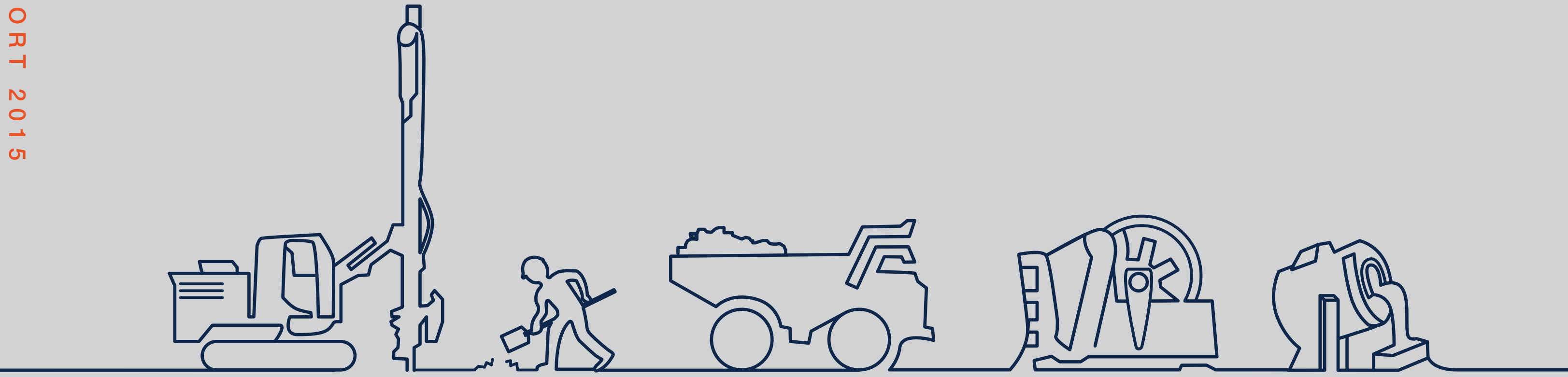
ANNUAL REPORT 2015



ANNUAL REPORT 2015

HUMMINGBIRD RESOURCES

HUMMINGBIRD RESOURCES PLC

A YEAR IN REVIEW

Company Highlights (includes post period highlights)

- Multi-asset gold company
- 6.4Moz gold and circa 4,000km^2 land holding
- Two permitted large scale mining projects
- First gold pour targeted in 2017 from Yanfolila in Mali – one of Africa's highest margin undeveloped gold projects

Financial Highlights

- Raised US$4.5 million through a Placing and Open Offer with new and existing shareholders with director participation to advance the Yanfolila Gold Project in March 2015
- Raised a further US$6.3 million in June 2015 following strong demand
- Sale of Asheba Licence in Ghana in June 2015 to receive 10% of the total share capital of Taoudeni Resources and a discovery bonus of US$1/oz
- Taurus extended bridge facility by US$5 million to US$15 million for continued development work
  - Post period Taurus extended the term of the bridge facility to 8 September 2016
- Cash of US$7m at period end

"Gold at all costs, Gold in spite of all terror, Gold no matter how long and hard the road may be – for without Gold there is no survival" Basil DeTent

Please see the Company's website for up to date news, www.hummingbirdresources.co.uk.

Yanfolila Gold Project, 2.2Moz at 2.4g/t, in Mali

- Definitive Feasibility Study ("DFS") published in January 2016
- Optimised mine plan in February 2016 shows (US$1,250 gold, 8% discount)
  - US$162m NPV
  - 60% IRR
  - AISC US$695/oz
  - 132,000oz produced in first full year of production
  - 107,000oz average production per year over Life of Mine ("LoM")
  - First full year unleveraged cash flow of US$74 million
- Probable Ore Reserves of:
  - 709,800oz @ 3.14g/t
- Total Mineral Inventory of:
  - 2.2Moz @ 2.4g/t

Dugbe Gold Project, 4.2Moz at 1.4g/t, in Liberia

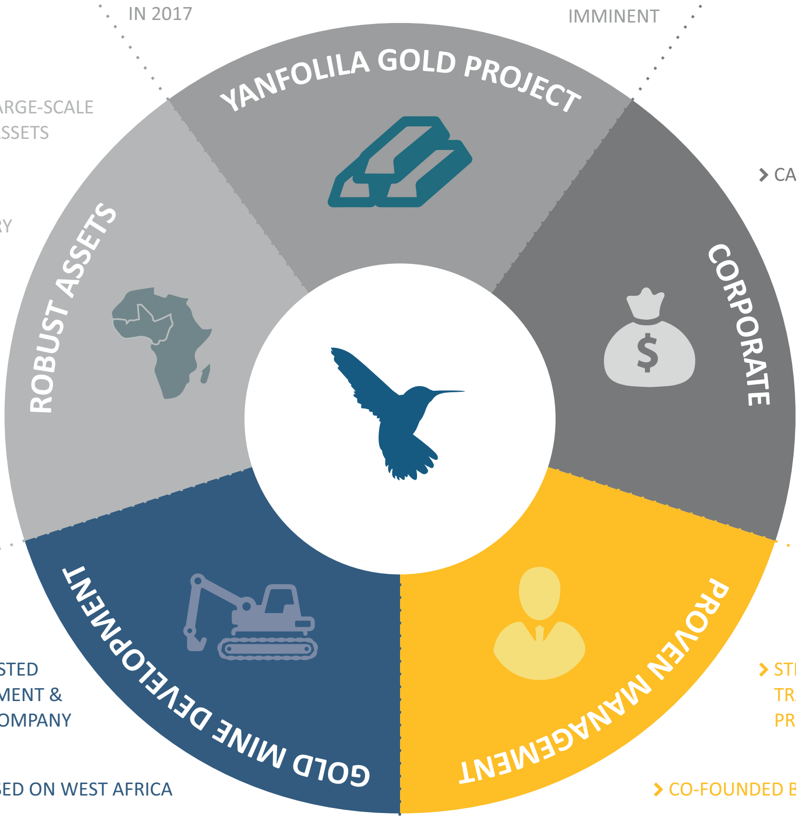
- Liberia's largest gold deposit
- Preliminary Economic Assessment ("PEA") showing (at US$1,300 gold)
  - US$186m NPV
  - 29% IRR
  - 125,000oz average production per year over a 20 year LoM
- Mineral Development Agreement ("MDA") signed with the Government of Liberia ("GoL") for a 25 year term
- Hydro-electric power pre-feasibility study near completion with potential to significantly reduce Project operating costs
- Clear exploration upside with a large under-explored land package

HUMMINGBIRD SNAPSHOT

- YANFOLILA FIRST GOLD POUR TARGETED IN 2017
- 132,000oz IN YEAR 1 PRODUCTION AT US$620/oz CASH COST
- 107,000oz PER YEAR WITH 8 YEAR LoM
- EARTHWORKS COMPLETED & MINE CONSTRUCTION IMMINENT

- TWO LARGE-SCALE GOLD ASSETS
- 6.4Moz GOLD INVENTORY
- 2.2Moz AU YANFOLILA PROJECT IN MALI
- 4.2Moz AU DUGBE PROJECT IN LIBERIA

- CASH AT YEAR END US$7m
- SHAREHOLDERS INCLUDE GOLDFIELDS, SPROTT, CAPITAL, RCF & ODEY AM



- LONDON AIM LISTED GOLD DEVELOPMENT & EXPLORATION COMPANY
- FOCUSED ON WEST AFRICA
- NEAR-TERM GOLD PRODUCTION

- STRONG TEAM WITH PROVEN TRACK RECORD BRINGING MINING PROJECTS INTO PRODUCTION
- CO-FOUNDED BY DAN BETTS IN 2005
- SUPPORTIVE BOARD, PROJECT TEAMS & TECHNICAL ADVISORY COMMITTEE

CONTENTS

CHAIRMAN'S STATEMENT

Great strides have been made by the Company in the last financial year resulting in us emerging as a near-term gold producer with two significant projects where we continue to unlock value.

Great strides have been made by the Company in the last financial year resulting in us emerging as a near-term gold producer with two significant projects where we continue to unlock value. In the context of an extremely difficult macro environment for the mining sector, Hummingbird has been able to increase its shareholder base, grow its resources, achieve maiden reserves, significantly improve technical studies as well as gain a 25 year MDA in Liberia to add to the 30 year mining agreement already in place in Mali. Individually these are all significant achievements but collectively truly mark it out as a year of outperformance.

The Company is well placed to come out of the downturn in the gold sector in much better health than it went into it. With over 6Moz of gold and a robust mine ready to build in Mali, Hummingbird is well positioned to take advantage of an industry recovery and return to a positive market. With an all-in cost of production of under US$700/oz in Mali, our Yanfolila Project will be one of the lowest cost producers in the market.

At Yanfolila I am very pleased that the company has delivered since the last year end, the initial Optimisation Study in March 2015, DFS in January 2016 and the Optimised Mine Plan announced in February 2016. These studies have seen the Project grow significantly from an average of 79,000oz/year production to 107,000oz/year with a post-tax IRR growth from 35% to 60% (using a US$1,250 gold price). As a result we are now developing one of the highest margin gold projects in Africa. These numbers alone show progress made since acquiring the Project from Gold Fields in 2014 and demonstrates clearly the future profitability at Yanfolila in the near-term.

Whilst our current focus is on bringing Yanfolila into production in the near-term, the Dugbe Gold Project in Liberia, with over 4Moz gold and a 20 year mine life, remains a compelling project that should not be overlooked, especially as the gold price ticks back up. We are therefore continuing to optimise the Dugbe Gold Project and are working with different consultants to do this. Liberia now has its first commercially operating gold mine and the environment to work and develop there continues to improve. The hydro power pre-feasibility study is progressing well and we look forward to sharing the results of this work once they are completed. During the period Hummingbird signed a 25 year MDA with the Liberian Government and the President which now waits to be passed into law by the Legislature.

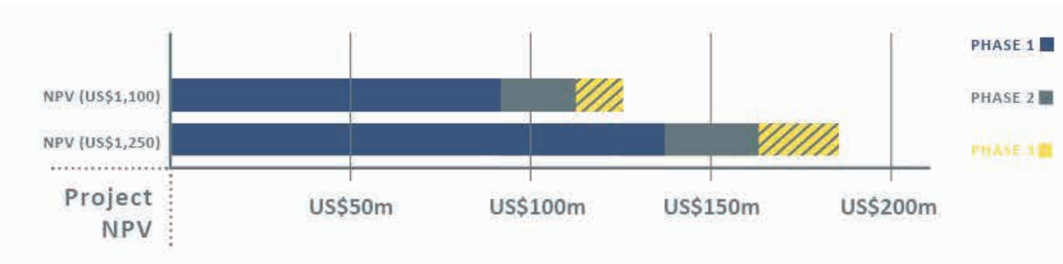
The Company continues an active Sustainability (Corporate Social Responsibility ("CSR") programme. Supporting local communities in healthcare and education and helping to train them in new skills will leave a lasting legacy as well as enable greater local employment in the short term.

I would like to take this opportunity to thank all of our staff and consultants. Without their hard work and diligence we would not have been able to achieve the great progress we have made this year.

We remain extremely grateful for the support of our shareholders and all of our stakeholders. We are focused on our vision to build a mid-tier gold company. We look forward to your continued support as we execute our strategy into a rising market.

Russell King
Non-executive Chairman

Yanfolila Project NPV



CEO'S STATEMENT

Using a US$1,250 gold price the Project delivers US$162m NPV_8 and 60% IRR, and with a US$1,100 gold price the Project has a US$109m NPV and 42% IRR.

Hummingbird has made material advancements to both the Dugbe Gold Project in Liberia and the Yanfolila Gold Project in Mali during this period. In Mali the Company now boasts a fully permitted, robust, high margin gold Project with a completed DFS that shows a Life of mine AISC under US$695/oz and a reserve grade of 3.14g/t; at US$1,250 gold price the IRR is 60% and these numbers mark Yanfolila as a stand out project. Hummingbird has grown to hold 6.4Moz gold under management. Both projects are covered with 25+ year mining agreements, therefore giving us the security of tenure and around 4,000km^2 of land holding on two highly prospective gold belts in West Africa. We are extremely proud of the strides we have made this year on the ground, but as significant shareholders, we remain frustrated that the value of our endeavour is yet to be fully realised. The macro markets which ultimately govern the value of the sector are highly cyclical and we are building a company that will be in the top quartile in terms of the quality of its assets and its delivery and so best suited to take advantages of changes in the tide.

Yanfolila Gold Project:
In January 2016 we delivered a DFS on the Project that we updated with an optimised mine plan and schedule in February 2016 to include the increased gold Reserves. Using a US$1,250 gold price the Project delivers US$162m NPV_8 and 60% IRR, and with a US$1,100 gold price the Project has a US$109m NPV and 42% IRR. The all-in cost of production for the life of the mine of US$695/oz is one of the lowest in the industry. These results make this project one of the highest margin undeveloped gold projects in Africa today.

Yanfolila will progressively mine five open pits over an eight year mine life through traditional gravity and carbon-in-leach ("CIL") processing. On top of this there is a scoping study level report, outside of the mine plan, on a sixth deposit, Ganka, which has both open-pit and underground mining potential. The Project also has over 1Moz of gold outside of the current mine plan, but within the mining permit area. There also remains a large amount of upside to further develop Yanfolila from its initial mine plan on top of the significant exploration potential.

Mali is Africa's third largest gold producer and our experience of operating there has been extremely positive. With both mining and environmental permits in place Yanfolila is fully permitted and ready to build.

