Orogen Gold plc

Annual Report
for year ended
31 December 2015

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CHAIRMAN'S STATEMENT

An initial bull run in gold at the beginning of 2015 quickly ran out of steam and by the end of the year it was trading around its lowest level since late 2009, with other commodities being hit even harder. However, we saw welcome signs of a recovery in the price of gold in late 2015 and continuing into 2016, with the bullion price rallying some $200.

With the uncertainty in the price of gold, we sought to conserve cash reserves as much as possible and to focus our expenditure on the promising Mutsk gold project in Armenia. We also welcomed Mr Colin Bird to the Board as CEO, with a view to positioning the Company to take advantage of project opportunities resulting from the recent difficult market conditions.

Mutsk, Armenia

The development of the mining industry in Armenia was given a boost towards the end of 2015 after our neighbour, Lydian International announced $325m of construction financing for its Amulsar Gold mine just north of our Mutsk project, with construction expected to commence in 2016. Our optimism on Mutsk was given a further boost early in the year after an independent geological review concluded that this is a large hydrothermal system of which only a small portion has been explored to date. The report added that 2014 drilling indicated potential for higher grade mineralized zones.

Mutsk is proving to be a potentially large, shallow, low-medium grade gold discovery, with some similarities to the Amulsar project, requiring further exploration and drilling to bring it to resource stage. Following thorough review and modelling of the deposit we recommenced drilling in the third quarter and succeeded in locating some higher than average grades as well as demonstrating that the gold zones remain open in several directions.

Deli Jovan, Serbia

As indicated in the Interim Report, continuity of the gold-bearing veins at Deli Jovan has proven difficult to establish and further detailed infill drilling would be required to demonstrate continuity. With significantly more encouraging results from the Mutsk project, Orogen, together with our partners at Deli Jovan, sought to find a new partner to take on the work on the project. Given the weak commodity market, no suitable partner could be found so the decision was made to withdraw from the project.

Corporate

In the third quarter, highly experienced mining engineer Colin Bird accepted our invitation to become Chief Executive Officer and Ed Slowey assumed the role of Operations Director allowing him more time to manage the extensive amount of data on our projects and possible new targets. Despite continuing difficult stock market conditions we also managed to bulk up our cash reserves with a £450,000 placing in the third quarter.

Post Year End

Recently we announced the expansion of our portfolio with an exclusive agreement signed with AIM listed Galileo Resources where Orogen has the right to earn-in to a 51% stake in Galileo's Silverton gold-silver project in Nevada by spending $400,000 within 18 months. This project compliments the Mutsk property and provides investors with a balanced gold/exploration portfolio.

Outlook

A steady rise in the gold price so far this year is encouraging though as we saw last year that situation can turn very quickly. As such we are determined to utilise our cash reserves in the most efficient way possible while at the same time growing our understanding of our high potential projects on both sides of the Atlantic.

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Adam Reynolds
Chairman

Date: 6 May 2016

STRATEGY AND OBJECTIVES

The principal activity of Orogen Gold plc ("Orogen" or the "Company") is the development of mineral exploration and production projects, with an emphasis on gold exploration and project development. Orogen's strategy is to acquire prospective early-stage growth opportunities at a low entry cost. The three steps in the Orogen strategy are to:

(1) Identify and secure low entry cost gold projects,
(2) Undertake an efficient cost controlled programme of project evaluation and appraisal,
(3) Move to establish gold resources at an early stage and/or seek a mining partner to take the project forward towards production.

Orogen currently operates the Mutsk Gold Project ("Mutsk"), which is located in the Syunik Province in southern Armenia, 210km southeast of the capital city Yerevan. Orogen has an exclusive Joint Venture agreement with Georaid CJSC ("Georaid"), an Armenia registered company, to earn an 80% interest in Mutsk by incurring a total of US$2.5m in exploration expenditure on the project by the end of August 2016. Orogen's work to date at Mutsk has delineated a gold deposit in two zones within a 2.5km x 1km area of hydrothermal alteration. Further drilling and follow-up work is required to bring the project to resource status.

In April 2016, the Company signed a term sheet with Galileo Resources plc to earn a minimum 51% interest in the Silverton gold-silver project in Nevada, USA ("Silverton"). Orogen will focus initially on drilling a shear zone that may contain high grade gold and silver deposits, while also reviewing the potential for large, lower grade gold and silver resources within the wider property area.

REVIEW OF BUSINESS

Mutsk Gold Project

Orogen has discovered a new, low-sulphidation epithermal gold deposit through its exploration at Mutsk. The alteration and pyrite mineralisation 'footprint' is substantial, covering an area of at least 2.5km x 1km. This confirms that there has been a large hydrothermal system operating at Mutsk. Gold mineralisation discovered so far appears to be focussed on a north-south trending structure, which locally contains high grades up to 10g/t Au. However, the bulk of the gold occurs at lower grades within hydrothermally altered and brecciated andesitic volcanics peripheral to this structure.
So far two distinct gold-bearing zones have been identified covering a minimum strike length of 550m. The intervening area between the zones appears relatively unaltered and unmineralised, with probable cross-cutting faulting.

The occurrence of gold in several distinct zones within the overall target area is quite typical for such deposits and the nearby Amulsar deposit shows similar characteristics. Amulsar now has a total resource of 5Moz Au and targeted production of 200,000 ounces annually with an average grade of 0.78g/t Au. Lydian International plans to commence construction at Amulsar in Spring 2016 – this will represent the first new gold mine development in Armenia under the current mining regulations.

At Mutsk, gold grades within the wider mineralised sections generally range from 0.5-2.0g/t, averaging close to 1g/t Au, with some higher grade intervals – see examples from Table 1 below - including holes 46 and 47 from the 2015 drilling programme. Many of the intervals are from shallow depths.

Table 1 - Mutsk diamond drilling - selected gold assay intervals*					
Hole No.	**Hole direction**	**From (m)**	**To (m)**	**Interval (m)**	**Au g/t**
OG13-01	Vertical	37.00	48.00	11.00	5.56
OG14-25	-50 degrees to E	108.00	132.00	24.00	1.25
OG14-27	-50 degrees to E	12.00	72.00	60.00	1.21
incl.		19.00	29.00	10.00	3.11
OG15-46	-50 degrees to E	29.00	50.00	21.00	2.68
OG15-47	-50 degrees to E	20.00	42.40	22.40	1.08
incl.		20.00	26.20	6.20	2.17
and		36.00	43.00	7.00	1.53

* Downhole intervals reported - true widths to be confirmed; OG13-01 may be drilled along a high-angle structure

The 2015 drilling programme succeeded in confirming potentially significant extensions to the previously discovered gold zones. In the northern zone, OG15-46 provided lateral dimension to the gold intercepts on profile 3950N, as well as intersecting higher than average grades. In the main zone, OG15-47 demonstrated that alteration and gold mineralisation continues to the south where it remains open. OG15-48 confirmed extension of the main zone to the east, beyond any hole previously drilled. While the intercepts in this hole were limited in scale and grade, this could represent an important continuation of the target zone to the east, beyond what had previously been understood to be a north-south trending boundary structure.

Encouragingly, an initial core sample tested by SGS Mineral Services for gold deportment in 2015 suggested that the gold is potentially recoverable by standard processes.

Deli Jovan Gold Project

It has been concluded that the individual gold-bearing veins at Deli Jovan, while high grade in places, are not sufficiently continuous to be amenable to economic evaluation and mining at current gold prices. The exploration data was reviewed by several interested parties during 2015 with a view to a farm-in or purchase arrangement, but no firm proposal was forthcoming. Orogen considers that it has better options available to it at Mutsk and elsewhere and therefore it has been decided to terminate the project and relinquish the exploration permit.

