes entitled to the royalty, the aggregate amount of the royalty will remain at one per cent. and it will be shared between those parties pro rata to their respective shareholdings in HOLDCO before they transferred them.

21. RELATED PARTIES

21.1. Subsidiary undertakings

Details of the Company's subsidiary undertaking are provided in note 12.

21.2. Remuneration of key management personnel

Remuneration of key management personnel of the Company and Group, which comprise the Directors of the Company, is provided in note 7. Details of warrants issued to the Directors' are provided in note 18.

21.3. Other transactions with related parties

Trading transactions

The Company paid £61,000 (2013: £37,000), by way of salary and fees for Mr S Hunt's services under an agreement with Cornerstone Capital Limited ('Cornerstone'), a company in which Mr S Hunt is a shareholder and a director. The contract is based on normal commercial terms. As at 31 December 2014, the Company owed Cornerstone Capital Limited £4,000 (2013: £nil).

The Company paid £8,000 (2013: £nil) to ARC Resources (Pty) Ltd for geological services rendered in connection with the Pampamali project, and £6,000 (2013: £nil) for the re-imbursement of expense incurred. ARC Resources (Pty) Ltd is a company in which Mr A Richards is a shareholder and director. The transaction was on normal commercial terms. The balance due to ARC Resources (Pty) Ltd at the period end was £2,000.

Loans and Subscription of Ordinary Shares

There are no outstanding loans granted or guarantees provided by the Company to or for the benefit of any of the Directors, nor are there any outstanding loans or guarantees provided by the Directors to or for the benefit of the Company.

During the year and as more fully described in notes 16 and 17, Marine subscribed for £190,000 of Convertible Loan Notes under the Second and Third Loan Notes. Collectively with the First Loan Note, £215,000 outstanding under the Loan Notes were converted into 15,223,601 new Ordinary Shares on 4 July 2014. As at 31 December 2014, £3,000 is outstanding to Marine in respect of interest due in cash on the Loan Notes. In addition to the conversion of the Loan Notes, Marine subscribed for an additional 1,000,000 new Ordinary Shares for £15,000, and the Diana Lalor Superannuation Fund subscribed for an additional 666,667 new Ordinary Shares for £10,000 in the July 2014 Subscription. Diana Lalor is a close family member of Peter Lalor who controls Marine. Further, the Company issued the Marine Consultancy Warrants and the Marine Convertible Warrants, as well as modifying the terms of the Underwriting Warrants, with a collective fair value of £115,000 (refer to note 18). During the financial year ended 31 December 2013, Marine subscribed for 107,631,944 new Ordinary Shares in the Company in exchange for cash consideration of £108,000. In addition Marine provided £26,000 of funding to the Company through the subscription of the Loan Note. Fees due to Marine in connection with the Subscription and the Loan Note totalled £16,000 which were settled in currency. As further consideration for the underwriting of the Subscription, Marine was issued with 62,000,000 Underwriting Warrants, with a fair value at the date of issue of £151,000.

In July 2014 and as part of the Subscription, Mr Simon Hunt, Mr J Molyneux, Mr D Paull and Mr A Richards subscribed for respectively 433,333, 22,500,000, 1,278,599 and 350,000 new Ordinary Shares.

22. 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.

23. EVENTS SUBSEQUENT TO THE BALANCE SHEET DATE

Since the balance sheet date, Gold Hunter entered into the Farm In agreement (as amended) as described more fully in note 20