Dugbe Gold Project:
At the Dugbe Gold Project in Liberia we are continually improving the existing technical work completed to date. In 2013 we completed a PEA which showed, at a US$1,300 gold price, a post-tax IRR of 29% and NPV10 of US$186m. Since this study we have been looking at ways to optimise this based on the current gold price environment. In Liberia over 40% of our operating costs are the cost of generating our own power, and we have been conducting extensive studies in this area of the business. We are well progressed towards delivering a hydro-electric power pre-feasibility study in partnership with Knight Piésold and funded by IFC InfraVentures ("IFC"). We believe this will show the potential to significantly reduce production costs at the project.

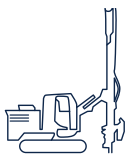
Liberia now has its first commercially operating gold mine and the post Ebola environment makes it an ever increasingly positive place to operate. That, combined with a renewed confidence in gold, makes Dugbe a very exciting prospect with almost unlimited exploration upside. The tightening in the gold market has understandably meant that the spotlight has to be on near term cash flows and higher grade reserves and therefore cash margins at the Yanfolila Project; but the Dugbe Project is a sleeping giant which we are very excited to continue progressing.

Financing:
As I write this at the beginning of April 2016 we have extended the term of the US$15m bridge facility for Yanfolila with Taurus Funds Management to 8 September 2016. With the vastly improved economics on the back of the Optimised Mine Plan, in comparison to the Optimisation Study of March 2015, we stand in a far stronger position to gain the best possible financing package for the Yanfolila Gold Project. We are currently working through these options and hope to be updating the market on our progress in the near future. As at 31 December 2015, the Company had a cash position of US$7m.

Conclusion:
I would like to echo Russell's comments and thank all of our hard working employees and consultants. Without their efforts our projects would not have been able to develop at the same pace or to the same quality as they have. As a result we have been able to report the material growth in the Yanfolila economics demonstrated by its IRR increasing from 35% to 60% from studies carried out between last year's report and this one.

A lot of hard work will be needed to turn Hummingbird into a gold producing company in the near-term and we are ready and excited for the challenge ahead. So far we have managed to significantly grow our resources and improve our technical studies, as well as successfully recruit the talent to bolster our world-class team to turn Hummingbird Resources from an explorer into a developer. During the development phase we will continue to recruit for the future as we transform into a producer. Although the market has produced a gloomy backdrop we believe that Hummingbird is well positioned to develop into a high margin gold producer. We look forward to your support as we deliver on this plan.

Dan Betts
CEO

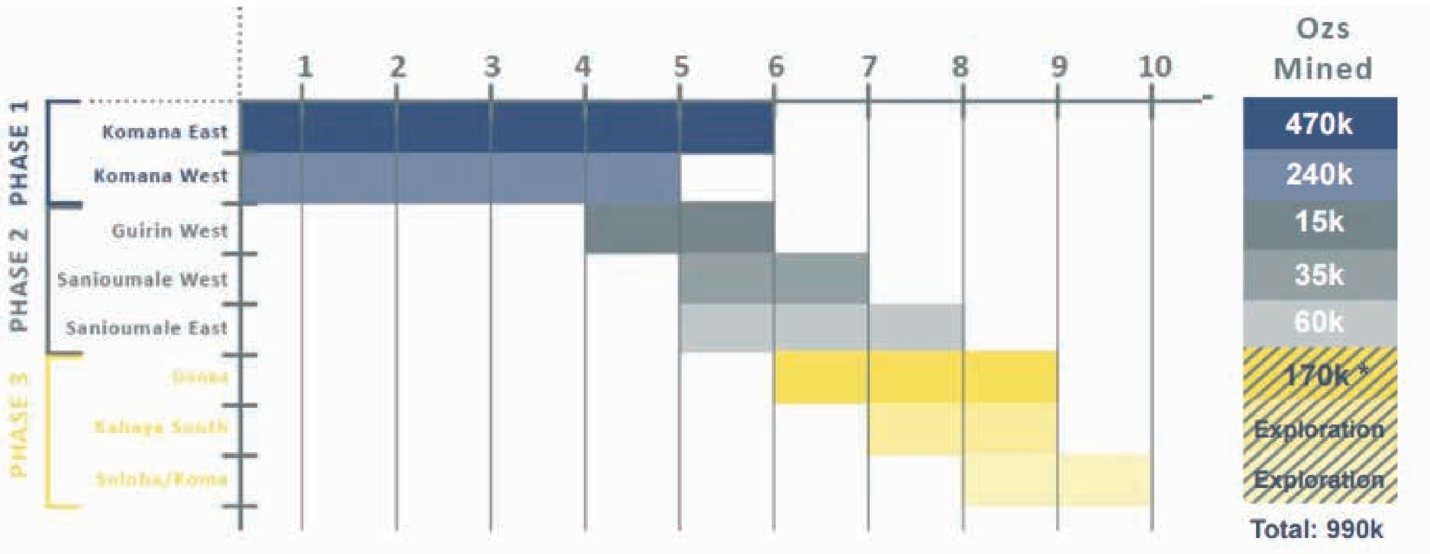


YANFOLILA GOLD PROJECT, MALI

HIGHLIGHTS

- DFS PUBLISHED IN JANUARY 2016
- OPTIMISED MINE PLAN IN FEBRUARY 2016 SHOWS
  - US$162m NPV
  - 60% IRR
  - AISC US$695/oz
  - 132,000oz produced in first full year of production
  - 107,000oz average production per year over LoM
  - First full year unleveraged cash flow of US$74 million
- TOTAL MINERAL INVENTORY OF:
  - 2.2Moz @ 2.4g/t
- PROBABLE ORE RESERVES OF;
  - 709,800oz @ 3.14g/t
- YANFOLILA PROJECT IS FULLY PERMITTED WITH A 30 YEAR MINING LICENCE AND ENVIRONMENTAL PERMIT GRANTED

Yanfolila LoM Plan



*Gonka at scoping study stage and not in LoM plan.

Introduction

In the period the Company released an Optimisation Study on the Yanfolila Gold Project. This Study was 'right-sizing' the Gold Fields work and re-scoping it into a lower capex more profitable operation than had previously been envisaged by Gold Fields. The Company has, post the period, released a Definitive Feasibility Study ("DFS") on the Project in January 2016 and in February 2016 an Optimised Mine Plan on the Project. These two Studies are the basis on which the Project will be funded and constructed. The reports show a material improvement to the project both in gold produced and economic returns to shareholders.

The following section of the Annual Report details information that was released in January and February 2016 in the DFS and Optimised Mine Schedule. This information is a report on both the economic returns of the Project as well as an overview of the technical and other elements related to its construction.

Optimised Mine Plan, February 2016

On 29 February 2016, the Company announced the results of an updated Reserve statement and mine schedule for Yanfolila. The positive implications of this are highlighted in the following table.

Project Economics			
YANFOLILA PROJECT	**Feb 2016 Optimised Mine Plan (US$1,100)**	**Feb 2016 Optimised Mine Plan (US$1,250)**	**Feb 2016 Optimised Mine Plan (US$1,400)**
Production Year 1	132,000oz	132,000oz	132,000oz
LoM Production/year	107,000oz	107,000oz	107,000oz
LoM Grade	2.95g/t	2.95g/t	2.95g/t
Annual Throughput	1.24Mtpa	1.24Mtpa	1.24Mtpa
Project CAPEX	US$79m	US$79m	US$79m
Recovery	92.8%	92.8%	92.8%
All in Sustaining Costs (US$/oz)	US$686	US$695	US$701
LoM NPV (8%) (HUM Share)	US$109m	US$162m	US$216m
After tax IRR	42%	60%	77%

Life of Mine DFS, January 2016

The DFS has been compiled by DRA Projects ("DRA") for the Yanfolila Gold Project. CSA Global ("CSA") were responsible for the Mineral Resource and Ore Reserves reports. SENET, a highly credentialed EPCM provider with significant West African gold experience, completed the metallurgical testwork, process design and engineering, and capital and operating cost estimates for the processing plant and the associated plant infrastructure. Other key contributors were Schlumberger Water Services ("SWS"), who carried out detailed hydrology and hydrological studies, and Ausenco Engineering Canada ("Ausenco"), who completed the design and cost estimates for the Tailings Storage Facility ("TSF").

The DFS LoM Plan will progressively mine five open pits, starting initially with Komana East and Komana West, and then progressing to Guirin West, Sanioumale East and Sanioumale West. The Company is also considering developing the high grade Gonka Resource, initially as an open pit, then moving to an underground mine. The plant will have a throughput capacity of 1.24Mtpa.

The ore is non-refractory and the simple process plant design utilises gravity and CIL for the processing and recovery of the gold. The plant design incorporates industry standard unit process operations, consisting of primary and secondary crushing, closed-circuit ball milling with gravity concentration, intensive leach of the gravity concentrate, carbon-in-leach of the gravity tailings, elution, electro-winning, and smelting to produce gold doré. Mining will be carried out by a mining contractor with significant West African experience.

Project Costs

Capital Cost Summary	
Description	**Cost (US$000)**
General Infrastructure	7,570
Mining	8,619
Owners' Direct	5,870
Owners' Indirect	2,784
Process Plant	46,738
Process Plant Infrastructure	1,710
Sub Total	73,291
Contingency	6,066
Total	**79,357**

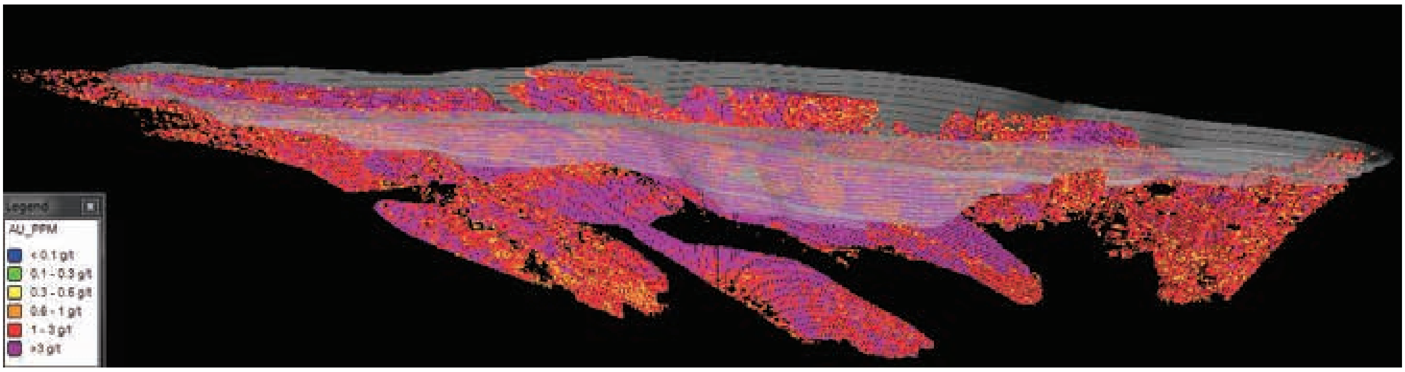
Operating Cost Summary	
Description	**Units**
Mining Cost (US$/t)	2.40
Processing Cost (US$/t ore)	14.5
G&A Cost (US$/t ore)	6.6
Total OPEX (US$/t ore)	53.2
Cash Cost (US$/oz)	620
AISC* (US$/oz)	695

*AISC = All-in Sustaining Cost

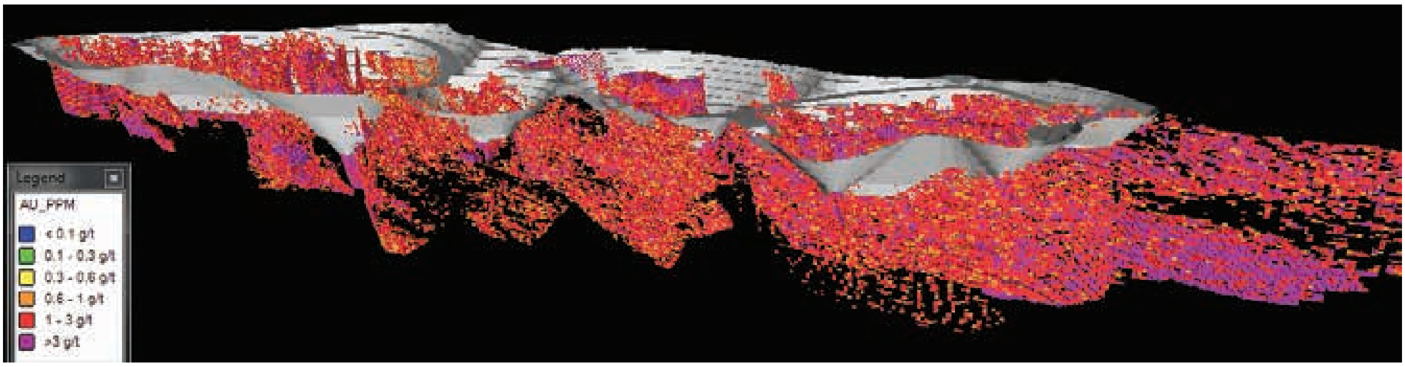
YANFOLILA PROJECT, MALI
CONTINUED

Probable Reserves*			
Pits	Tonnes	Contained Ounces (Au)	Grade (g/t)
Komana East	4,606,000	470,600	3.18
Komana West	2,433,000	239,200	3.06
Total	**7,039,000**	**709,800**	**3.14**

Komana East Pit



Komana West Pit



Total Mineral Inventory			
	Tonnes	Ounces	Grade (g/t)
CSA JORC	18,645,000	1,587,600	2.64
GF 2012 SAMREC	3,520,000	224,400	1.98
GF 2013 internal De-Risking Study[1]	6,324,200	390,700	1.92
Total	**28,489,200**	**2,202,700**	**2.39**

Full notes on the Reserves and Resources can be found in the relevant RNS which is available on the Company's website, www.hummingbirdresources.co.uk.