Financial

The loss for the year amounted to £890,000 (2014: £1,859,000). The loss for the year comprises an impairment charge of £534,000 (2014: £1,318,000), general and administrative expenses of £356,000 (2014: £548,000), share based payment charge of £5,000 (2014: nil) and finance income of £5,000 (2014: £7,000). The impairment charge is as a result of a review performed on the carrying value of the exploration and evaluation assets related to the Deli Jovan Gold Project.

FUTURE DEVELOPMENTS

Silverton, Nevada

In April 2016, Orogen Gold, announced that it had signed an exclusive Term Sheet with Galileo Resources Plc, a UK AIM-listed company, covering a highly prospective epithermal gold-silver project at Silverton in Nevada, USA, which is one of the best-endowed gold districts in the world.

Orogen will have an exclusive right to earn an initial 51% interest in the Silverton project over the 6km² claim area through exploration spend of US$400,000 over 18 months. Subsequently the Company can earn an additional 24% interest in the project through an additional exploration spend of US$1.5 million over a further 30 month period.

Based on analogy with other gold-silver deposits in the Nevada region, the project has potential for discovery of zones of high grade structurally-hosted gold-silver mineralisation and/or a large, low grade, open-pittable deposit.

The property is located in Nye County in the Basin and Range structural province of east-central Nevada, with ready access from the Ely-Tonopah highway. Mineralization and hydrothermal alteration at Silverton occurs in narrow, steep-to-shallow dipping veins and horizons, as well as disseminated in porous and permeable rhyolite tuffs. Surface rock chip sampling shows widespread low-order gold mineralisation over several square kilometres. Historic non-core drilling at Silverton also cut extensive low-grade gold intervals, much of it at shallow depths. However, several zones in excess of 1g/t Au were intersected, such as 15.24m @ 1.05g/t Au (hole 88-13), 7.62m @ 2.29g/t (hole S-3), 10.66m @ 1.10g/t Au (hole S-11) and 1.52m @ 5.97g/t Au (hole S-4).

In addition, in the south of the property, a one kilometre north-south zone along the Silverton Shear with a 0.1-1.5g/t Au anomaly at surface remains untested by drilling. Vertical drill holes marginal to the shear reportedly returned several gold and silver-mineralized intervals, including 10.67m @ 1g/t Au (hole 81-10) from 79.2-89.9m depth. Shallow holes 81-12 and 81-13 also both bottomed in gold mineralisation. In addition, several strong silver intercepts are recorded up to 604g/t Ag over 1.52m from 18.29m to 19.81m depth in hole 81-12 and 280g/t Ag over 3.04m from 1.52m to 4.57m depth in hole 81-5. Small scale mining was carried out here from 1930 to 1937 and in 1953. Total production for the district is reported as <100,000oz silver, <2,000oz gold and <1 ton of antimony.

The Silverton Shear Zone represents a particular target of interest to Orogen. The Company plans to complete due diligence and to prepare a programme of drilling of angled holes to test the shear and vein system for high grade gold-silver beneath and along strike from the workings.

Mutsk Gold Project

Orogen will continue to advance the Mutsk project, with the aim of completing earn-in to an 80% interest in the property during 2016. The work plan proposed for 2016 includes further drilling to extend the footprint of the known mineralisation as a step towards building an initial mineral resource. Particular attention will focus on the southern and eastern margins of the main gold zone which currently remain open. Further drilling will also seek out pockets of higher grade gold, including extensions to the OG15-46 intercept in the northern zone.

Deli Jovan Gold Project

It has been concluded that the individual gold-bearing veins at Deli Jovan, while high grade in places, are not sufficiently continuous to present an economic mining opportunity at current gold prices. The exploration data was reviewed by several interested parties during 2015 with a view to a farm-in or purchase arrangement, but no firm proposal was forthcoming. Orogen considers that it has better options available to it and therefore it has decided to terminate the project and relinquish the exploration permit.

KEY PERFORMANCE INDICATORS

The key indicators of performance for the Group is its success in identifying, acquiring and developing and divesting of investment in exploration projects so as to create shareholder value. The Group carries out its operations by way of execution of operational plans that are approved and budgeted in advance by the Board. Operational progress is reviewed by the Board on a regular basis and actual costs are compared to budgets.

Control of bank and cash balances is a priority for the Group and these are budgeted and monitored closely to ensure that the Group maintains adequate liquidity to meet financial commitments as they arise. At 31 December 2015 the Group held £921,000 of cash resources.

The Company initially secured an exclusive option to earn-in the Mutsk Gold Project in January 2013 and has subsequently signed a full joint venture earn-in agreement in February 2014. During the current year the Company incurred £266,000 of exploration costs on Mutsk. The Company remains on track to complete the project earn-in by incurring US$2.5m of exploration expenditure on the project by 20 August 2016. At year-end 2015, approximately 89% of qualifying earn-in expenditure has been incurred.

PRINCIPAL RISKS AND UNCERTAINTIES

The Group considers that the principal risks to the achievement of its business plans are as follows:

Operational

In common with other businesses operating in gold exploration, the Group's activities are speculative and are inherently subject to a high degree of risk.

The Group's operational work involves geological exploration and the implementation of geological work programmes. Interpretation of the results of these programmes is dependent upon judgements and assessments that by their very nature are speculative; these interpretations are applied in designing further work programmes to which the Group can commit significant resources. Work programmes often involve excavation of former mine workings, drilling operations and other geological work that present significant engineering challenges which are subject to unexpected operational problems. The actual cost of programmed operations can vary significantly from planned levels as a result of unexpected issues arising.

Climate

The Group's activities take place in remote locations that can be subject to severe climate events, particularly during the winter season. Severe winter weather can cause delays in implementation of planned programmes and can have cost consequences in recovering from damage caused by climatic events.

Political, economic, legal, regulatory and social

The Group operates in different countries where political, economic, legal, regulatory and social uncertainties are potential risk factors. The Group has restricted its activities to Europe and the USA where such risks could be considered to be less than in many developing countries in other parts of the world.

Tax risk
The Group endeavours to be fully tax compliant and to manage its tax affairs efficiently in every jurisdiction in which it operates. In a complex and ever changing taxation environment, some uncertainty is inherent in estimating the Group's liabilities. The Group is exposed to changes in legislation and interpretation of existing policies across the countries in which operations take place. The Company exercises judgement in assessing the required level of provision for taxes arising.

Organisational
The Group is dependent on the experience and skills of the Directors and senior management to successfully execute its strategy; the loss of such key contributors would present a risk to the business. Staffing levels and development of business processes and policies are kept under regular review to ensure that they are appropriate and adequate for the scale and growth of the Group's business.

Financial
The Group's projects are at an early stage and currently do not generate any cash flow to support the exploration activities. The valuation and future earnings of the Company are exposed to movements in the market price of gold which is sold in US$. Orogen is also subject to exchange rate risk with the Company's accounts in GBP while the Company's projects require funding in US$. The operating entities of the projects to which Orogen has earn-in agreements incur substantial costs in Armenian Dram and in US$.

Insurance
The Group has in place insurance protection, including a directors and officers liability policy, to insure against risks of loss where management deems appropriate and cost effective; however in some cases risks cannot be effectively covered by insurance and the cover in place may not be sufficient to cover the extent of potential liabilities.

Health and safety
Health and safety of all those working in and visiting the Group's installations is a priority. The Group's operations can take place in dangerous environments particularly where underground mining and exploration activities are being pursued. The Group has in place a comprehensive health and safety policy alerting all concerned to the risks involved and to the required precautions that staff and visitors to the Group's operations must take. Staff and authorised visitors are only permitted access to underground facilities when safety inspection has been completed and certificates issued by the appropriate and competent authority.