'2014 Financial Statements'	the Group and Company audited financial statements for the year ended 31 December 2014;
'AIM'	the market of that name operated by the London Stock Exchange;
'AIM Rules'	the rules which set out the obligations and responsibilities in relation to companies whose shares are admitted to AIM as published and amended from time to time by the London Stock Exchange;
'Allenby'	Allenby Capital Limited, the Company's nominated advisor and broker;
'Allenby Re-admission warrants'	warrants issued to Allenby over 1,327,784 new Ordinary Shares as more fully described in note 18.4.2;
'Allenby Warrants'	warrants issued to Allenby over 300,000 new Ordinary Shares as more fully described in note 18.4.2;
'Bankable Feasibility Study'	a study completed in accordance with industry standards that is of a standard suitable to be submitted to a financial institution as the basis for lending of funds for the development and operation of the mine contemplated in the study and is capable of supporting a decision to commence mining operations;
'Board' or 'Directors'	the directors of the Company;
'Company' or 'Hunter'	Hunter Resources PLC;
'Deferred Shares'	Deferred shares of £0.009 each in the share capital of the Company, or, following the Share Consolidation, Deferred shares of £0.09 each in the share capital of the Company;
'Directors Warrants'	warrants issued to the Directors over 11,000,000 new Ordinary Shares as more fully described in note 18.4.3;
'Farm In agreement'	the agreement dated 26 May 2014, full details of which are provided in the Admission Document dated 6 June 2014) and note 20;
'Farm In agreement (as amended)'	the Farm In agreement as amended in March 2015, full details of which are provided in note 20;
'First Loan Note'	the £26,000 loan note issued by the Company to Marine, further details of which are provided in note 16.2.1;
'Global Pearl'	Global Pearl Limited, a company incorporated in the British Virgin Islands, with company number 1744814 and controlled by the Management Team;
'Gold Hunter'	Gold Hunter S.A.C., a company incorporated in Peru with certificate number 13164856;
'Group'	the Company and its subsidiary undertakings;
'Interim report'	the Interim financial statements, collectively with the Report of the Executive Chairman;
'JORC Code'	'The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' published by the Australasian Joint Ore Reserves Committee;
'July 2014 Funding'	the new funding obtained by the Company in July 2014 through the Subscription, Placing and final drawdown on the Third Loan Note;
'Loan Notes'	collectively the First Loan Note, the Second Loan Note and the Third Loan Note;
'Management Team'	the Global Pearl team comprising David Fowler, Sam Pierce and Tim Adams (further details of whom are given in the Admission Document dated 6 June 2014);
'Marine'	Marine Investments (WA) Pty Limited, a company incorporated in Western Australia, with (ABN number 57 315 206 483);
'Marine Consultancy Warrants'	warrants issued to Marine over 4,000,000 new Ordinary Shares as more fully described in note 18.4.1;

'Marine Convertible Warrants'	warrants issued to Marine over 7,880,596 new Ordinary Shares as more fully described in note 18.4.1;
'Ordinary Shares'	ordinary shares of £0.001 each in the share capital of the Company, or, following the Share Consolidation, ordinary shares of £0.01 each in the share capital of the Company;
'Pampamali Project'	the 8 Pampamali mineral exploration concessions located in central Peru in the department of Huancavelica;
'Placing'	the July 2014 placing of 22,472,133 new Ordinary Shares at 1.15 pence per new Ordinary Shares, such new Ordinary Shares admitted to trading on AIM on 4 July 2014;
'Re-admission'	re-admission of the Company's Ordinary Shares to trading on AIM becoming effective in accordance with Rule 6 of the AIM Rules, on 4 July 2014;
'Second Loan Note'	the £100,000 loan note issued by the Company to Marine, further details of which are provided in note 16.2.2;
'Share Consolidation'	the one for ten consolidation of the Company's Ordinary Shares and Deferred Shares, effective 30 June 2014;
'Shareholders'	holders of the Company's Ordinary Shares and / or Deferred Shares;
'Subscription'	the July 2014 subscription of 36,408,467 new Ordinary Shares at 1.15 pence per new Ordinary Shares, such new Ordinary Shares admitted to trading on AIM on 4 July 2014;
'Third Loan Note'	the \$150,000 loan note issued by the Company to Marine, further details of which are provided in note 16.2.3;
'Underwriting Warrants'	warrants issued to Marine over 6,200,000 new Ordinary Shares as more fully described in note 18.4.1;