* Total Project reserves and mineral inventory, Hummingbird interest is 85%
1 Non-JORC and Non-SAMREC

Geology

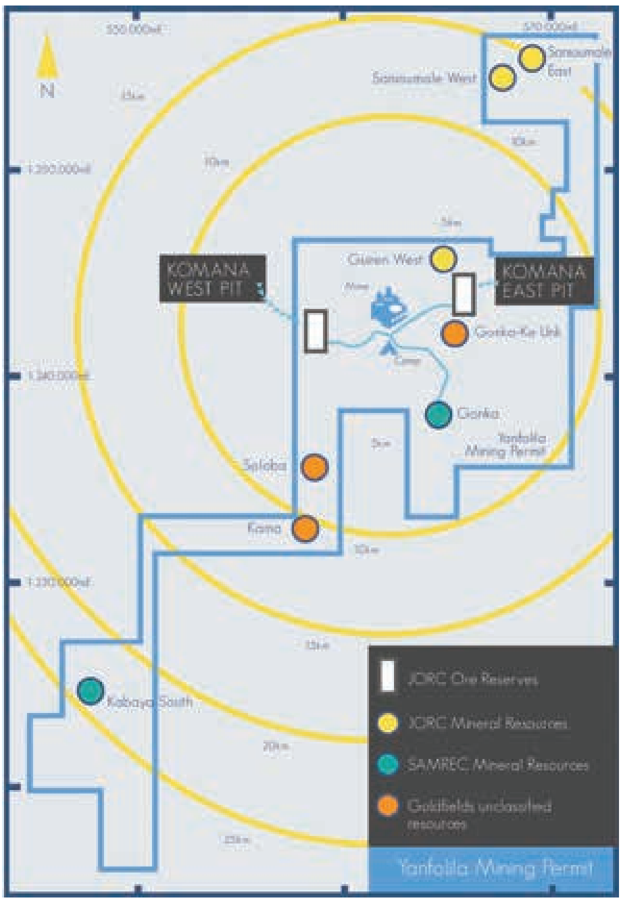
The Yanfolila Project is situated within one of several sub-basins along the eastern margin of the Greater Siguiri Basin ("GSB"). The GSB straddles the Mali-Guinea border and forms the western margin of the Birimian Volcano-Sedimentary Basin ("BVSB"). Combined with the Archaean Kenema-Man Domain ("west of the GSB") and the pan-African Benin-Nigeria Shield ("east of the BVSB") these form the West African Craton, one of the major gold producing regions and well-endowed gold rich provinces in the world.

The Yanfolila Belt, which hosts the Project, is orientated north-south and is located on the eastern margin of the GSB. The belt contains several sub-basins including the Komana Mafic Sub-Basin ("KMSB") and the Kabaya Sub-Basin ("KSB"). The KMSB has an abundance of mafic rock units, basalt and dolerite that have proven to be the preferred host to mineralisation and correspond to a broad gravity high.

The KMSB hosts the majority of the Yanfolila gold targets and deposits that have been currently defined. It has a stratigraphic sequence of basalt, polymictic conglomerate, feldspathic sandstone, silt-shale and a lithic-dominated greywacke. Porphyry, granodiorite and diorite intrusions crosscut the stratigraphy of the KMSB.

The Yanfolila Project is made up of seven main deposits, five of which have been subjected to resource definition drilling, modelling and grade estimation and reported as containing mineral resources compliant to JORC Code (2012 Edition).

For a detailed breakdown of the Yanfolila Project Reserves and Resources please see the London Stock Exchange announcement made by the Company on 15 December 2015. A copy of the announcement can be found on the Company's website www.hummingbirdresources.co.uk.



Mining

Geotechnical

There are two distinct regimes at the Yanfolila Project deposits: regolith soils and bedrock. The nature of the saprolites and saprocks of the regolith are substantially similar to many sites in the region. The recommended slopes in regolith materials are an average of 44 degrees from surface to a depth of 40m and 40 degrees below 40m.

The slope design angles recommended for the regolith assumes depressurisation of the pit walls in advance of mining by installing an array of dewatering wells around the pits.

In the fresh rocks below the regolith, the ground conditions appear reasonably competent with no major rock defects identified. The rocks are strong and the structures appear to be a conventional footwall / hanging wall relationship. The slope angle limitation on the hanging walls is largely dependent on practical and/or operational factors. The recommended designs for each of the two wall types for all the fresh rock sections of the pits is between 50-52 degrees.

The designs for both the regolith and the bedrock slopes have case history support from operations in the region and are adopting similar slope angles, provided dewatering of the regolith is carried out prior to mining and good wall control is maintained.

YANFOLILA PROJECT, MALI
CONTINUED

Mine plan

The mine plan envisages the mining of the KE and KW deposits which contain currently defined reserves during years 1 – 6 ("Phase 1") followed by mining of the Guiren West ("GW"), Sanioumale West ("SW") and Sanioumale East ("SE") deposits over years 5 – 7 ("Phase 2"). Optimisation work to include the expected benefits of blending Phase 1 and Phase 2 ores will be assessed going forward.

Mining Method

The Yanfolila Gold Project consists of two main clusters of ore deposits: located in the south are the deposits of KE, KW, GW and Gonka ("GK"), and located in the north are SE and SW.

Mining operations will be carried out using conventional drill and blast and load and haul mining methods. Plant production during the mine life is currently planned for a period of seven years, mining some 8.8Mt of ore and 106.7Mt of waste. Waste rock will be re-located to designated waste rock facilities at each pit and will be progressively rehabilitated in accordance with IFC guidelines.

During an initial mining pre-production period of approximately five months the selected mining contractor will mobilise and establish operations, ore will be stockpiled ready for plant commissioning and much of the waste material removed will be used for building up the Run of Mine ("RoM") stockpile pad and TSF starter embankment.

Drill and blast activities will be required once the hardness of the material to be excavated becomes too difficult, or inefficient to free dig. Once commenced, 10m blast holes will be drilled in a dense pattern for blasting.

The pit dewatering program will utilise a total of 27 de-watering wells which are designed to reduce the pore pressure in the surrounding rocks, thus allowing steeper pit walls, and also to reduce the inflow to the in-pit sumps.

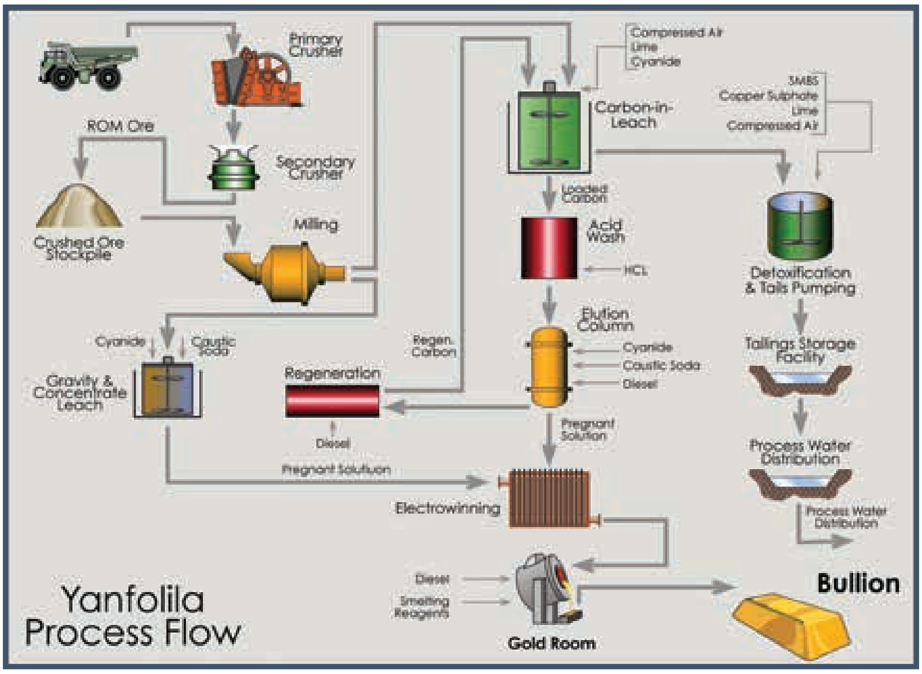
The Company intends to engage an experienced mining contractor for the Project and notes that there are a number of well-established local and international mining contracting companies in West Africa, some of whom have been operating in the region for more than 20 years.

Process Design

In developing the process flowsheet, trade-off studies were conducted to optimise unit process selection. Consultants were engaged to assist with the flowsheet development in the areas of their expertise. The trade-off studies and simulations conducted included the following; comminution circuit design options, live stockpile versus bin for crushed ore storage, number of stages for CIL, elution circuit evaluation, detoxification mixer and sparger configuration and the introduction of a tailings thickener.

Based on the metallurgical testwork results, trade-off studies and simulations from consultants, the design criteria of the Yanfolila process plant was developed, assuming treatment of up to 1.24 Mtpa on a blend of oxides and fresh, and up to 1.0 Mtpa when treating mainly fresh ore.

The Yanfolila process plant design utilises a CIL process for the processing and recovery of gold from oxide and a blend of oxide and fresh ore. The plant design incorporates industry standard unit process operations, consisting of primary and secondary crushing, closed-circuit ball milling with gravity concentration, intensive leach of the gravity concentrate, carbon-in-leach of the gravity tailings, elution, electrowinning and gold sludge smelting to produce doré.



A two stage crushing facility is installed to treat all ore types. In order to maintain mill throughput, a tertiary crushing facility will be added when the proportion of hard fresh ore increases. A 12 hour live stockpile ensures continuous and consistent feed to the mill.

Recovery of gold will be through a combination of gravimetric means and direct cyanidation. Gravity concentrate is treated through an intensive cyanidation process with the pregnant solution pumped to an independent gravity electrowinning circuit. The CIL circuit consists of seven tanks in series: one pre-leach tank and six CIL tanks.

Tailings Storage Facility

The design of the TSF for the Yanfolila Gold Project was originally undertaken by Gold Fields Limited ("Gold Fields") in 2013 which looked at several locations with respect to the mineral deposits for the Project. In late 2014 Hummingbird engaged Ausenco to develop the TSF for the Project. The outcome of the study identified that a rockfill-centerline raise was the preferred option, since although it had a slightly higher sustaining capital cost than the upstream-rockfill raise, it is more robust from both a construction and water management perspective. The use of a combination of a High Density Polyethylene ("HDPE") membrane for the embankment wall with a natural clay liner for the facility basin ensures compliance with IFC performance standards, but also results in lower initial capital costs and subsequent sustaining costs for each of the annual embankment raises that will be necessary.

Environmental & Social
A significant number of baseline and impact assessment studies have taken place during the life of the Project to date.

Active pit dewatering will occur throughout LoM and the management of this water can have significant environmental and social impacts to quantity and quality of water. Modelled impact of drawdown of groundwater levels suggests a very limited impact to community wells and hand pumps in the vicinity of open pit mining locations. Additionally, analysis and test work of the waste rock to be mined show that acid rock drainage will not be an issue for the Project.

Waste management for all Project activities will be undertaken by the Company. A dedicated facility for the sorting and disposal of wastes will be centrally located. Provision has been made for a centralised sorting area and storage shed, incinerator for hazardous and medical waste stream, non-hazardous landfill, and a small lined hazardous landfill cell. Organic and biodegradable waste will be collected and composted in line with permit requirements.

Social Management
The Project does not require physical resettlement, however land acquisition and compensation for development activities is necessary. This process started in April 2015 and is now nearly complete, with significant stakeholder engagement and the establishment of a multi-stakeholder Commission.

To date the Project has maintained excellent relationships with local stakeholders involved in artisanal and small-scale mining (“ASM”) and there is a common understanding of the mine development process and timeline.

The Project provides considerable opportunity for the improvement of socio-economic conditions in the local area. Currently the local area and communities are underserved by social services and infrastructure and therefore the Project will look to enhance sustainable socio-economic development opportunities wherever possible.

The Project is set to employ, directly and indirectly, around 900 people during the construction phase and around 800 people during operations. The Company will aim to prioritise the employment of labour from the local communities as far as possible.