Environment and community
The Company recognises its social responsibilities and seeks to adopt the best contemporary practice applicable to each country and region of operation. To ensure this standard is met the Company aims to:

- plan and conduct exploration activities in a manner that complies with legislation pertaining to the protection of the environment and employees;
- in the absence of legislation, apply best contemporary practice relating to the protection of the environment;
- undertake internal environmental reviews associated with operational fieldwork;
- train staff to apply best contemporary practices;
- engage in research to study the impact of mining activities on the locality and implement technologies that are environmentally friendly;
- participate in the development of environmental legislation to ensure a balance is attained between protecting the environment and developing practical laws;

- inform government, employees, local communities and other stakeholders of our activities, and encourage joint venture partners and suppliers to adopt the principles of this statement.

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Ed Slowey	**Alan Mooney**
Director	Director

Date: 6 May 2016

Biographical details of the Directors

Adam Reynolds – Non-Executive Chairman

Adam began his career as a stockbroker before moving into investor relations. In 2000, he established Hansard Group plc, a financial PR firm, admitting its shares to trading on AIM in November 2000, before jointly leading a management buy-out of the business in 2004. Adam is also a non-executive director of EKF Diagnostics plc, Optibiotix Health plc, Premaitha Health plc, Verdes Management plc and HubCo Investments plc and a director of Autoclenz Holdings Limited.

Colin Bird – Chief Executive Officer

Colin Bird is a chartered mining engineer with extensive multi-commodity mine management experience in Africa, Europe, Latin America and the Middle East. He has been involved in a number of public listings in the UK, Canada and South Africa, including as founder of Kiwara plc which discovered the large Kalumbila copper project in Zambia, which was sold to First Quantum Minerals Ltd in 2009 for US$260 million.

Ed Slowey – Operations Director

Ed Slowey has worked throughout his career as an economic geologist in the minerals sector. Apart from his role with Orogen Gold, he was previously responsible as Managing Director of Silvrex Limited for the acquisition and initial gold discovery at the Dalafin project in Senegal and also acted as technical consultant to Stratex International Plc on the same project. He was attached for several years to the CSA Consultancy Group working out of London and Dublin as Project Manager responsible for independent review, valuation and due diligence in mining and exploration, covering base metals, bulk commodities, precious metals and diamonds in Europe, Africa, Asia and America. Work included completion of Competent Person’s Reports and 43-101 independent reports for the AIM, ISDX and TSX markets. Other roles undertaken in a consultancy capacity include Exploration Manager, Russia for AIM-listed Eurasia Mining Plc, as well as minerals project management through feasibility studies, including at the giant Sukhoi Log gold deposit in Siberia (>12Moz). He has also worked in the Balkans on a range of minerals projects, primarily in Macedonia and Kosovo.

Previously, he managed the Irish exploration arm of Rio Tinto over a 12-year period, focussing on base and precious metals in carbonate, volcanic and metamorphic terrain. This work led to the discovery of the small, high-grade Cavanacaw gold deposit in Northern Ireland. Prior to that, he worked as an exploration geologist in Ireland for a Canadian junior company and as an underground mine geologist at the world-class Navan zinc-lead deposit. Ed holds a geology degree from University College, Dublin and is a professional member of the Institute of Geologists of Ireland and the European Federation of Geologists.

Alan Mooney – Finance Director

Alan Mooney has worked in the natural resource sector since 2001. He has worked with Fastnet Oil & Gas Plc, Cove Energy Plc, Tiger Resource Finance plc, GoldQuest Mining Corp, Rathdowney Resources Limited and Aventine Resources Plc. He was previously divisional CFO at Sonae SA, Portugal’s largest commercial group. Prior to that he worked with Continental AG the German tyre manufacturer, and was Finance Director of their operations in the UK and in Portugal. He also worked as Head of Group Accounting in Mergers and Acquisitions at Continental AG’s headquarters in Hanover, Germany and formally as Chief Accountant at their Irish tyre manufacturing plant. He trained with PWC in Dublin and is a Chartered Accountant and MBA.

Michael Nolan – Non-Executive Director

A director since 2010, Michael Nolan is a Chartered Accountant having worked in practice with Deloitte in Dublin. He is currently CFO and a Director of Discover Exploration Limited an international oil and gas exploration company with operations in East Africa and New Zealand. From 2009 to 2012 he was a Director and a member of the management team of Cove Energy plc which was sold to PTTEP of Thailand in August 2012. He acts as a non-executive director of Vancouver based, Rathdowney Resources Limited, a private natural resource company operating in Europe and supported by the Hunter Dickinson group and listed on TSX-V. He is also a Director of AIM quoted companies, Tiger Resource Finance plc and Fastnet Oil & Gas plc. He acted as chief executive officer of AIM listed, mining company, Minmet plc from 1999 to 2007. He also serves on the Board of several resource exploration and investment companies.

The Directors present their report and the consolidated financial statements for the year ended 31 December 2015.

Results and dividends

The Group loss after tax for the year ended 31 December 2015 amounts to £890,000 (2014: £1,859,000). The Directors are not recommending payment of a final dividend for the year (2014 £nil).

Directors

The Directors of the Company are:

Adam Reynolds
Colin Bird
Ed Slowey
Alan Mooney
Michael Nolan

Colin Bird was appointed as Chief Executive Officer and a Director of the Company on 30 September 2015. On the same date Anthony Venus resigned from the Board.

Under the terms of the articles of association all Directors must retire by rotation every three years and may seek re-election to the Board at the Annual General Meeting of the Company. The articles also provide for one-third of the Directors to retire by rotation. All new Directors appointed since the previous Annual General Meeting must seek re-election at the next Annual General Meeting in order to ratify their appointment to the Board by the members.

Michael Nolan and Ed Slowey retire from the board by rotation and offers themselves for re-election at the next Annual General Meeting of the Company. Colin Bird as a new Director appointed since the previous Annual General Meeting is seeking re-election at the next Annual General Meeting.

Shares and listing

The Company's ordinary shares are listed on the AIM of the London Stock Exchange (ticker: ORE.L). Details of the nominated advisor and brokers are presented on the Company Information at the end of this annual report. The closing mid-price of the Company's shares at 31 December 2015 was 0.03 pence (2014: 0.05 pence).

Substantial shareholdings

As at 21 March 2016 the following held 3% or more of the share capital of the Company:

Rank	Shareholder	No of shares at 21 March 2016	% Issued Capital[1]
1	Jim Nominees Limited	1,507,804,574	27.38
2	HSDL Nominees Limited	539,843,767	9.80
3	Barclayshare Nominees Limited	456,079,890	8.28
4	Hargreaves Lansdown (Nominees)	332,647,188	6.04
5	TD Direct Investing Nominees	312,561,781	5.68
6	Investor Nominees Limited	243,644,706	4.42
7	Fitel Nominees Limited	227,500,000	4.13
8	Ed Slowey	165,896,071	3.01

1 Based on 5,507,669,337 ordinary shares at 21 March 2016

Corporate governance

The Directors are committed to maintaining a high standard of corporate governance. The Quoted Companies Alliance Code ("QCA Code") adopts key elements of the UK Corporate Governance Code, current policy initiatives and other relevant guidance and then applies these to the needs and particular circumstances of small and mid-size quoted companies on a public market. Focusing on 12 principles and a set of minimum disclosures, the QCA Code encourages companies to consider how or whether they should apply each principle to achieve good governance and provide quality explanations to their shareholders about what they have done. Orogen Gold's application of the QCA code is detailed on the Company's website: www.orogengold.com.

Remuneration policy

The Board has established a remuneration committee. The Remuneration Committee comprises of Adam Reynolds as Chairman and Michael Nolan who review the performance of the executive Directors and determine their terms and conditions of service, including their remuneration and the granting of options, having due regard to the interests of shareholders.

The Remuneration Committee meets no less than once every year.

Other than the Directors of the Group, the Group has no employees. Operational services are provided by competent suppliers on a contract basis the terms of which are negotiated in advance and approved by the executive Directors.

Directors' remuneration

Details of emoluments received by Directors of the Company for the year ended 31 December 2015 are as follows:

	Base emoluments £	Contracted notice payments £	2015 Total £	2014 Total £
Ed Slowey	79,750	—	**79,750**	112,500
Adam Reynolds	29,625	—	**29,625**	57,500
Alan Mooney	21,875	—	**21,875**	85,000
Michael Nolan	21,875	—	**21,875**	47,500
Anthony Venus	10,500	3,375	**13,875**	17,177
Colin Bird	5,000	—	**5,000**	—
Total	**168,625**	**3,375**	**172,000**	**319,677**

Directors and their interests

The Directors of the Company held the following beneficial interests in the shares and share options of Orogen Gold plc at 31 December 2015 and at the date of this report:

		Share Options	
	Ordinary shares of £0.0001 each	Ordinary shares of £0.0001 each	Option exercise price
Ed Slowey	165,896,071	40,000,000	0.60p
Michael Nolan	135,110,907	40,000,000	0.60p
Alan Mooney	129,610,907	40,000,000	0.60p
Colin Bird	100,000,000	180,000,000	0.035p
Adam Reynolds	87,040,580	40,000,000	0.60p

The share options exercisable at £0.006 expire on 15 February 2021. The share options with an exercise price of £0.00035 are subject to performance based vesting conditions over the 7 year period to 30 September 2022.

Going concern
After making appropriate enquires, the Directors consider that the Company has adequate resources to continue in operational existence for the foreseeable future. As part of their enquiries the Directors have reviewed cash forecasts for the company's operations for the 12 months from the date of approval of the financial statements. The Company has adequate cash to cover its corporate overheads and management costs over this period. The Group has earn-in options on exploration projects in Armenia and the USA. The Group acts as operator on its projects, which gives it flexibility in managing the Group's resources and exploration programmes.

Events after the reporting period
Further information on events after the reporting period is set out in note 19.

Principal risks and uncertainties
The principal risks and uncertainties of the business are discussed in the Strategic Report and in note 20.

Directors' responsibilities
The Directors are responsible for preparing the Group Directors' report and financial statements in accordance with applicable law and International Financial Reporting Standards.

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted for use in the European Union that give a true and fair view of the state of the affairs of the Group and the Company and of the profit or loss of the Group for that period.

In preparing these financial statements the Directors are required to:
- Select suitable accounting policies and apply them consistently; and
- make judgements and estimates that are reasonable and prudent; and
- state whether the Company financial statements have been prepared in accordance with IFRS as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Auditors
The Board are recommending Jeffreys Henry LLP for re-appointment as auditors of the Company. Jeffreys Henry LLP have expressed their willingness to accept this appointment and a resolution re-appointing them will be submitted to the forthcoming Annual General Meeting.

Disclosure of information to the auditors
Each Director confirms that, so far as that he is aware, there is no relevant audit information of which the Company's auditors are unaware and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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Ed Slowey
Director

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Alan Mooney
Director

Date: 6 May 2016

Independent Auditors' report to the members of Orogen Gold plc

We have audited the financial statements of Orogen Gold plc for the year ended 31 December 2015, which comprise the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cash Flows, Company Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and as regards the parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out in the Group Directors' Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition we read all financial and non-financial information in the Chairman's Statement, the Strategic Report and Group Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view, of the state of the Group's and Parent Company's affairs as at 31 December 2015 and of the Group's loss and Group's and Parent Company's cash flows for the year then ended;
- the financial statements have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union;

- the parent Company financial statements have been properly prepared in accordance with IFRS's as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been properly prepared in accordance with the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and in the Group Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for audit have not been received from branches not visited by us; or
- the Company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

David Warren BA FCA
SENIOR STATUTORY AUDITOR
For and on behalf of Jeffreys Henry LLP, Statutory Auditor

Finsgate
5-7 Cranwood Street
London
EC1V 9EE
United Kingdom

Date: 6 May 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	**2015 £'000**	2014 £'000
Continuing operations			
Revenue		**—**	—
Operational costs		**—**	—
Gross profit		**—**	—
General and administrative expenses		**(356)**	(548)
Share based payments	15	**(5)**	—
Impairment of exploration and evaluation assets	9	**(534)**	(1,318)
Group operating loss	4	**(895)**	(1,866)
Finance income	5	**5**	7
Loss on ordinary activities before taxation		**(890)**	(1,859)
Tax on loss on ordinary activities	7	**—**	—
Loss for the year from continuing operations		**(890)**	(1,859)
Attributable to:			
Equity holders of the parent		**(677)**	(1,657)
Non-controlling interests		**(213)**	(202)
Group loss for the year		**(890)**	(1,859)
Exchange translation differences		**(2)**	(3)
Total comprehensive loss for the year		**(892)**	(1,862)
Attributable to:			
Owners of the parent		**(679)**	(1,660)
Non-controlling interests		**(213)**	(202)
		(892)	(1,862)
Loss per share:			
Loss per share – basic and diluted, attributable to ordinary equity holders of the parent (pence)	8	**(0.02)**	(0.06)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Notes	2015 £'000	2014 £'000
Assets			
Non-current assets			
Exploration and evaluation assets	9	**1,577**	1,811
Property, plant and equipment	10	**2**	3
Total non-current assets		**1,579**	1,814
Current assets			
Trade and other receivables	12	**22**	58
Cash and cash equivalents	13	**921**	1,118
Total current assets		**943**	1,176
Total assets		**2,522**	2,990
Equity and liabilities			
Equity			
Share capital	14	**4,418**	4,222
Share premium		**12,181**	11,827
Other reserves		**625**	760
Retained earnings	16	**(14,765)**	(14,088)
Equity attributable to owners of the parent		**2,459**	2,721
Non-controlling interests		**—**	200
Total equity		**2,459**	2,921
Current liabilities			
Trade and other payables	17	**63**	69
Total current liabilities		**63**	69
Total liabilities		**63**	69
Total equity and liabilities		**2,522**	2,990

The financial statements were approved and authorised for issue by the Board of Directors on 6 May 2016 and were signed on its behalf by:

______________________ ______________________

Ed Slowey
Director

Alan Mooney
Director

Company Number: 5379931

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	**2015 £'000**	2014 £'000
Cash flows from operating activities			
Group operating loss		**(895)**	(1,866)
Decrease in trade and other receivables		**36**	35
(Decrease)/Increase in trade and other payables		**(4)**	18
Impairment of exploration and evaluation assets	9	**534**	1,318
Share based payments	15	**5**	—
Net cash flow from operating activities		**(324)**	(495)
Cash flow from investing activities			
Expenditure on exploration and evaluation assets and project earn-ins		**(292)**	(893)
Bank interest received	5	**5**	7
Net cash flow from investing activities		**(287)**	(886)
Cash flow from financing activities			
Net proceeds from issue of equity instruments		**411**	1,288
Net cash flow from financing activities		**411**	1,288
Net change in cash and cash equivalents		**(200)**	(93)
Net foreign exchange difference		**3**	3
Cash and cash equivalents at beginning of year	13	**1,118**	1,208
Cash and cash equivalents at end of year	13	**921**	1,118

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Shares to be issued reserve £'000	Retained earnings £'000	Foreign currency translation reserve £'000	**Total £'000**	Non-controlling interests £'000	**Total equity £'000**
Balance at 1 January 2014		3,057	11,704	592	—	(12,431)	33	**2,955**	402	**3,357**
Loss for the year		—	—	—	—	(1,657)	—	**(1,657)**	(202)	**(1,859)**
Shares to be issued		—	—	—	138	—	—	**138**	—	**138**
Foreign exchange translation reserve		—	—	—	—	—	(3)	**(3)**	—	**(3)**
Issue of share capital	14	1,165	123	—	—	—	—	**1,288**	—	**1,288**
Balance at 31 December 2014		4,222	11,827	592	138	(14,088)	30	**2,721**	200	**2,921**
Balance at 1 January 2015		4,222	11,827	592	138	(14,088)	30	**2,721**	200	**2,921**
Loss for the year		—	—	—	—	(677)	—	**(677)**	(213)	**(890)**
Other movements		—	—	—	—	—	—	**—**	13	**13**
Shares based payments	15	—	—	5	—	—	—	**5**	—	**5**
Foreign exchange translation reserve		—	—	—	—	—	(2)	**(2)**	—	**(2)**
Issue of share capital	14	196	354	—	(138)	—	—	**412**	—	**412**
Balance at 31 December 2015		4,418	12,181	597	—	(14,765)	28	**2,459**	—	**2,459**

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of those shares net of share issue expenses.