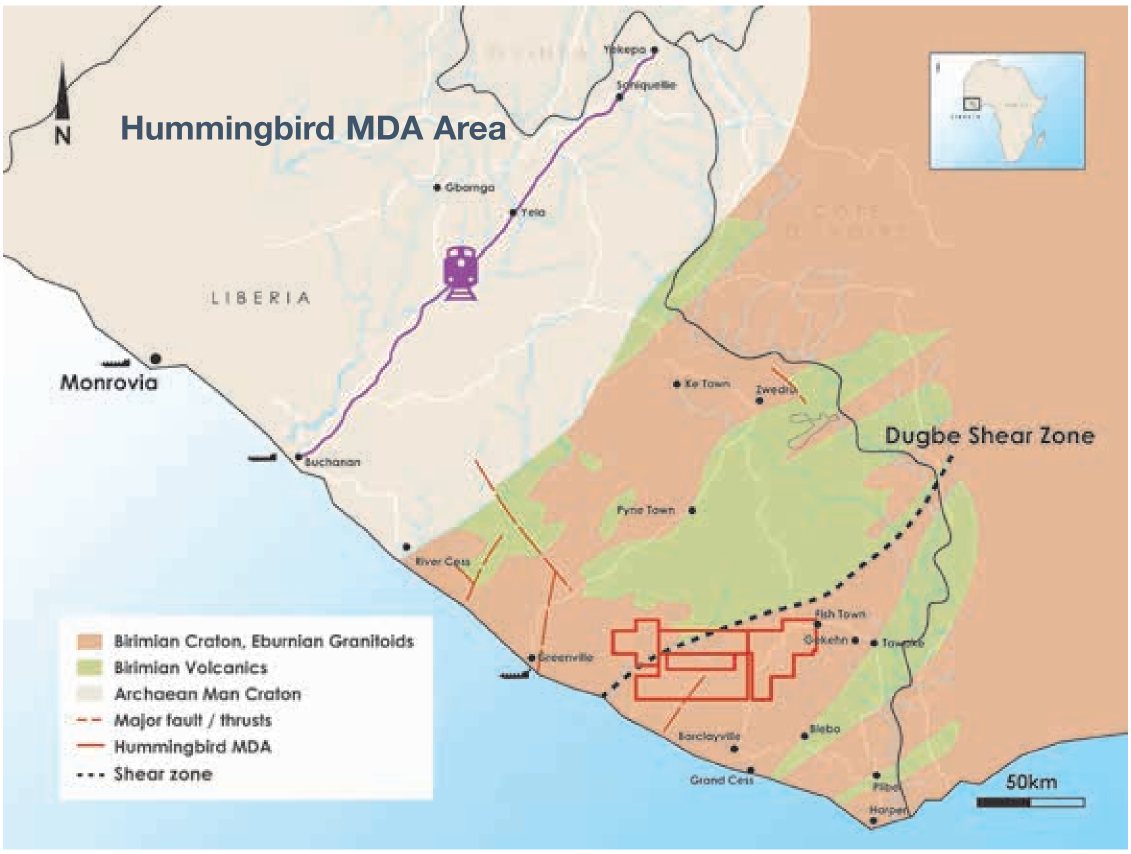
Permits
Yanfolila Gold Project is fully permitted with a 30 year Mining Licence and Environmental Permit granted.

THE DUGBE GOLD PROJECT, LIBERIA

HIGHLIGHTS

Dugbe Gold Project, 4.2Moz at 1.4g/t, in Liberia

- LIBERIA'S LARGEST GOLD DEPOSIT
- PEA SHOWS AT US$1,300 GOLD
  - US$186m NPV
  - 29% IRR
  - 125,000ozs average production per year over a 20 year LoM
- MDA SIGNED WITH THE GOVERNMENT OF LIBERIA FOR A 25 YEAR TERM
- HYDRO ELECTRIC POWER PRE-FEASIBILITY STUDY NEAR COMPLETION
  - Potential to significantly reduce Project OPEX
- CLEAR EXPLORATION UPSIDE



The Dugbe Gold Project is a 4.2Moz gold Resource with a completed PEA showing a 20 year LoM of 125,000oz gold produced/year. This is Liberia's largest recognised gold deposit and the Company strongly believes there is significant potential to grow these Resources further.

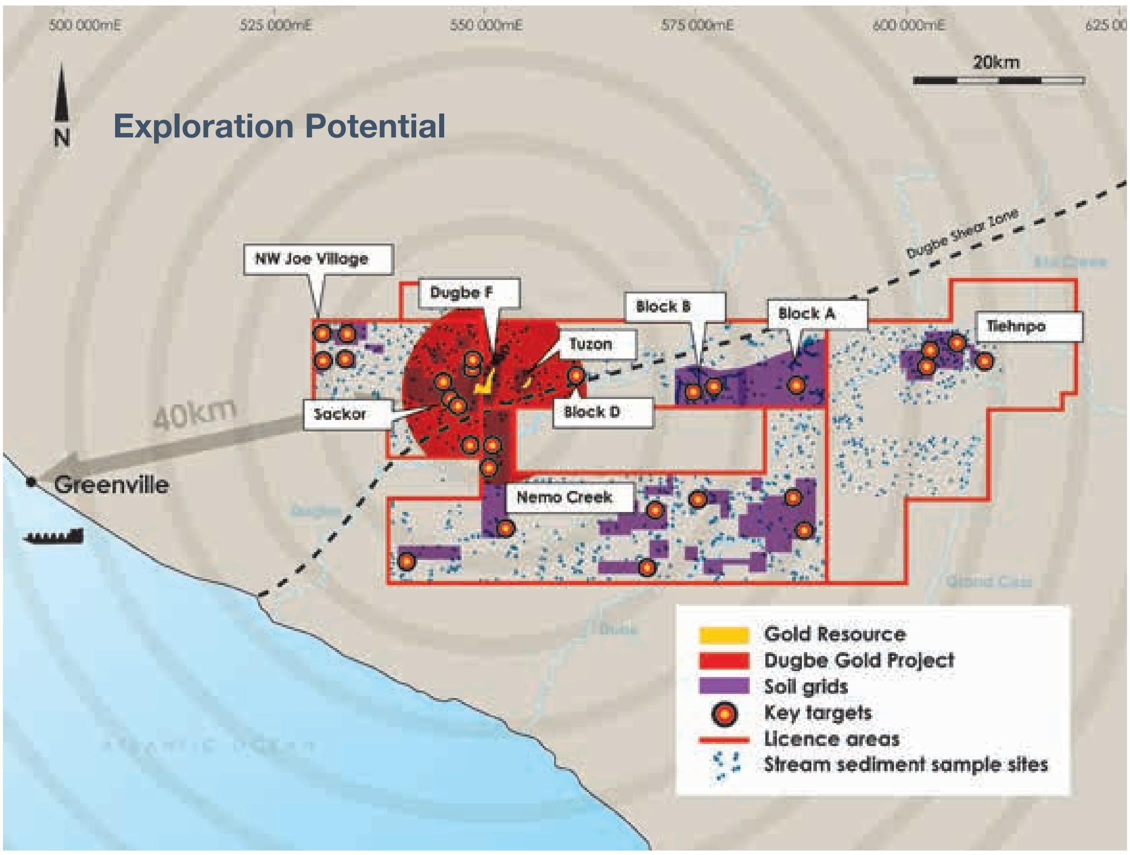
Optimisation of the DFS is ongoing, with potential to improve the project by bringing into the model further Tuzon Inferred Resources, as the well as the 1.8Moz Inferred Resources at 'Dugbe F' and the nearby 'Sackor' discovery. The Company intends to look at all of these options with a view to compiling a detailed work programme.

As part of the DFS Optimisation a Collaboration Agreement was signed on 7 April 2015 between Hummingbird, IFC and Aldwych International ("Aldwych"). In this agreement the IFC are funding a c.US$265,000 hydro-electric power ("HEP") pre-feasibility study ("PFS") which is being conducted by Knight Piésold. The PFS will evaluate the opportunity to build and run a 20-30MW HEP which would have the potential to make significant improvements to the operating costs of the Dugbe Gold Project. To read more about this study please refer to the News page of the Company website - www.hummingbirdresources.co.uk.

Future Proposed Work Programme:
The work completed in producing the draft DFS has uncovered areas where further optimisation and development can be targeted to further improve the overall Project economics. At the appropriate time the Company plans to implement further work on the Dugbe Gold Project to enhance the resource, mine plan, process flow sheet, recovery and operating costs that have been achieved. This work may include:

- Further conversion of Inferred to Indicated Resources at Tuzon through a short drilling programme;
- Confirming extensions at depth of the most significant part of the Tuzon ore-body through a short drilling programme;
- Carrying out further work at the highly prospective Sackor deposit, close to Dugbe F, to develop an Indicated Resource on the back of a recent extensive re-logging exercise of core;
- Review the Dugbe F Inferred Resource (1.8Moz), and look to upgrade its classification to Indicated Resources;
- Review mine scheduling and waste dump philosophies to improve operating economics; and
- Optimise the process flow sheet through a short programme of further metallurgical test-work.

The Dugbe Gold Project PEA shows a 20 year mine life and we believe there are significant opportunities to increase the resource inventory to extend it even further. The Directors believe that the Dugbe Gold Project remains a 'company making' project that Hummingbird Resources looks forward to producing gold from in the future.



EXPLORATION

Mali

Mali has significant potential for the discovery and development of economic gold deposits, as is underlined by its position as Africa's third largest gold producer. There is a large amount of under explored exploration ground and many exciting opportunities to be reviewed now that Hummingbird is active in the Country. We are looking forward to both further exploring our existing licence packages and keeping an open view to augment existing ground where synergies exist.

The existing package of licences in Mali is split into two groups; Yanfolila and Kangare. The licence package consists of a total of 1,400km^2 of very prospective exploration ground. The Yanfolila licences surround the 30 year Yanfolila Exploitation Permit. Within these licences there are a large number of exciting exploration targets based on historical soil sampling and drill results. These targets are being ranked and will be followed up by the Hummingbird exploration team. It is expected that the Yanfolila Gold Project will benefit from near mine exploration potential in the near term with additional resources being added to the mine life and enhancing the production schedule. An example of this is already evident in the Gonka Study released in February 2016. This shows both open pit and underground mining potential of a sixth deposit in close proximity to the plant.

The Kangare licence package is an earlier stage set of licences to the north and east of Yanfolila. Gold Fields drilled over 16,000m across the projects and spent in excess of US$6m on exploration and intersected some very prospective sections. As with the Yanfolila licences, these will be reviewed and followed up by the Hummingbird exploration team.

There is a significant amount of other geological exploration activity around all of our exploration permits and looking for synergies with our neighbours will be an important factor in deciding what further work will be pursued over these licences.

Liberia

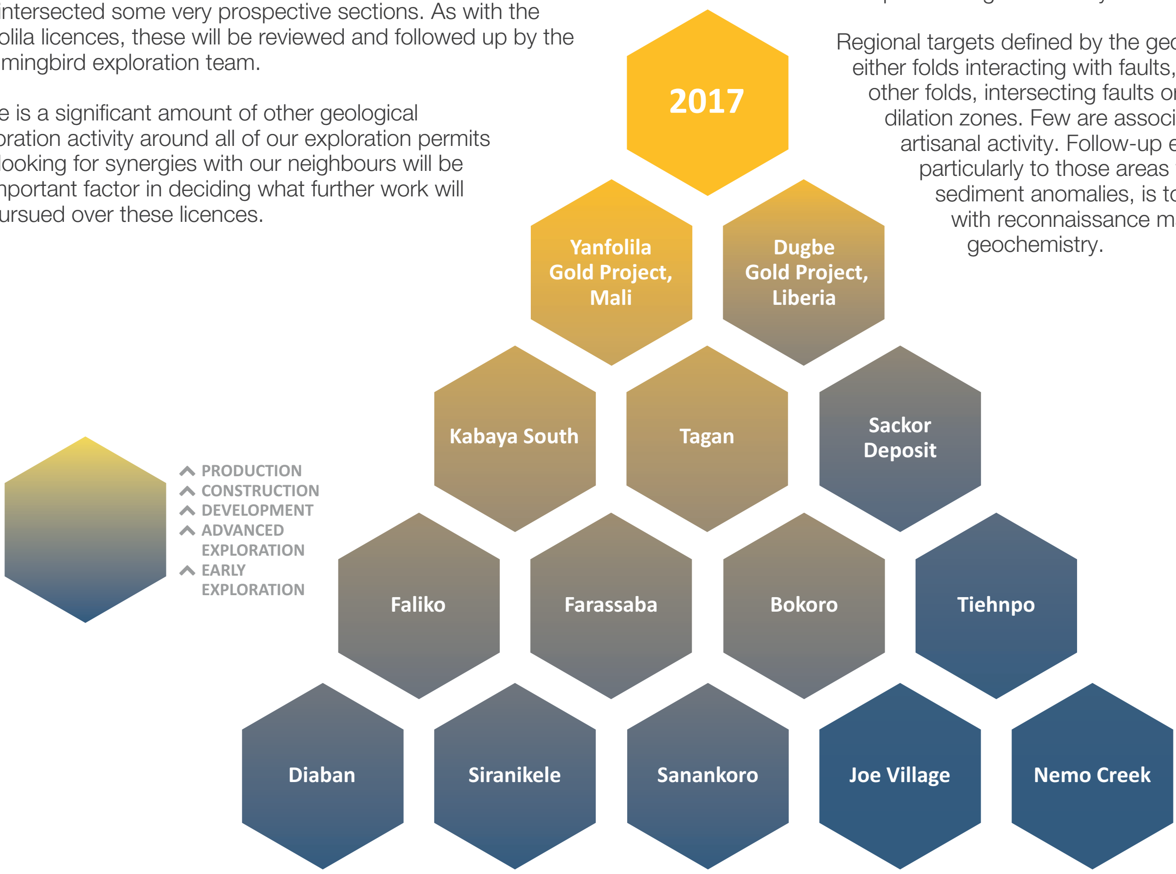
Hummingbird has around 2,000km^2 of exploration ground in southeast Liberia. This offers a huge upside potential for future gold discoveries in a still largely unexplored, yet highly prospective, region of the Birimian gold province.

At the end of 2013 we published the results of the interpretation of the 17,000 line km airborne magnetics and radiometrics data collected earlier that year. The interpretation, conducted by Southern Geoscience in Australia, resulted in over 140 targets to be followed up with systematic exploration. A further, more detailed review of the interpreted anomalies and historic Hummingbird data has enabled us to define a plan for future exploration programmes, prioritising targets and activities based on two principal aims:

- identifying new resources as quickly as possible near to the existing Dugbe Gold Project with work starting proximal to the current deposits and progressing outwards; and
- the discovery of a new deposit.

Targets occurring in the closest proximity to the Dugbe Gold Project are structural, either on or parallel to the North-East striking Tuzon deposit, on structures intersecting the Dugbe Shear Zone from the West, or on the Dugbe Shear Zone itself. Prospect-scale mapping over the target areas, complete soil coverage and re-evaluation of all gold-in-soil data with follow-up trenching will identify drill targets.