Share based payments reserve relate to the charge for share based payments in accordance with International Financial Reporting Standard 2.

Shares to be issued reserve represents the deferred share consideration in relation to services performed in 2014 for which shares were issued in 2015.

Retained earnings represent the cumulative loss of the Group attributable to equity shareholders.

Foreign currency translation reserve represents the retranslation of foreign subsidiaries.

Non-controlling interests represent the share of ownership of subsidiary companies outside the Group.

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Notes	**2015 £'000**	2014 £'000
Assets			
Non-current assets			
Investments	11	**—**	—
Loans to subsidiaries	11	**2,063**	1,850
Total non-current assets		**2,063**	1,850
Current assets			
Trade and other receivables	12	**61**	177
Cash and cash equivalents	13	**301**	340
Total current assets		**362**	517
Total assets		**2,425**	2,367
Equity and liabilities			
Equity			
Share capital	14	**4,418**	4,222
Share premium		**12,181**	11,827
Other reserves		**597**	730
Retained earnings	16	**(14,860)**	(14,514)
Total equity		**2,336**	2,265
Current liabilities			
Trade and other payables	17	**89**	102
Total current liabilities		**89**	102
Total liabilities		**89**	102
Total equity and liabilities		**2,425**	2,367

The financial statements were approved and authorised for issue by the Board of Directors on 6 May 2016 and were signed on its behalf by:

______________________ ______________________

Ed Slowey
Director

Alan Mooney
Director

Company Number: 5379931

COMPANY STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	**2015** **£'000**	2014 £'000
Cash flows from operating activities			
Operating loss		**(346)**	(2,528)
(Increase)/decrease in trade and other receivables	12	**116**	(153)
Decrease in trade and other payables	17	**(13)**	56
Impairment of investments and loans to subsidiaries	11	**200**	2,500
Share based payments	15	**5**	—
Net cash flow from operating activities		**(38)**	(125)
Cash flow from investing activities			
Bank interest received		**—**	—
Net cash flow from investing activities		**—**	—
Cash flow from financing activities			
Net proceeds from issue of equity instruments		**549**	1,288
Funds advanced to subsidiary companies		**(550)**	(866)
Net cash flow from financing activities		**(1)**	422
Net change in cash and cash equivalents		**(39)**	297
Cash and cash equivalents at beginning of year	13	**340**	43
Cash and cash equivalents at end of year	13	**301**	340

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Share to be issued reserve £'000	Retained earnings £'000	**Total equity £'000**
Balance at 1 January 2014		3,057	11,704	592	—	(11,986)	**3,367**
Loss for the year		—	—	—	—	(2,528)	**(2,528)**
Issue of share capital	14	1,165	123	—	—	—	**1,288**
Shares to be issued		—	—	—	138	—	**138**
Balance at 31 December 2014		4,222	11,827	592	138	(14,514)	**2,265**
Balance at 1 January 2015		4,222	11,827	592	138	(14,514)	**2,265**
Loss for the year		—	—	—	—	(346)	**(346)**
Issue of share capital	14	196	354	—	(138)	—	**412**
Shares based payments	15	—	—	5	—	—	**5**
Balance at 31 December 2015		4,418	12,181	597	—	(14,860)	**2,336**

Share capital is the amount subscribed for shares at nominal value.

Share premium represents the excess of the amount subscribed for share capital over the nominal value of those shares net of share issue expenses.

Share based payments reserve relate to the charge for share based payments in accordance with International Financial Reporting Standard 2.

Shares to be issued reserve represents the deferred share consideration in relation to services performed in 2014 for which shares were issued in 2015.

Retained earnings represent the cumulative loss of the Company attributable to the equity shareholders.

1 General information

Orogen Gold plc (the "Company") is a company incorporated and domiciled in England and Wales. Details of the registered office, the officers and advisers to the Company are presented on the Company Information page at the end of this report. The Company's offices are in London and Dublin. The Company is listed on the AIM market of the London Stock Exchange (ticker: ORE.L). The principal activity of the Company is gold and mineral exploration and production in Europe.

2 Significant accounting policies

Basis of preparation

The consolidated financial statements consolidate those of the Company and its subsidiaries (together the "Group" or "Orogen"). The consolidated financial statements of the Group and the individual financial statements of the Company are prepared in accordance with applicable UK law and International Financial Reporting Standards ("IFRS") as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006. The Directors consider that the financial information presented in these Financial Statements represents fairly the financial position, operations and cash flows for the period, in conformity with IFRS.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries and associated undertakings. All consolidated subsidiaries have a reporting date of 31 December.

Subsidiaries are all entities over which Orogen Gold plc has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Pounds Sterling (£), which is the Group's presentation currency and the Company's functional currency.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

The results and financial position of all Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the income statement as part of the gain or loss on sale.

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.

Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year. New standards and amendments to IFRS effective as of 1 January 2015 have been reviewed by the Group and there has been no material impact on the financial statements as a result of these standards and amendment. The Group has not early adopted any amendment, standard or interpretation that has been issued but is not yet effective.

Standards issued but not yet effective

There were a number of standards and interpretations which were in issue at 31 December 2015 but were not effective at 31 December 2015 and have not been adopted for these Financial Statements. The Directors have assessed the full impact of these accounting changes on the Company. To the extent that they may be applicable, the Directors have concluded that none of these pronouncements will cause material adjustments to the Group's Financial Statements. They may result in consequential changes to the accounting policies and other note disclosures. The new standards will not be early adopted by the Group and will be incorporated in the preparation of the Group Financial Statements from the effective dates noted below.

The new standards include:

IFRS 9	Financial Instruments[2]
IFRS 11 (Amendments)	Accounting for Acquisitions of Interests in Joint Operations[1]
IFRS 14	Regulatory Deferral Accounts[1]
IFRS 15	Revenue from Contracts with Customers[2]
IFRS 16	Leases[3]
IAS 1 (Amendments)	Disclosure Initiative[1]
IAS 16 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation[1]
IAS 27 (Amendments)	Equity Method in Separate Financial Statements[1]

IAS 38 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation[1]
Improvements to IFRSs	Annual Improvements 2012-2014 Cycle[1]

[1] Effective for annual periods beginning on or after 1 January 2016
[2] Effective for annual periods beginning on or after 1 January 2018
[3] Effective for annual periods beginning on or after 1 January 2019

Accounting policies

Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. In the consolidated Financial Statements, acquisition costs incurred are expensed and included in general and administrative expenses.

Exploration and evaluation assets

Exploration and evaluation assets are measured using the cost method of recognition. Exploration and evaluation expenditure is capitalised and recognised as an exploration and evaluation asset when the rights to an area of interest are current, the expenditures are expected to be recouped through successful development and exploitation activities and the operations are current and have not reached such a stage that a reasonable assessment of recoverable reserves can be made.

Exploration and evaluation expenditure includes:

- acquisition of rights to explore
- researching, analysing and collating of historical data
- exploratory drilling, sampling and trenching
- evaluation of technical feasibility and commercial viability
- administrative and general overheads related to an area of interest

Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Property, plant and equipment comprises office and field equipment and freehold land. Freehold land is not depreciated. Office and field equipment are depreciated over 3 to 10 years.

Equity

Equity instruments issued by the Company are recorded at the value of the proceeds received, net of direct issue costs, allocated between share capital and share premium.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary or associate at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The Group allocates goodwill to each business segment in each country in which it operates.

Impairment of non-financial assets

At each statement of financial position date, the Company reviews the carrying amounts of its investments 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 Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

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 as an expense immediately, unless the relevant asset is carried at a re-valued amount, in which case the impairment loss is treated as a revaluation decrease.

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 so 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 as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Taxation

Income tax

Income 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 profit as reported in the same 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 Company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the statement of financial position date.

Deferred tax

Deferred tax is recognised 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 statement of financial position 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 goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax is reviewed at each statement of financial position 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 period when the liability is settled or the asset realised. Deferred tax is charged or credited to 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 Company intends to settle its current tax assets and liabilities on a net basis.

Share based compensation

The fair value of the employee and suppliers services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed over the vesting year is determined by reference to the fair value of the options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

The fair value of share based payments recognised in the income statement is measured by use of the Black Scholes model, which takes into account conditions attached to the vesting and exercise of the equity instruments. 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 share price volatility percentage factor used in the calculation is based on management's best estimate of future share price behaviour and is selected based on past experience, future expectations and benchmarked against peer companies in the industry.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the statement of financial position date, and are discounted to present value where the effect is material.

Financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables. Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transactions costs, except as described below. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

A financial instrument is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial assets to another party without retaining control or substantially all risks and rewards of the asset. Regular purchases and sales of financial assets are accounted for at trade date, i.e. the date that the Group commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Fair values
The carrying amounts of the financial assets and liabilities such as cash and cash equivalents, receivables and payables of the Company at the statement of financial position date approximated their fair values, due to relatively short term nature of these financial instruments.

Trade payables and other non-derivative financial liabilities
Trade payables and other creditors are non-interest bearing and are measured at cost.

Cash and cash equivalents
Cash and cash equivalents include cash in hand, deposits held on call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the statement of financial position.

Critical accounting judgments and key sources of estimation uncertainty
The preparation of the consolidated financial statements requires management to make estimates and assumptions concerning the future that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. The resulting accounting estimates will, by definition, differ from the related actual results.

Exploration and evaluation assets (Note 9)
The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement in determining whether it is likely that future economic benefits are likely either from future exploration or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in the statement of profit or loss and other comprehensive income in the period when the new information becomes available.

Impairment of investments (Note 9, 11)
Investments held are subject to impairment review. The Group's management undertakes an impairment review annually or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable.

The Directors have carried out a detailed impairment review in respect of investments. The Group assesses at each reporting date whether there is an indication that an asset may be impaired, by considering the net present value of discounted cash flows forecasts which have been discounted. The cash flow projections are based on the assumption that the Group can realise projected sales. A prudent approach has been applied with no residual value being factored.

3 Segmental information
In the opinion of the Directors the Group has one class of business being the exploration for, and development and production of gold and other related activities.

The Group's primary reporting format is determined by the geographical segment according to the location of the exploration asset. There are currently three geographic reporting segments: Armenia and Serbia involved in Gold exploration and development and the United Kingdom & Ireland being the head and administrative offices.

Segment information of the business is presented below:

	2015				2014			
	United Kingdom & Ireland £'000	**Serbia £'000**	**Armenia £'000**	**Total £'000**	United Kingdom & Ireland £'000	Serbia £'000	Armenia £'000	Total £'000
Income statement								
Revenue	**—**	**—**	**—**	**—**	—	—	—	—
General and administrative expenses	**(356)**	**—**	**—**	**(356)**	(529)	(19)	—	(548)
Share based payments	**(5)**	**—**	**—**	**(5)**	—	—	—	—
Impairment charge	**—**	**(534)**	**—**	**(534)**	—	(1,318)	—	(1,318)
Group operating loss	**(361)**	**(534)**	**—**	**(895)**	(529)	(1,337)	—	(1,866)
Finance revenue	**5**	**—**	**—**	**5**	7	—	—	7
Group loss before tax	**(356)**	**(534)**	**—**	**(890)**	(522)	(1,337)	—	(1,859)
Assets and liabilities								
Segment assets	**940**	**5**	**1,577**	**2,522**	1,168	511	1,311	2,990
Segment liabilities	**(47)**	**(16)**	**—**	**(63)**	(50)	(19)	—	(69)
	893	**(11)**	**1,577**	**2,459**	1,118	492	1,311	2,921

4 Operating loss

	2015 £'000	2014 £'000
Operating loss is stated after charging:		
Directors' emoluments	**172**	320
Services provided by the Company's auditors:		
– Audit fees and expenses	**16**	16
– Tax compliance	**2**	2
– Other services pursuant to legislations	**—**	—
Foreign currency loss	**3**	3

5 Finance income

	2015 £'000	2014 £'000
Bank interest received	**5**	7

6 Employees

	2015 £'000	2014 £'000
Aggregate Directors' emoluments including consulting fees	**172**	320
Wages and salaries	**—**	12
Social security costs	**—**	3
Total	**172**	335

Other than the Directors of the Group, the Group has no employees.

7 Income tax benefit / (expense)

	Group		Company	
	2015 £'000	2014 £'000	**2015 £'000**	2014 £'000
Loss on ordinary activities before taxation	**(890)**	(1,859)	**(346)**	(2,528)
Tax at the UK corporation tax rate of 20%/21%	**(178)**	(390)	**(69)**	(531)
Tax effect of expenses not deductible for tax	**107**	277	**40**	525
Tax effect of utilisation of previously unrecognised tax losses	**71**	113	**29**	6
Tax on loss on ordinary activities	**—**	—	**—**	—

The Group has tax losses of £2,436,000 (2014: £1,350,000) to carry forward against future taxable profits. The deferred tax asset on these tax losses at 20% amounts to £487,000 (2014: £283,000) and has not been recognised due to the uncertainty of the recovery.

8 Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period:

	2015	2014
Loss after tax attributable to equity holders of the parent (£'000)	**(677)**	(1,657)
Weighted average number of ordinary shares in issue (share in millions)	**4,002**	2,723
Fully diluted average number of ordinary shares in issue (share in millions)	**4,002**	2,723
Basic and diluted loss per share (pence)	**(0.02)**	(0.06)

Basic and diluted earnings per share are the same, since where a loss is incurred the effect of outstanding share options and warrants is considered anti-dilutive and is ignored for the purpose of the loss per share calculation. The share options outstanding as at 31 December 2015 totalled 380,000,000 (2014: 225,000,000) and are potentially dilutive.

9 Exploration and evaluation assets

	Armenia £'000	Serbia £'000	Total £'000
Cost			
At 1 January 2014	387	5,451	5,838
Additions	924	69	993
At 31 December 2014	1,311	5,520	6,831
Impairment			
At 1 January 2014	—	3,702	3,702
Impairment charge	—	1,318	1,318
At 31 December 2014	—	5,020	5,020
Carrying value 31 December 2014	**1,311**	**500**	**1,811**
Cost			
At 1 January 2015	1,311	5,520	6,831
Additions	266	34	300
At 31 December 2015	1,577	5,554	7,131
Impairment			
At 1 January 2015	—	5,020	5,020
Impairment charge	—	534	534
At 31 December 2015	—	5,554	5,554
Carrying value 31 December 2015	**1,577**	**—**	**1,577**

As part of the annual impairment review of asset carrying values a charge of £534,000 (2014: £1,318,000) was recorded in relation to the Deli Jovan project in Serbia. Subsequent to year end, the Company has concluded that it has better options available to it and therefore it has decided to terminate the Deli Jovan project and relinquish the exploration permit.