Regional targets defined by the geophysics are either folds interacting with faults, intrusives or other folds, intersecting faults or interpreted dilation zones. Few are associated with artisanal activity. Follow-up exploration, particularly to those areas with the stream sediment anomalies, is to be conducted with reconnaissance mapping and soil geochemistry.



SUSTAINABILITY

Overview
At Hummingbird we believe that it is our duty to work across all of our operations in the most socially and environmentally responsible way possible.

From Board level through to our in-country team, every Hummingbird employee has a duty to working safely and respectfully to protect the environment and the communities in the countries we are privileged to work in.

Hummingbird Resources aims to:

- provide a safe working environment and invests in the skills of our workforce
- assess and manage environmental and social risks, and monitor performance against international best practice
- engage and consult with local communities and other key stakeholders, working towards development together
- respect and protect the natural environment

Hummingbird invests directly in the people where we operate. We believe that this is the greatest lasting contribution that can be made. Our education and training programmes are central to our Sustainability Strategy, allowing us to operate safely and sustainably. By developing skills in our workforce, Hummingbird's activities will have positive multiplier effects to the wider population.

Hummingbird takes an industry best practice approach to environmental and social risk management by identifying and assessing risks early in the project cycle. The Company will first look at alternative options that avoid negative risks altogether, by changing the location or employment of specific technologies. Where avoidance is not possible, the Company will mitigate these risks through specific operating procedures, training and management plans.

Community Development and Local Employment
Hummingbird has developed and implemented a community development plan at each project site in partnership with local communities, government agencies and non-governmental partner organisations.

The Company supported the local communities close to its Dugbe Gold Project during the Ebola crisis with both financial assistance and supplies. Fortunately there were no occurrences on or around our Project areas in Liberia.

In Mali support has been given to a number of community development initiatives, including:

- Sponsorship of teachers and nurses salaries across the Project area
- Refurbishment of classrooms at the local school
- Provision of improved water access points for the host communities
- Development of market gardens
- Development of a training centre to improve trade skills of the local population
- Brick making project and enterprise development

The Company signed a Protocole d'accord with the local authorities formalising our commitment to maximise local employment. Current predictions of construction and operations demand local employment show that over 90% of the workforce will be Malian, of which around 50% are expected to be hired from the local communities.

As Hummingbird moves into the construction phase, the Safety, Health Environmental and Community ("SHEC") team will continue to support and develop these community development initiatives. In particular these will focus on health and education outreach, and development of local livelihoods through support of trades and agricultural productivity.

Stakeholder Engagement
Maintaining strong community relations with the host communities in which the Company works remains a key pillar of the Company's Sustainability Strategy.

Stakeholder engagement plans, and associated grievance mechanisms have been developed and implemented in both Liberia and Mali.

At both project sites there are strong levels of local support for Company activities based on mutual understanding and trust.

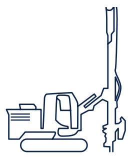
Land acquisition
In Mali, a Land Acquisition and Compensation Plan has been completed by experienced national consultants ESDCO working closely with the Company's SHEC team and Group E&S advisor. Based on current project description there is no physical resettlement of houses required, however agricultural and forest land will be acquired for development activities. The process started in April 2015 with extensive stakeholder engagement and participatory mapping of proposed project areas and current land use.

The plan has been formally approved and signed off by the Malian authorities, and a development moratorium called across relevant areas ahead of full compensation payment and implementation of livelihood restoration measures.

Environmental and Social Management System ("ESMS")
Management of environmental and social risks does not stop at the baseline study and impact assessment stage. Key to proper management is operationalising the findings of any assessment and ensuring an adequate management system is in place.

At Yanfolila a comprehensive ESMS has been developed and is now being implemented. For the reporting period under consideration, significant additions to the ESMS are centred on the completion of the 12 month air quality baseline and impact assessment undertaken by SRK, as well as the development of an International Cyanide Management Code ("ICMC") compliant Cyanide Management Plan for the Project.

A suite of over 20 topic specific management plans have now been developed along with appropriate standard operating procedures. A regular monitoring and reporting framework tracks performance against KPIs and has been developed in line with international best practice sustainability reporting requirements.



BOARD OF DIRECTORS

Russell King
Chairman
Russell is currently the Senior Independent Non-Executive Director of Aggreko plc, the FTSE 100 temporary power generation company. Prior to this Russell served as Chief Strategy Officer at Anglo American where he had global responsibility for strategy, business development, government relations, safety and sustainable development. He was also a member of Anglo American's plc executive committee for eight years. Between 2010 and 2013 he was a senior advisor to RBC Capital Markets on Metals and Mining. Russell is also Non-Executive Director of Interserve plc, Sepura plc and Spectris plc.

Daniel Edward Betts
Chief Executive Officer
Daniel founded Hummingbird in November 2005 and has run the Company since its inception. After graduating from Nottingham University he worked for Accenture Management Consultants until he joined the Betts family business in 2000. Founded in 1760, the family business is the oldest privately owned gold bullion smelters and refiners in the country, and it has a long history of trading across the world and dealing in all areas of the precious metal industry. Whilst working for the Betts family business Daniel established a number of natural resource based businesses in Uganda, Namibia, Sierra Leone, Mauritania and Peru, before starting Hummingbird Resources in 2005.

William Benjamin Thurston Cook
Operations Director
William is a former officer of the British Army having served in the Light Infantry. Following his armed service he worked in the security sector for companies such as Control Risks, Rubicon and Salamanca Risk Management before joining Hummingbird Resources as Country Manager. William is experienced in the operational and logistical management of projects in challenging environments. In his capacity as Operations Director he has been responsible for the establishment and ongoing running and development of all of Hummingbird's operational capability in Liberia and Mali, as well as more recently for the general oversight of the development of the Yanfolila Gold Project.

Thomas Hill
Finance Director & Company Secretary
Thomas joined the Company as Chief Financial Officer in September 2010 and was appointed as Finance Director in July 2012. Prior to this Thomas was a senior manager within BDO LLP's natural resources department, where he worked extensively with quoted mining and exploration companies and was involved with numerous flotations and other corporate transactions. He has a metallurgy, economics and management degree from Trinity College, Oxford and qualified as a chartered accountant with BDO LLP in 2001.

Stephen Alexander Betts
Non-Executive Director
Stephen co-founded the Company in November 2005. He has over 40 years' experience in trading with gold and related businesses in developing countries, having established several businesses in West Africa during his career. He is the chairman of the Stephen Betts group of companies. The family business has over 250 years' history in smelting, refining and bullion dealing.

Matthew Charles Idiens
Non-Executive Director
Matthew co-founded Hummingbird in November 2005 and he has 20 years' experience in natural resource companies. He is a founder and Director of AIM quoted Rose Petroleum plc and also founder and director of Seamwell International Ltd, a private company developing underground coal gasification ("UCG") projects in China. From 1995 to 2001 he worked as an associate director at Laing and Cruickshank Investment Management, part of the Credit Lyonnais Group.

David Almgren Pelham
Non-Executive Director (and member of TAC)
David is a mineral geologist with over 35 years global exploration experience. He has worked in over 40 countries in Africa, Europe, North and South America, the Middle East and Asia. He has been involved as Technical Director with new junior company start-ups and initiated numerous new exploration projects worldwide. He has worked in several West African countries, and oversaw the discovery and early evaluation of the +6 Moz Chirano Gold Mine in Ghana, as well as Hummingbird's 4.2 Moz Dugbe gold deposit in Liberia. He has been closely involved with a number of major discoveries of gold, copper-cobalt, coal, iron ore, chrome and uranium. Converted into in-situ gold-equivalent terms, these new discoveries add up to over 100 Moz of gold.

Technical Advisory Committee

Ian Cockerill
Technical Advisory Committee
Ian is the former Non-executive chairman of Hummingbird Resources. Ian was also formerly CEO of Gold Fields Limited and Anglo Coal Ltd. He is currently Non-executive director of Endeavour Mining, Chairman of Petmin Limited, Lead Independent director of Ivanhoe Mines, Chairman of the Leadership for Conservation in Africa and Non-executive director of Orica Limited.

Mark Calderwood
Technical Advisory Committee
Mark was the CEO at Perseus Mining for over 10 years and successfully led the company from being an explorer into a 200,000oz/year gold producer in Ghana. Mark is a member of the Australian Institute of Mining and Metallurgy and has over 25 years of experience in the sector.

DIRECTORS' REPORT

The Directors present their report on the affairs of the Group, together with the financial statements and Auditor's Report for the year ended 31 December 2015. In the prior year the period end changed from 31 May to 31 December in order to align all of the group company period ends. As a result the current year is not directly comparable to the prior period.

Principal activities
The Group's principal activity is the exploration, evaluation and development of mineral exploration targets, principally gold, focused in West Africa.

The subsidiary and associated undertakings principally affecting the losses or net assets of the Group in the year are listed in note 16 to the financial statements.

CORPORATE GOVERNANCE

The Company is subject to the corporate governance regime of the United Kingdom. The Directors acknowledge the importance of the guidelines set out in the QCA Guidelines and therefore intend to comply with these so far as is appropriate having regard to the size and nature of the Company.

Board
The Board currently comprises seven members, three of whom are executive. The Board meets regularly and is responsible for strategy, performance, approval of major capital projects and the framework of internal controls. To enable the Board to discharge its duties, all Directors receive appropriate and timely information. Briefing papers are distributed to all Directors in advance of Board meetings, and all Directors have access to the advice and service of the Company Secretary. The Articles of Association provide that Directors will be subject to re-election at the first opportunity after their appointment and they will voluntarily submit to re-election at intervals of three years.

Audit Committee
The audit committee comprises Matthew Idiens (Chairman) and Stephen Betts. The audit committee is responsible for reviewing a wide range of financial matters including the annual and interim reports, the Company's internal control and risk management system. The audit committee's responsibilities include meeting with the Company's auditor and agreeing the scope of their audit.

Remuneration Committee
The remuneration committee comprises Russell King (Chairman), Matthew Idiens and Stephen Betts. The remuneration committee is responsible for reviewing the performance of the executive directors, setting their remuneration levels and determining the design and setting the targets for any incentive schemes operated by the Company for the Directors. It is also responsible for determining at which point the Company should adopt any form of share option plan, and considering the grant of options under any such plan. The Board itself determines the remuneration of the non-executive directors.

Post balance sheet events
Events after the reporting date have been disclosed in note 29 to the financial statements.

Results and dividends
The results of the Group for the year ended 31 December 2015 are set out in the Consolidated Income Statement. The Directors do not recommend payment of a dividend for the year (2014: nil).

Directors and directors' interests
The Directors of the Company during the year and their beneficial interests in the ordinary shares of the Company for the year were as follows:

	Number of shares at 31 December 2015	Number of shares at 31 December 2014
RJ King	**53,955**	50,000
SA Betts (Notes 1 & 2)	**712,542**	673,500
MC Idiens	**2,741,607**	2,741,607
DA Pelham	**2,325**	2,325
DE Betts (Notes 2 & 3)	**4,634,149**	4,611,048
WBT Cook	**287,150**	287,150
TR Hill (Note 4)	**108,235**	92,617

Note 1 –SA Betts's interests consist of 148,042 shares held by SA Betts, 92,500 shares held by Caroline Betts, 292,0002 shares held by Stephen Betts & Sons Limited, and 180,0002 shares held by the Stephen Betts & Sons Limited (Self Administered) Pension Scheme.

Note 2 – The 292,000 shares held by Stephen Betts & Sons Limited and 180,000 shares held by Stephen Betts & Sons Limited (Self Administered) Pension Scheme are included in both SA Betts and DE Betts.

Note 3 – DE Betts's interest consists of 4,162,149 shares held by DE Betts, 292,0002 shares held by Stephen Betts & Sons Limited, and 180,0002 shares held by the Stephen Betts & Sons Limited (Self Administered) Pension Scheme.

Note 4 – TR Hill's interest includes contracts for difference over 5,000 ordinary shares, 18,684 ordinary shares which are held in his pension, and 23,933 ordinary shares which are owned by his wife.

The Directors' interests in the share options of the Company at 31 December 2015 were as follows:

	Options at 1 January 2015	Options granted during the period	Options of directors resigned during the period	Options lapsed during the period	**Options at 31 December 2015**	Exercise price	Date of grant	First date of exercise	Final date of exercise
RJ King	125,000	—	—	—	**125,000**	£0.01	17/11/2014	17/11/2015	17/11/2024
RJ King	125,000	—	—	—	**125,000**	£0.01	17/11/2014	17/11/2016	17/11/2024
SA Betts	337,500	—	—	—	**337,500**	£0.486	26/10/2010	24/12/2011	26/10/2020
SA Betts	33,000	—	—	—	**33,000**	£0.41	05/12/2013	01/06/2014	01/06/2024
SA Betts	33,000	—	—	—	**33,000**	£0.41	05/12/2013	01/06/2015	01/06/2025
MC Idiens	450,000	—	—	—	**450,000**	£0.486	26/10/2010	24/12/2011	26/10/2020
MC Idiens	33,000	—	—	—	**33,000**	£0.41	05/12/2013	01/06/2014	01/06/2024
MC Idiens	33,000	—	—	—	**33,000**	£0.41	05/12/2013	01/06/2015	01/06/2025
DA Pelham	225,000	—	—	—	**225,000**	£0.486	26/10/2010	24/12/2011	26/10/2020
DA Pelham	65,000	—	—	—	**65,000**	£0.41	05/12/2013	01/06/2014	01/06/2024
DA Pelham	65,000	—	—	—	**65,000**	£0.41	05/12/2013	01/06/2015	01/06/2025
DE Betts	1,125,000	—	—	—	**1,125,000**	£0.486	26/10/2010	24/12/2011	26/10/2020
DE Betts	217,000	—	—	—	**217,000**	£0.41	05/12/2013	01/06/2014	01/06/2024
DE Betts	217,000	—	—	—	**217,000**	£0.41	05/12/2013	01/06/2015	01/06/2025
DE Betts	150,000	—	—	—	**150,000**	£0.41	05/12/2013	Note 1	Note 1
WBT Cook	675,000	—	—	—	**675,000**	£0.486	26/10/2010	24/12/2011	26/10/2020
WBT Cook	141,000	—	—	—	**141,000**	£0.41	05/12/2013	01/06/2014	01/06/2024
WBT Cook	141,000	—	—	—	**141,000**	£0.41	05/12/2013	01/06/2015	01/06/2025
WBT Cook	100,000	—	—	—	**100,000**	£0.41	05/12/2013	Note 1	Note 1
TR Hill	67,500	—	—	—	**67,500**	£0.486	26/10/2010	24/12/2011	26/10/2020
TR Hill	100,500	—	—	—	**100,500**	£0.41	05/12/2013	01/06/2014	01/06/2024
TR Hill	100,500	—	—	—	**100,500**	£0.41	05/12/2013	01/06/2015	01/06/2025
TR Hill	100,000	—	—	—	**100,000**	£0.41	05/12/2013	Note 1	Note 1
Total	4,659,000	—	—	—	**4,659,000**				

Note 1 – the first date of exercise is at any time on or after the grant of a Mineral Development Agreement to any group company by the Government of Liberia. The final exercise date is 10 years after the grant of a Mineral Development Agreement.