10 Property, plant and equipment

	Freehold Land £'000	Office and Field Equipment £'000	Total £'000
Cost			
At 1 January 2014	2	27	29
Disposals	—	(25)	(25)
At 31 December 2014	2	2	4
Accumulated depreciation			
At 1 January 2014	—	7	7
Disposals	—	(6)	(6)
At 31 December 2014	—	1	1
Carrying value 31 December 2014	**2**	**1**	**3**
Cost			
At 1 January 2015	2	2	4
Additions	—	—	—
At 31 December 2015	2	2	4
Accumulated depreciation			
At 1 January 2015	—	1	1
Additions	—	1	1
At 31 December 2015	—	2	2
Carrying value 31 December 2015	**2**	**—**	**2**

11 Non-current assets
Investments in subsidiaries and associates:

	Group		Company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Cost as at 1 January	**—**	—	8,350	7,346
Additions	**—**	—	413	1,004
Cost at 31 December	**—**	**—**	**8,763**	**8,350**
Impairment as at 1 January	**—**	—	6,500	4,000
Impairment charge	**—**	—	200	2,500
Impairment at 31 December	**—**	**—**	**6,700**	**6,500**
Carrying value as at 31 December	**—**	**—**	**2,063**	**1,850**

Break down of carrying value of investment:

	Group		Company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Emotion Fitness Mag Kft – investment	**339**	339	**339**	339
Emotion Fitness Mag Kft -impairment	**(339)**	(339)	**(339)**	(339)
Medavinci Gold Limited - investment	**—**	—	**3,370**	3,370
Medavinci Gold Limited - impairment	**—**	—	**(3,370)**	(3,370)
Investments	**—**	—	**—**	—
Medavinci Gold Limited – loan	**—**	—	**5,393**	4,980
Medavinci Gold Limited – loan provision	**—**	—	**(3,330)**	(3,130)
Loans to subsidiaries	**—**	—	**2,063**	1,850
Total non-current assets	**—**	—	**2,063**	1,850

As part of the annual impairment review of asset carrying values a charge of £200,000 (2014: £2,500,000) was recorded in relation to the Company's intercompany receivable from Medavinci Gold Limited. This follows the review of the carrying value of the Deli Jovan project (see note 9). Medavinci Gold Limited operates as a holding company of Orogen Gold Limited an Irish registered company with gold exploration interests in Serbia and Armenia.

Emotion Fitness Mag Kft
The Group's investment in Emotion Fitness Mag Kft (a Hungarian registered company) represents a 47% interest in that company. Emotion Fitness Mag Kft discontinued the operation of a fitness centre from its Budapest premises in 2011. The Directors consider it is unlikely that the Company will recover any value from this investment and accordingly have fully impaired the value of the investment.

Subsidiary companies	Incorporation	Holding	Type of share held	**% Holding[1] 2015**	% Holding[1] 2014
Deli Jovan Exploration d.o.o.	Serbia	Indirect	Ordinary shares	**60**	60
Medavinci Gold Limited	UK	Direct	Ordinary shares	**100**	100
Emotion Fitness Limited	UK	Direct	Ordinary shares	**100**	100
Orogen Gold Limited	Ireland	Indirect	Ordinary shares	**100**	100
Orogen Gold (Serbia) Limited	Ireland	Indirect	Ordinary shares	**100**	100
Orogen Gold (Armenia) Limited	Ireland	Indirect	Ordinary shares	**100**	100

[1] Percentage of share type held and overall voting rights

12 Trade and other receivables

	Group		Company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
VAT recoverable	**16**	50	**5**	18
Other receivables and prepayments	**6**	8	**4**	3
Receivables from Group Companies	—	—	**52**	156
Trade and other receivables	**22**	58	**61**	177

The Directors consider that the carrying amount of trade and other receivables approximates their fair value.

13 Cash and cash equivalents

	Group		Company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Cash at bank	**921**	1,118	**301**	340
Cash and cash equivalents	**921**	1,118	**301**	340

14 Share capital

Details of ordinary and deferred shares issued are in the table below:

		Ordinary Shares (£0.001/£0.0001)		Deferred Shares (£0.009)	
Date	**Details**	**Number of shares**	**Issue Price £**	**Number of shares**	**Issue Price £**
At 1 Jan 2014	Opening Balance	**2,395,839,120**		**73,599,817**	
10 Sept 2014	Share placing - £1,125,000	1,022,727,272	**0.0011**		
16 Oct 2014	Share placing to Directors - £75,000	65,217,391	**0.00115**		
20 Oct 2014	Drill for equity agreement	76,648,400	**0.002**		
19 Dec 2014	Capital reorganisation	(3,560,432,183)			
19 Dec 2014	Capital reorganisation	3,560,432,183	**0.001**	356,043,218	**0.009**
At 31 Dec 2014		**3,560,432,183**		**429,643,035**	
27 Jan 2015	Mutsk continuation notice	110,886,804	**0.000597**		
25 Mar 2015	Drill for equity agreement	36,350,350	**0.002**		
30 Oct 2015	Share placing - £450,000	1,800,000,000	**0.00025**		
At 31 Dec 2015		**5,507,669,337**		**429,643,035**	

On 19 December 2014, the Company effected a capital reorganisation of the existing share capital whereby each holding of 1 existing ordinary shares (par value £0.001), were subdivided into one new ordinary share (par value £0.0001) and one deferred share of £0.0009. Every 10 deferred shares so created were then consolidated into one deferred share of £0.009 each in line with the issue price of existing deferred shares already in issue.

15 Share based payments

The Group has a share ownership compensation scheme for senior executives of the Group. In accordance with the provisions of the plan, as approved by shareholders at a previous general meeting, senior executives may be granted options to purchase ordinary shares in the Company.

The Group has on occasion issued warrants, or share options to third parties by way of settlement of liabilities to strategic suppliers and consultants. Each share option converts into one ordinary share of Orogen Gold plc upon exercise. No amounts are paid or payable by the recipient of the option for the option. The options carry neither rights to dividends nor voting rights at shareholders meetings.

	2015		2014	
	Number of share options	**Weighted average exercise price**	Number of share options	Weighted average exercise price
Balance at 1 January	**225,000,000**	**0.68p**	225,000,000	0.68p
Lapsed during the year	**(25,000,000)**	**0.80p**	—	—
Issued during the year	**180,000,000**	**0.035p**	—	—
Balance at 31 December	**380,000,000**	**0.369p**	225,000,000	0.68p
Exercisable at 31 December	**200,000,000**	**0.60p**	225,000,000	0.68p

The fair value of equity based share options granted is estimated at the date of grant using the Black-Scholes pricing model, taking into account the terms and conditions upon which the options have been granted. The calculated fair value of share options and warrants charged to the Group and Company financial statements in the year is £5,000 (2014: nil). On his appointment as CEO, Colin Bird has been granted options over a total of up to 180,000,000 new ordinary shares of 0.01p each at an exercise price of 0.035p. The options are subject to performance based vesting conditions over 7 years. The total fair value of the share options granted during 2015 is £41,000.

The following are the inputs to the model for the options granted during the year:

	Share Options 2015
Strike price	0.035p
Total units	180,000,000
Underlying asset price	0.035p
Time (days)	2,555
Volatility	110%
Interest rate p.a.	1.25%

16 Retained earnings

	Group		Company	
	2015 £'000	2014 £'000	**2015 £'000**	2014 £'000
Opening balance	**(14,088)**	(12,431)	**(14,514)**	(11,986)
Loss for the year	**(677)**	(1,657)	**(346)**	(2,528)
Closing balance	**(14,765)**	(14,088)	**(14,860)**	(14,514)

In accordance with the provisions of the Companies Act 2006, the Company has not presented a statement of profit or loss and other comprehensive income. The Company's loss for the year was £346,000 (2014: loss £2,528,000).

17 Trade and other payables

	Group		Company	
	2015 £'000	2014 £'000	**2015 £'000**	2014 £'000
Trade payables	**8**	16	**6**	9
Accruals and deferred income	**42**	32	**36**	27
Amounts due to Directors	**13**	21	**8**	4
Payable to Group Companies	**—**	—	**39**	62
Trade and other payables	**63**	69	**89**	102

Amounts due to Directors are unsecured, interest free and are current liabilities.

18 Related party transactions

See the Directors report for details of remuneration of Directors. Subsidiary information is presented below and in note 11.

Shares purchased by Directors

Shares in Orogen Gold plc were acquired by the Directors of the Company as part of share placings as follows:

	Subscription shares October 2015
Colin Bird	100,000,000
Adam Reynolds	25,000,000
Ed Slowey	25,000,000
Alan Mooney	25,000,000
Michael Nolan	25,000,000
Total	**200,000,000**

Other transactions with Directors

The following amounts were charged during the year to the Company by entities related to the Directors:

	2015	**2014**
	£	**£**
Office facilities and administration	**8,900**	6,000
Total	**8,900**	6,000

Parent transactions with Group companies

During the year the Company advanced £413,000 (2014: £1,004,000) to Medavinci Gold Limited by way of intercompany loans for exploration activities. The balance outstanding from Medavinci Gold Limited at 31 December 2015 is £5,393,000 (2014: £4,980,000). The Company made a provision of £200,000 (2014: £3,130,000) against this receivable in the current year (see note 11). The intercompany loans are interest free and unsecured.

As at the 31 December 2015 the Company had trade receivable balances of £51,000 (2014: £154,000) with Orogen Gold (Armenia) Limited and £1,000 (2014: £2,000) with Orogen Gold (Serbia) Limited. Intercompany trade receivable balances are payable within 30 days of the invoice date. The Company's total intercompany income for the year was £181,000 (2014: £1,157,000).

As at the 31 December 2015 the Company had a trade payable balance of £39,000 (2014: £62,000) with Orogen Gold Limited. Intercompany trade payable balances are payable within 30 days of the invoice date. The Company's total intercompany recharges incurred for the year was £150,000 (2014: £854,000).

19 Events after the reporting period

In March 2016 the Deli Jovan permit lapsed. An application for renewal of the permit was not submitted and the partners have agreed to withdraw from the project. The Board estimates that the total exit costs, all to be incurred in 2016, should not exceed an aggregate sum of £20,000.

In April 2016, Orogen Gold, announced that it had signed an exclusive Term Sheet with Galileo Resources Plc, a UK AIM-listed company, covering a highly prospective epithermal gold-silver project at Silverton in Nevada, USA, which is one of the best-endowed gold districts in the world.

Orogen will have an exclusive right to earn an initial 51% interest in the Silverton project over the 6km² claim area through exploration spend of US$400,000 over 18 months. Subsequently the Company can earn an additional 24% interest in the project through an additional exploration spend of US$1.5 million over a further 30 month period.

20 Financial instruments – risk management

In common with all other businesses, the Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining responsibility for them it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function. The Board receives regular updates from the Executive Directors through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies it sets. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. The Company's operations expose it to some financial risks arising from its use of financial instruments, the most significant ones being cash flow interest rate risk, foreign exchange risk, liquidity risk and capital risk. Further details regarding these policies are set out below:

Cash flow interest rate risk

The Group is exposed to cash flow interest rate risk from its deposits of cash and cash equivalents with banks. The cash balances maintained by the Group are proactively managed in order to ensure that attractive rates of interest are received for the available funds but without affecting the working capital flexibility the Group requires. The Group is not at present exposed to cash flow interest rate risk on borrowings as it has no debt. No subsidiary company of the Group is permitted to enter into any borrowing facility or lease agreement without the prior consent of the Company.

Interest rates on financial assets

The Group's financial assets consist of cash and cash equivalents, loans, trade and other receivables. The interest rate profile at 31 December 2015 of these assets was as follows:

	Total £'000	Financial assets on which interest is earned £'000	Financial assets on which interest in not earned £'000
31 December 2015			
UK Sterling	**897**	588	309
Euro	**25**	—	25
US Dollar	**19**	19	—
Other currencies	**2**	—	2
	943	607	336
31 December 2014			
UK Sterling	**1,086**	721	365
Euro	**78**	22	56
US Dollar	**3**	3	—
Other currencies	**9**	1	8
	1,176	747	429

The Group earned interest on its interest bearing financial assets at rates between 0.05% and 0.9% (2014: 0.15% and 1.1%) during the year.

A change in interest rates on the statement of financial position date would increase/ (decrease) the equity and the anticipated annual income or loss by the theoretical amounts presented below. The analysis is made on the assumption that the rest of the variables remain constant. The analysis with respect to 31 December 2014 was prepared under the same assumptions.

	2015		2014	
	Increase in 1% £'000	**Decrease of 1% £'000**	Increase in 1% £'000	Decrease of 1% £'000
Instruments bearing interest	**6**	(6)	10	(10)

It is considered that there have been no significant changes in cash flow interest rate risk at the reporting date compared to the previous year end and that therefore this risk has had no material impact on earnings or shareholders' equity.

Foreign exchange risk

Foreign exchange risk may arise because the Group has operations located in various parts of the world where the local currency is not the same as the functional currency in which the Company operates.

Only in exceptional circumstances will the Group consider hedging its net investments in overseas operations, as generally it does not consider that the reduction in foreign currency exposure warrants the cash flow risk created from such hedging techniques. It is the Group's policy to ensure that individual Group entities enter into local transactions in their functional currency wherever possible and that surplus funds over and above immediate working capital requirements are held in Sterling deposits.

The Group considers this policy minimises any unnecessary foreign exchange exposure. In order to monitor the continuing effectiveness of this policy the Board through their approval of both corporate and capital expenditure budgets and review of the currency profile of cash balances and management accounts, considers the effectiveness of the policy on an on-going basis.

The following table discloses the major exchange rates of those currencies utilised by the Group:

Foreign currency units to £1 UK Sterling (rounded)	EUR	USD
Average 2015	1.374	1.528
At 31 December 2015	1.357	1.480
Average 2014	1.242	1.644
At 31 December 2014	1.278	1.554

(EUR = Euro and USD = United States Dollar)

Liquidity risk

Liquidity risk arises from the Group's management of working capital; it is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The principal obligations of the Group arise in respect of committed expenditure in respect of its on-going exploration work. The Group's policy is to ensure that it will always have sufficient cash to allow it to meet its obligations when they become due. To achieve this aim, it seeks to maintain readily available cash balances (or agreed facilities) to meet expected requirements and to raise new equity finance to meet the next phase of exploration and where relevant development expenditure.

The Board receives cash flow projections on a monthly basis as well as information on cash balances. The Board will not commit to material expenditure in respect of its on-going exploration work prior to being satisfied that sufficient funding is available to the Group to finance the planned programmes. For cash and cash equivalents, the Company only uses recognised banks with medium to high credit ratings.

Capital risk

The Group's objectives when managing capital are to safeguard the ability to continue as a going concern in order to provide returns for shareholders and benefits to other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Registered office	Finsgate 5-7 Cranwood Street London EC1V 9EE
Registered number	5379931, England and Wales
Dublin office	18 Fitzwilliam Place Dublin 2
Directors	Adam Reynolds – Non-executive Chairman Colin Bird – Chief Executive Ed Slowey – Operations Director Alan Mooney – Finance Director Michael Nolan – Non-executive Director
Secretary	Ross Crockett
Auditors	Jeffreys Henry LLP Finsgate 5-7 Cranwood Street London EC1V 9EE
Banker	Coutts & Co 440 Strand London EC3V 3ND Allied Irish Bank Ashford House Tara Street, Dublin 2
Nominated advisor	Cairn Financial Advisers LLP 61 Cheapside London EC2V 6AX
Broker	Beaufort Securities Limited 131 Finsbury Pavement London EC2A 1NT
Registrars	Capita Asset Services The Registry, 34 Beckenham Road Beckenham Kent BR3 4TU
Solicitors	BPE Solicitors LLP St. James' House St. James' Square Cheltenham GL50 3PR Mason Hayes & Curran South Bank House, Barrow Street Dublin 4