Directors' Remuneration

	Directors emoluments for the year ended 31 December 2015 $'000	Directors emoluments for the 7 month period ended 31 December 2014 $'000
RJ King	**57**	7
SA Betts	**52**	33
MC Idiens	**53**	33
DA Pelham (Note 1 & 2)	**49**	31
DE Betts (Note 3)	**355**	299
WBT Cook	**285**	212
TR Hill	**316**	276
ID Cockerill (Note 4)	**—**	30
Total Directors' remuneration	**1,167**	921

Note 1 – in addition DA Pelham received geological consultancy fees (see related party disclosure note 27).

Note 2 - DA Pelham is entitled to a discovery bonus based on $0.10 cents per proved/probable resource ounce in respect of the Group's Dugbe Shear Zone licences in Liberia.

Note 3 - DE Betts is entitled to a contingent deferred bonus as disclosed in note 24.

Note 4 - On 14 November 2014, ID Cockerill resigned as a Director, he remains a member of the Technical Advisory Committee.

The remuneration committee are in the process of determining the design and setting the targets of a performance based incentive scheme for the executive Directors.

DIRECTORS' REPORT
CONTINUED

Directors' indemnities
The Company has obtained third party indemnity provisions for the benefit of its Directors and Officers.

SUPPLIER PAYMENT POLICY

It is the Group's policy to make payments, where possible, to suppliers in accordance with agreed terms provided that the supplier has performed in accordance with the relevant terms and conditions. Trade payables of the Group at 31 December 2015 were equivalent to 55 (2014: 52) days' purchases, based on the average daily amount invoiced by suppliers during the year. Trade payables of the Company at 31 December 2015 were equivalent to 59 (2014: 73) days' purchases, based on the average daily amount invoiced by suppliers during the year.

CHARITABLE AND POLITICAL DONATIONS

The Company has made charitable donations of $1,000 (7 month period ended 31 December 2014: $nil) during the year. The Company has not made any payments to political parties during the year (7 month period 31 December 2014: $nil).

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

Each of the persons who is a Director at the date of approval of this Annual Report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the Director 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of sections 418 of the Companies Act 2006.

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) have expressed their willingness to continue in office as auditor and a resolution to re-appoint them will be proposed at the forthcoming Annual General Meeting.

This Directors' Report has been approved by the Board and signed on its behalf by:

DE Betts
Director
13 April 2016
Registered Office:
49-63 Spencer Street, Hockley, Birmingham, B18 6DE

Company registered in England and Wales 05467327

STRATEGIC REPORT

The purpose of this report is to show how the Group assesses and manages risk and uncertainty and adopts appropriate policies and targets. Further details of the Group's business and expected future developments are also set out in the Strategic Review.

Principal risks and uncertainties
The Group and Company are subject to various risks relating to political, social, industry, business and financial conditions. The following risk factors, which are not exhaustive, are particularly relevant to the Company and the Group's business activities:

Exploration and development risk
There is no assurance that the Group's exploration and development activities will be successful, and statistically few properties that are explored are ultimately developed into profitable producing mines.

Political risk
All of the Group's operational activities are located in Liberia and Mali and the Group is therefore dependent on the political and economic situation in Liberia, Mali and the wider African region. However, the Group aims to mitigate assessed risks by proactive and forward looking assessments and strategic planning and the development of contingency plans where higher risks are identified.

Mali is engaged in political recovery and stabilisation after a military coup in March 2012 and a French-led military intervention against the separatist Tuareg rebels in the north of Mali in January 2013. In general the security risk in Mali remains high and The United Nations peacekeeping mission in Mali, established in April 2013 and consisting of over 11,000 military and police, has helped maintain the security situation throughout the remainder of the country but the situation in the north of the country remains fragile. Talks between the government and separatist rebels aimed at bringing about peaceful resolution ended inconclusively in March 2015 and there has been an increase in violence in the region including some isolated incidents in the south of the country during 2015. The most serious incidents have been the terrorist attack on a restaurant in Bamako in March 2015 in which seven people were killed, including six expatriates, and an attack on the Radisson Blu hotel in Bamako on 20 November 2015 in which 19 people were killed. The Group maintains strict security procedures in order to mitigate the possible security risks to the Group's activities as far as is possible.

Liberia has not been affected by any security incidents during the past year. Nonetheless, attention is now turning to the third democratic presidential elections since the end of the civil unrest which are due to take place in January 2017.

The outbreak of the Ebola virus in Liberia during 2014 and 2015 had a large impact on the economy and the country in general. Many businesses were directly and indirectly affected by the epidemic but the country was formally free from Ebola on 14 January 2016. Mali has had two independent outbreaks of Ebola in October and November of 2014 and the government of Mali quickly conducted a successful tracing, quarantine and treatment program of all patients and possible contacts which resulted in the WHO declaring "all-clear" in January 2015. Nevertheless, the threat of Ebola re-emerging in the region remains possible but the Group maintains robust hygiene measures in order to mitigate and reduce any potential threat to the Group's operations.

Licensing and title risk
The Group's exploration and development activities are dependent upon the grant of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. Such licences and permits are as a practical matter subject to the discretion of the applicable Government or Government office. The Group must comply with known standards, existing laws and regulations that may entail greater or lesser costs and delays depending on the nature of the activity to be permitted. The interpretations, amendments to existing laws and regulations, or more stringent enforcement of existing laws and regulations could have a material adverse impact on the Group's results of operations and financial condition. Whilst the Group continually seeks to do everything within its control to ensure that the terms of each licence are met and adhered to, third parties may seek to exploit any technical breaches in licence terms for their own benefit.

There is a risk that negotiations with a Government in relation to the grant, renewal or extension of a licence, or Mineral Development Agreement ("MDA"), may not result in the grant, renewal or extension taking effect prior to the expiry of the previous licence period, and there can be no assurance of the terms of any extension, renewal or grant.

Additionally whilst the Group has diligently investigated title to its licences and, to the best of its knowledge, title is in good standing, this should not be construed as a guarantee of title. If a title defect does exist it is possible that the Group may lose all or part of its interest in the relevant properties.

Financing risk
The development of the Group's properties will depend on the Group's ability to obtain financing through the raising of equity capital, joint venture of projects, debt financing, farm outs or other means. There is no assurance that the Group will be successful in obtaining the required financing. If the Group is unable to obtain additional financing as needed, some interests may be relinquished and / or the scope of the operations reduced.

Details about the use of financial instruments by the Company and its subsidiaries as well as exposure to financial risks are given in note 26 to the financial statements.

KEY PERFORMANCE INDICATORS

Given the stage of development of the Group's operations, the key performance indicators used by management for monitoring progress and strategic objectives for the business are set out below. These are discussed within the Strategic Review:

	31 December 2015	31 December 2014
Mineral inventory	**6,438,000oz**	6,047,000oz
Exploration & development expenditure (cumulative)	**$99.7m**	$86.8m
Cash balance	**$7.2m**	$8.5m
Share price	**£0.125**	£0.340

This Strategic Report has been approved by the Board and signed on its behalf by:

DE Betts
Director
13 April 2016
Registered Office:
49-63 Spencer Street, Hockley, Birmingham, B18 6DE

Company registered in England and Wales 05467327

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Strategic Report, the Directors' Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and company financial statements for each financial year. The directors are required by the AIM Rules of the London Stock Exchange to prepare group financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and to prepare the company financial statements in accordance with IFRS as adopted by the EU.

The financial statements are required by law and IFRS adopted by the EU to present fairly the financial position of the group and the company and the financial performance of the group. The Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and the company and of the profit or loss of the group for that period.

In preparing the group and company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs adopted by the EU;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and 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 Hummingbird Resources PLC website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO MEMBERS OF HUMMINGBIRD RESOURCES PLC FOR THE YEAR ENDED 31 DECEMBER 2015

We have audited the Group and parent Company financial statements ("the financial statements") which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, Consolidated and Company Statements of Cash Flows, the Consolidated and Company Statements of Changes in Equity 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 auditor's 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 AUDITOR

As more fully explained in the Directors' Responsibilities Statement set out on page 22, 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 (APB's) Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at http://www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Company's affairs as at 31 December 2015 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent Company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the Companies Act 2006; and
- have been prepared in accordance with the provisions of the Companies Act 2006.

EMPHASIS OF MATTER – GOING CONCERN

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 3 Significant Accounting Policies concerning the Group's ability to continue as a going concern which is dependent on the Group's ability to obtain financing through the raising of equity capital, joint venture projects, debt financing, farm outs and other means. These conditions together with other the other matters referred to in note 3 indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the group was unable to continue as a going concern.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the 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 our audit have not been received from branches not visited by us; or
- the parent Company 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.

Andrew Allchin
(Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor
Chartered Accountants

2 Whitehall Quay
Leeds
LS1 4HG

13 April 2016

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	**12 months to 31 Dec 2015 $'000**	7 months to 31 Dec 2014 $'000
Continuing operations			
Revenue		**—**	—
Share based payments	24	**(436)**	(119)
Other administrative expenses		**(3,913)**	(3,067)
Administrative expenses	6	**(4,349)**	(3,186)
Finance income	9	**84**	104
Finance expense	10	**(244)**	(268)
Share of joint venture loss	13	**(54)**	(32)
Loss before tax		**(4,563)**	(3,382)
Tax	11	**—**	—
Loss for the period attributable to equity holders of the parent		**(4,563)**	(3,382)
Loss per ordinary share			
Basic and diluted ($ cents)	12	**(4.64)**	(4.27)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	12 months to 31 Dec 2015 $'000	7 months to 31 Dec 2014 $'000
Loss for the period	**(4,563)**	(3,382)
Other comprehensive income		
Exchange translation differences on foreign operations	**—**	—
Total comprehensive loss for the period attributable to equity holders of the parent	**(4,563)**	(3,382)

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2015

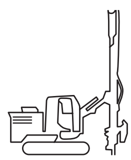
	Notes	**31 Dec 2015 $'000**	31 Dec 2014 $'000
Assets			
Non-current assets			
Intangible exploration and evaluation assets	14	**62,089**	86,827
Property, plant and equipment	15	**38,106**	749
Investment in joint venture	13	**—**	54
		100,195	87,630
Current assets			
Trade and other receivables	17	**2,179**	870
Cash and cash equivalents	17	**7,220**	8,536
		9,399	9,406
Total assets		**109,594**	97,036
Liabilities			
Current liabilities			
Trade and other payables	20	**5,977**	4,317
Other financial liabilities	21	**15,000**	15,050
Borrowings	18	**14,965**	—
Non-current liabilities			
Borrowings	18	**—**	9,793
Total liabilities		**35,942**	29,160
Net assets		**73,652**	67,876
Equity			
Share capital	22	**1,723**	1,385
Share premium		**81,428**	71,627
Retained earnings		**(9,499)**	(5,136)
Equity attributable to equity holders of the parent		**73,652**	67,876

The financial statements of Hummingbird Resources PLC were approved by the Board of Directors and authorised for issue on 13 April 2016. They were signed on its behalf by:

DE Betts
Director

Company number 05467327

The notes to the consolidated financial statements form part of these financial statements.



CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	12 months to 31 Dec 2015 $'000	7 months to 31 Dec 2014 $'000
Net cash outflow from operating activities	25	**(4,639)**	(3,319)
Investing activities			
Purchases of intangible exploration and evaluation assets		**(3,761)**	(7,252)
Purchase of Mine development		**(6,651)**	—
Additions of property, plant and equipment		**(78)**	—
Interest received		**38**	12
Cash and cash equivalents in subsidiaries acquired		**—**	200
Net cash used in investing activities		**(10,452)**	(7,040)
Financing activities			
Net proceeds from issue of shares		**10,139**	2,808
Loan interest paid		**(1,070)**	(350)
Financial liabilities issued net of issue costs		**4,950**	9,722
Net cash from financing activities		**14,019**	12,180
Net (decrease) / increase cash and cash equivalents		**(1,072)**	1,821
Effect of foreign exchange rate changes		**(244)**	(268)
Cash and cash equivalents at beginning of period		**8,536**	6,983
Cash and cash equivalents at end of period		**7,220**	8,536

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share capital $'000	Share premium $'000	Retained earnings $'000	**Total $'000**
As at 1 June 2014	**953**	**48,135**	**(1,892)**	**47,196**
Comprehensive loss for the period:				
Loss for the period	—	—	(3,382)	**(3,382)**
Total comprehensive loss for the period	**—**	**—**	**(3,382)**	**(3,382)**
Transactions with owners in their capacity as owners				
Issue of shares net of costs	432	23,492	—	**23,924**
Total transactions with owners in their capacity as owners	**432**	**23,492**	**—**	**23,924**
Share based payments	—	—	138	**138**
As at 31 December 2014	**1,385**	**71,627**	**(5,136)**	**67,876**
Comprehensive loss for the year:				
Loss for the year	—	—	(4,563)	**(4,563)**
Total comprehensive loss for the year	**—**	**—**	**(4,563)**	**(4,563)**
Transactions with owners in their capacity as owners				
Issue of shares net of costs	338	9,801	—	**10,139**
Total transactions with owners in their capacity as owners	**338**	**9,801**	**—**	**10,139**
Share based payments	—	—	200	**200**
As at 31 December 2015	**1,723**	**81,428**	**(9,499)**	**73,652**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

1 General information

Hummingbird Resources PLC, is incorporated in England and Wales under the Companies Act. The address of the registered office is 49-63 Spencer Street, Hockley, Birmingham, West Midlands, B18 6DE.

The nature of the Group's operations and its principal activities are the exploration, evaluation and development of mineral exploration targets, principally gold, focused exclusively in West Africa.

2 Adoption of new and revised standards

The financial statements have been drawn up on the basis of accounting policies consistent with those applied in the financial statements for the 7 month period to 31 December 2014.

The following Standards and Interpretations which have not been applied in the financial statements were in issue but not yet effective (and in some cases had not yet been endorsed by the EU). The Directors do not expect that the adoption of these Standards or Interpretations in future periods will have a material impact on the financial statements of the Company or the Group.

IAS 1(amended	(effective 1 January 2016)	Disclosure initiative on materiality
IAS 16 & IAS 38	(effective 1 January 2016)	Clarification of acceptable methods of depreciation and amortisation
IAS 27	(effective 1 January 2016)	Equity method in separate financial statements
IAS 34	(effective 1 January 2016)	Clarification on interim financial reporting
IFRS 7	(effective 1 January 2016)	Disclosures - Financial instruments
IFRS 9	(effective 1 January 2018)	Financial Instruments
IFRS 11	(effective 1 January 2016)	Accounting for acquisitions of interests in joint operations
IFRS 15	(effective 1 January 2017)	Revenue from contracts with customers

3 Significant accounting policies

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs) as issued by the International Accounting Standards Board ("IASB") and as adopted by the EU and those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The principal accounting policies adopted are set out below.

The functional currency of all companies in the Group is United States Dollar ("$"). The financial statements are presented in thousands of United States dollars ('$'000'). For reference the period-end exchange rate from Sterling to $ was $1.4802 (2014: $1.5532).

Going concern

The development of the Group's properties through to production and revenue generation is dependent on the Group's ability to obtain financing through the raising of equity capital, joint venture of projects, debt financing, farm outs and other means.

As detailed in note 18 on 11 August 2014 the Group entered into a Mandate Letter and Bridge Loan Agreement with Taurus Mining Finance Fund LP, and subsequently drew down the full US$10m available under the Bridge Loan Agreement. The Mandate Letter set out the key terms of the refinancing mandate for a US$75m facility to repay amounts due under the Bridge Loan Agreement and fund the construction of the Yanfolila Gold Project. On 1 September 2015 the Group extended the Bridge Loan Agreement by a further US$5m to a total of US$15m.

Having prepared forecasts and budgets based on current expected levels of expenditure and financing the Directors believe that the necessary financing will be obtained to continue the development programme and refinance the amounts falling due under the Bridge Loan Agreement. Accordingly the Directors have prepared the financial statements on a going concern basis. However there is no assurance that the Group will be successful in obtaining the required financing to develop the Group's properties and /or repay the amounts due under the Bridge Loan Agreement. If the Group is unable to obtain the additional financing as needed, some interests may be relinquished and / or the scope of operations reduced.

These conditions indicate the existence of a material uncertainty that may cast significant doubt over the Group's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Group was not able to continue as a going concern.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to 31 December 2015. 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 of or disposed of during the period are included in the Consolidated Income Statement 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 accounting policies used into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. Non-controlling interests consist of the amount of those interests at the date of the original business combination and the non-controlling interest's share of changes in equity since the date of the combination. Losses applicable to the non-controlling interest in excess of the non-controlling parties' interests in the subsidiaries equity are allocated against the interest of the Group except to the extent that the non-controlling interest has a binding obligation and is able to make an additional investment to cover the losses.

Joint ventures
Where the Group holds an interest in a jointly controlled entity, it accounts for its interest using the equity method. Under the equity method, the investment in the jointly controlled entity is recognised at cost and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss of the joint venture after the date of recognition.

Where the Group contributes or sells assets to a joint venture in exchange for an equity interest in the jointly controlled entity, the Group recognises in profit and loss for the period the proportion of the gain or loss attributable to the equity interests of the other ventures.

Leasing
Rentals payable by the Group under operating leases are charged to income on a straight-line basis over the term of the relevant lease.

Foreign currencies
For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in US Dollars ("$"), which is the functional currency of all of the entities in the Group, and the presentation currency for the consolidated financial statements.

Exchange differences are recognised in the profit or loss in the period in which they arise.

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 period 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.

Intangible exploration and evaluation assets
The Group applies the full cost method of accounting for exploration and evaluation ("E&E") costs, having regard to the requirements of IFRS 6 Exploration for and Evaluation of Mineral Resources. Under the full cost method of accounting, costs of exploring for and evaluating mineral resources are accumulated by reference to appropriate cost centres being the appropriate licence area, but are tested for impairment on a cost pool basis as described below.

E&E assets comprise costs of (i) E&E activities that are ongoing at the balance sheet date, pending determination of whether or not commercial reserves exist and (ii) costs of E&E that, whilst representing part of the E&E activities associated with adding to the commercial reserves of an established cost pool, did not result in the discovery of commercial reserves.

Costs incurred prior to having obtained the legal rights to explore an area are expensed directly to the income statement as they are incurred.

Exploration and evaluation costs
All costs of E&E are initially capitalised as E&E assets. Payments to acquire the legal right to explore, costs of technical services and studies, seismic acquisition, exploratory drilling and testing are capitalised as intangible E&E assets.

Such costs include directly attributable overheads, including the depreciation of property plant and equipment utilised in E&E activities, together with the cost of other materials consumed during the E&E phases.

Treatment of E&E assets at conclusion of appraisal activities
Intangible E&E assets related to each exploration licence/prospect are carried forward, until the existence (or otherwise) of commercial reserves has been determined. If commercial reserves have been discovered, the related E&E assets are assessed for impairment on a cost pool basis as set out below and any impairment loss is recognised in the income statement. The carrying value, after any impairment loss, of the relevant E&E assets is then reclassified as Mine Development assets.

Impairment of E&E assets
E&E assets are assessed for impairment when facts and circumstances suggest that the carrying amount may exceed its recoverable amount. Such indicators include, but are not limited to, those situations outlined in paragraph 20 of IFRS 6 Exploration for and Evaluation of Mineral Resources and include the point at which a determination is made as to whether or not commercial reserves exist.

Where there are indications of impairment, the E&E assets concerned are tested for impairment. Where the E&E assets concerned fall within the scope of an established full cost pool, the E&E assets are tested for impairment together with all development and production assets associated with that cost pool, as a single cash-generating unit.

The aggregate carrying value is compared against the expected recoverable amount of the pool, generally by reference to the present value of the future net cash flows expected to be derived from production of commercial reserves. Where the E&E assets to be tested fall outside the scope of any established cost pool, there will generally be no commercial reserves and the E&E assets concerned will generally be written off in full.

Any impairment loss is recognised in the income statement as additional depreciation and amortisation, and separately disclosed.

The Group considers there to be two cost pools, the whole of Liberia and Mali (excluding the Yanfolila Gold Project) to be one cost pool each and therefore aggregates all Liberian and Malian assets for the purposes of determining whether impairment of E&E assets has occurred.

Property, plant and equipment
Property, plant and equipment ("PP&E") are carried at cost less accumulated depreciation and any recognised impairment loss.

Depreciation and amortisation is charged so as to write off the cost or valuation of assets, other than land, over their estimated useful lives, using the straight-line method, on the following bases:

Development assets – vehicles	10% – 33.3% per annum
Development assets – other	10% – 33.3% per annum
Other	10% – 33.3% per annum

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Mine Development include appropriate exploration and evaluation costs transferred on development of an exploration property. Mine Development costs are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable, at least at every balance sheet date. Mine Development costs are not depreciated during the development phase until the property is considered capable of operating in a manner intended by management when it commences commercial production. Upon commencement of commercial production a Mine Development asset is transferred to a Mining property and is depreciated on a unit-of-production method.

Impairment of property, plant and equipment
At each balance sheet date, the Group reviews the carrying amounts of its property, plant and equipment 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.

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 (or 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 revalued 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 (or 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 (or 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.

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

Derecognition of financial assets and financial liabilities
The Group derecognises a financial asset only when the contractual rights to cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for the amount it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or expired.

Trade and other receivables
Trade and other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost less any provision for impairment.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash with three months or less remaining to maturity and are subject to an insignificant risk of changes in value.

Trade and other payables
Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

Provisions
Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic resource will result and that outflow can be reliably measured.

Rehabilitation
Provisions are made for the estimated rehabilitation costs relating to areas disturbed during exploration activities up to reporting date but not yet rehabilitated. Changes in estimate are dealt with on a prospective basis as they arise.

Share-based payments
The Group has applied IFRS 2 Share based Payment for all share based payments.

The Group has used shares, share options and other share based payments as consideration for goods and services received from suppliers and employees.

Share based payments to employees and others providing similar services are measured at fair value at the date of grant. The fair value determined at the grant date of an equity-settled share based instrument is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the shares (or other instruments) that will eventually vest. For equity settled share based payments the corresponding amount is credited to retained earnings. For cash settled share based payments the corresponding amount is recognised as a liability and remeasured at each balance sheet date with any changes in fair value being recognised in the income statement.

Equity-settled share based payment transactions with other parties are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably or excess fair value of the identifiable goods or services received, 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. The fair value determined at the grant date of such an equity-settled share based instrument is expensed since the shares vest immediately. Where the services are related to the issue of shares, the fair values of these services are offset against share premium.

Fair value of share options are measured using the Black-Scholes model. 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.

Warrants
Due to the exercise price of the warrants being in a different currency to the functional currency to the Group, at each reporting date the warrants are valued at the fair value with changes of fair value recognised in the profit and loss as they arise. Fair value is measured using the Black-Scholes model.

Accounting for Royalty Financing
In order to determine the appropriate accounting treatment for the royalty financing which is described in note 21 requires an assessment of whether the substance of the arrangements constituted a financial liability. As prior to commercial production the Group can be required to deliver cash to the provider in certain circumstances which are not all within the Group's control then this is considered by the Group to represent a financial liability. The Group has chosen not to designate this as ''a fair value through profit or loss'' financial liability and therefore it is recognised at amortised cost. On commencement of commercial production, once the Group is only obliged to pay a percentage of its revenue, then this is considered to have extinguished the financial liability, and this is recognised as a part disposal of the relevant asset.

Segmental reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments and making strategic decision, has been identified as the Board of Directors.

The Board of Directors consider there to be only one operating segment during the year, the exploration and development of mineral resources, and two geographical segments, being Liberia and Mali.

Business combinations
The consolidated financial statements incorporate the results of business combinations using the purchase method. In the consolidated balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date, which is the date when control passes to the Company. The results of the acquired operations are included in the consolidated income statement from the date on which control was obtained. Any difference arising between the fair value and tax base of the acquiree's assets and liabilities that give rise to a taxable deductible difference results in recognition of deferred tax liability. No deferred tax liability is recognised on goodwill.

The difference between the fair value of the shares issued as consideration for the acquisition of the subsidiaries in excess of the nominal value of the shares, where 90% or more of shares are acquired, is included in merger reserve.

4 Critical accounting judgements and key sources of estimation uncertainty
In the application of the Group's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of the assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both the current and future periods.

The following are the critical judgements and estimations 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:

Recoverability of exploration and evaluation assets
Determining whether an E&E asset is impaired requires an assessment of whether there are any indicators of impairment, including by reference to specific impairment indicators prescribed in IFRS 6 Exploration for and Evaluation of Mineral Resources. As E&E assets are assessed for impairment on a cost pool basis the existence and quantum of any impairment is dependent on the choice of basis of cost pools. If there is any indication of potential impairment, an impairment test is required based on value in use of the asset. This assessment involves judgement as to: (i) the likely future commerciality of each cost pool of assets; (ii) when such commerciality should be determined; and (iii) the potential future revenues and the value in use. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

5 Segmental analysis

Income statement for the year ending 31 December 2015

	Mali $'000	Liberia $'000	Other $'000	**Total $'000**
Segment result before and after allocation of central costs	(488)	(22)	(3,839)	**(4,349)**
Finance income	12	1	71	**84**
Finance expense	(52)	—	(192)	**(244)**
Share of joint venture loss	—	—	(54)	**(54)**
Loss before tax	**(528)**	**(21)**	**(4,014)**	**(4,563)**
Tax	—	—	—	**—**
Loss after tax	**(528)**	**(21)**	**(4,014)**	**(4,563)**
Other charges				
Depreciation charged to the income statement	—	—	(21)	**(21)**
Share based payments charged to the income statement	—	—	(436)	**(436)**

Balance sheet of financial position at 31 December 2015

	Mali $'000	Liberia $'000	Other $'000	**Total $'000**
Segment assets	42,743	60,098	6,753	**109,594**
Segment liabilities	(19,445)	(15,052)	(1,445)	**(35,942)**
Segment net assets	**23,298**	**45,046**	**5,308**	**73,652**

Income statement for the 7 month period ending 31 December 2014

	Mali $'000	Liberia $'000	Other $'000	**Total $'000**
Segment result before and after allocation of central costs	(393)	(7)	(2,786)	**(3,186)**
Finance income	3	1	100	**104**
Finance expense	(94)	(2)	(172)	**(268)**
Share of joint venture loss	—	—	(32)	**(32)**
Loss before tax	**(484)**	**(8)**	**(2,890)**	**(3,382)**
Tax	—	—	—	**—**
Loss after tax	**(484)**	**(8)**	**(2,890)**	**(3,382)**
Other charges				
Depreciation charged to the income statement	—	—	(18)	**(18)**
Share based payments charged to the income statement	—	—	(119)	**(119)**

Balance sheet at 31 December 2014

	Mali $'000	Liberia $'000	Other $'000	**Total $'000**
Segment assets	32,754	59,710	4,572	**97,036**
Segment liabilities	(12,291)	(15,327)	(1,542)	**(29,160)**
Segment net assets	**20,463**	**44,383**	**3,030**	**67,876**

6 Administrative expenses by nature

	12 months to 31 Dec 2015 $'000	7 months to 31 Dec 2014 $'000
Other income	**(62)**	(35)
Depreciation of property, plant and equipment (note 15)	**21**	18
Staff costs excluding share based payments and employers NI accrual on share options	**2,082**	1,536
Net foreign exchange gains	**(16)**	(8)
Audit fees (note 7 including fees paid to subsidiary auditors)	**57**	51
Non-audit fees payable to associates of the Company's auditor (note 7)	**26**	24
Communications and IT	**148**	44
Insurance	**138**	92
Marketing	**206**	125
Charitable donations	**1**	—
Rent under operating leases	**88**	53
Office expenses	**176**	61
Professional and consultancy	**787**	718
Acquisition costs	**—**	337
Travel and accommodation	**251**	110
Bank charges	**23**	14
Share based payments	**436**	119
Release charge of employers NI accrual on share options	**(13)**	(73)
	4,349	3,186

7 Auditor's remuneration

Amounts payable to RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) and its associates in respect of both audit and non-audit services:

	12 months to 31 Dec 2015 $'000	7 months to 31 Dec 2014 $'000
Audit fees		
Fees payable to the Company's auditor for the audit of the Company's annual accounts	**51**	47
Total audit fees	**51**	47
Non-audit fees payable to associates of the Company's auditor		
Taxation services	**26**	24
Total non-audit fees	**26**	24

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2015

8 Staff costs

The average monthly number of employees and Directors was:

	12 months to 31 Dec 2015 Number	7 months to 31 Dec 2014 Number
Directors	**7**	7
Other employees	**78**	82
	85	89

	12 months to 31 Dec 2015 $'000	7 months to 31 Dec 2014 $'000
Their aggregate remuneration comprised:		
Wages and salaries	**3,345**	2,027
Social security costs	**400**	268
Pension	**93**	54
Share based payments	**450**	138
Reduction for potential social security costs related to share based payments	**(13)**	(73)
	4,275	2,414

Within wages and salaries, $1,089,000 (7 month period ended 31 December 2014: $875,000) relates to amounts paid to Directors, and included within pension is an amount of $74,000 (7 month period ended 31 December 2014: $44,000) relating to pension contributions in respect of Directors.

Included within social security costs is a release of a provision of $13,000 (7 month period ended 31 December 2014: a release of a provision of $73,000) for the potential employer's social security contributions in respect of the share based payments in respect of employees and Directors. No amounts are payable until the relevant instruments are exercised, and the amount actually payable will relate to the actual gain made on exercise.

Included within share based payments is an amount of $236,000 respect of the prior period as disclosed in note 24.

Included within staff costs is $1,166,000 (7 month period ended 31 December 2014: $832,000) capitalised to intangible exploration and evaluation assets and $1,072,000 (7 month period ended 31 December 2014: $nil) capitalised in to Mine Development assets.

9 Finance income

	12 months to 31 Dec 2015 $'000	7 months to 31 Dec 2014 $'000
Interest on bank deposits	**34**	19
Gain on revaluation of warrants (note 23)	**50**	85
	84	104

10 Finance expense

	12 months to 31 Dec 2015 $'000	7 months to 31 Dec 2014 $'000
Foreign exchange loss	**244**	268
	244	268

The foreign exchange loss arose on non-functional currency bank deposits.

11 Tax

The taxation charge for the period can be reconciled to the loss per the income statement as follows:

	12 months to 31 Dec 2015 $'000	7 months to 31 Dec 2014 $'000
Loss before tax	**(4,563)**	(3,382)
Tax credit at the rate of tax 20.25% (2014: 21%)	**(923)**	(709)
Tax effect of non-deductible expenses	**2**	4
Items not subject to tax	**112**	92
Deferred tax asset not recognised	**809**	613
Tax expense for the period	**–**	–

12 Loss per ordinary share

Basic loss per ordinary share is calculated by dividing the net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of Ordinary shares outstanding during the year.

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

	12 months to 31 Dec 2015 $'000	7 months to 31 Dec 2014 $'000
Losses		
Loss for the purposes of basic loss per share being net loss attributable to equity holders of the parent	**(4,563)**	(3,382)

Number of shares	**31 Dec 2015 Number**	31 Dec 2014 Number
Weighted average number of ordinary shares for the purposes of basic loss per share	**98,306,165**	79,266,208

Loss per ordinary share	**12 months to 31 Dec 2015 $cents**	7 months to 31 Dec 2014 $cents
Basic and diluted	**(4.64)**	(4.27)

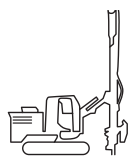
At the balance sheet date there were 7,315,158 (2014: 7,376,158) potentially dilutive ordinary shares. Potentially dilutive ordinary shares include share options issued to employees and Directors, warrants issued to the IFC and the conditional acquisition of the 20% interest in the Joe Village licence, which the Group did not previously own as described in note 22. At 31 December 2015 the potential ordinary shares are anti-dilutive and therefore there is no difference between basic and diluted loss per share.

13 Joint venture

Iron Bird Resources Inc ("Iron Bird") is a joint venture on an equal 50% basis between the Group and Petmin Limited ("Petmin"). Iron Bird previously held the Mount Ginka licence and conducted exploration of iron ore in northern Liberia. Petmin Limited has been listed on the JSE since 1986. Ian Cockerill is the Chairman of Petmin Limited.

Investment in joint venture:

	$'000
Investment in joint venture as at 1 June 2014	**86**
Share of joint venture results for the period from 1 June 2014 to 31 December 2014	(32)
Investment in joint venture as at 31 December 2014	**54**
Share of joint venture results for the period from 1 January 2015 to 31 December 2015	(54)
Investment in joint venture as at 31 December 2015	**–**



The Group's interest in the joint venture as at 31 December 2015 is set out below:

	$'000
Share of:	
Non-current assets	**—**
Current assets	**5**
Current liabilities	**(5)**
Net assets	**—**

The joint venture had no revenue in the period.

Both Petmin and the Company have the option to contribute equally to future fundraisings.

14 Intangible exploration and evaluation assets

	Liberia $'000	Mali $'000	**Total $'000**
Cost			
At 1 June 2014	56,738	—	**56,738**
Additions for the period	2,434	7,318	**9,752**
Acquisition	—	20,337	**20,337**
At 31 December 2014	**59,172**	**27,655**	**86,827**
Additions for the year	730	10,412	**11,142**
Transfer to Mine Development assets (Note 15)	—	(35,880)	**(35,880)**
At 31 December 2015	**59,902**	**2,187**	**62,089**

Additions to intangible exploration and evaluation assets during the year include $281,000 (7 month period ended 31 December 2014: $213,000) of capitalised depreciation of property, plant and equipment used in exploration and evaluation activities.

15 Property, plant and equipment

	Mine Development assets $'000	Development assets – vehicles $'000	Development assets – other $'000	Other $'000	Total $'000
Cost					
At 1 June 2014	**—**	**1,523**	**1,119**	**469**	**3,111**
Additions	—	—	—	3	3
Acquisition	—	800	1,152	609	2,561
Disposals	—	—	—	(3)	(3)
At 31 December 2014	**—**	**2,323**	**2,271**	**1,078**	**5,672**
Transfer of intangible E&E assets	35,880	—	—	—	35,880
Additions	1,701	—	57	22	1,780
Disposals	—	—	—	(1)	(1)
At 31 December 2015	**37,581**	**2,323**	**2,328**	**1,099**	**43,331**
Accumulated depreciation					
At 1 June 2014	**—**	**1,510**	**1,054**	**440**	**3,004**
Charge for the period	—	71	108	52	231
Acquisition	—	554	660	477	1,691
Disposals	—	—	—	(3)	(3)
At 31 December 2014	**—**	**2,135**	**1,822**	**966**	**4,923**
Charge for the year	—	84	143	75	302
Disposals	—	—	—	—	—
At 31 December 2015	**—**	**2,219**	**1,965**	**1,041**	**5,225**
Carrying amount					
At 31 December 2015	**37,581**	**104**	**363**	**58**	**38,106**
At 31 December 2014	**—**	**188**	**449**	**112**	**749**

Of the property, plant and equipment depreciation charged in the period $281,000 (7 month period ended 31 December 2014: $213,000) was capitalised into intangible exploration and evaluation assets, with the balance being charged to the income statement.

The additions to Mine Development assets include capitalised borrowing costs of $1,713,000 for the year ended 31 December 2015.

16 Subsidiaries

The Company had investments in the following subsidiary undertakings as at 31 December 2015, which principally affected the losses and net assets of the Group:

Name	Country of incorporation and operation	Proportion of voting interest %	Activity
Directly held			
Trochilidae Resources Limited	Isle of Man	100	Intermediate holding & service company
Hummingbird Resources (Liberia) Inc.	Liberia	100	Exploration
Afro Minerals Inc.	Liberia	80	Dormant
Golden Grebe Mining Limited	United Kingdom	100	Intermediate holding company
Indirectly held			
Deveton Mining Company	Liberia	80	Dormant
Sinoe Exploration Limited	Liberia	90	Exploration
Hummingbird Security Limited	Liberia	100	Security
Glencar Mining Plc	Ireland	100	Intermediate holding company
Hummingbird Sankarani (BVI) Ltd	British Virgin Islands	100	Intermediate holding company
Centrebind Agency Limited	Cyprus	100	Intermediate holding company
Glencar International (BVI) Limited	British Virgin Islands	100	Intermediate holding company
Glencar Mali SARL	Mali	95	Exploration
Sankarani Resources SARL	Mali	95	Exploration
Hummingbird Exploration Mali SARL	Mali	100	Exploration
Hummingbird Yanfolila Resources SARL	Mali	100	Exploration
Société des Mines de Komana SA	Mali	100	Development
Yanfolila Mining Limited	Isle of Man	100	Intermediate holding company
Yanfolila Finance Limited	Isle of Man	100	Intermediate holding company
Yanfolila Holdings Limited	Isle of Man	100	Intermediate holding company

17 Current assets

Trade and other receivables

	31 Dec 2015 $'000	31 Dec 2014 $'000
Other receivables	**600**	105
VAT recoverable	**122**	129
Prepayments and accrued income	**1,457**	636
	2,179	870

The Directors consider that the carrying amount of the other receivables approximates their fair value and none of which are past due.

Cash and cash equivalents

Cash and cash equivalents as at 31 December 2015 of $7,220,000 (31 December 2014: $8,536,000) comprise cash held by the Group. The Directors consider that the carrying amount of these assets approximates their fair value.

18 Current and non-current borrowings

	$'000
At 1 January 2015	**9,793**
Received during the period	**5,000**
Issue costs amortised in the period	**172**
Total borrowing at 31 December 2015	**14,965**
Payable within one year included under current liabilities	**14,965**
Payable after one year included under non-current liabilities	**–**

The Group through its wholly owned subsidiary, Trochilidae Resources Limited ("Trochilidae"), on 11 August 2014 entered into a Mandate Letter and Bridge Loan Agreement with Taurus Mining Finance Fund LP ("Taurus"). The Mandate Letter provided the terms of the Bridge Loan Agreement and also set out the key terms of a refinancing mandate for $75m to fund the construction of the Yanfolila project and repay the amounts borrowed under the Bridge Loan Agreement. On 15 August 2014 Trochilidae drew down the full $10m available under the Bridge Loan Agreement. On 1 September 2015 the Group extended the Bridge Loan Agreement by a further $5m to a total of $15m

Amounts borrowed under the Bridge Loan Agreement bear interest at 9% per annum (payable semi-annually) and fell due for repayment in February 2016. Following the year end the repayment date was extended to 8 September 2016 (see note 29).

As per IAS 39 financial instruments the loans have been measured at amortised cost. Total issue costs of US$278,000 have been offset against the loan at inception. During the year to 31 December 2015 $172,000 (7 month period ended 31 December 2014: $71,000) of issue costs were amortised to intangible exploration and evaluation assets. During the year to 31 December 2015 $1,070,000 (7 month period ended 31 December 2014: $350,000) of loan interest costs were charged to intangible exploration and evaluation assets.

Security for the loan is held by Taurus over the present and future inter group debt between Trochilidae, and Société des Mines de Komana SA ("SMK") as well as the shares of Glencar Mining plc. Additionally the Company has provided a guarantee to Taurus regarding the obligations of Trochilidae in respect of this agreement.

19 Deferred tax

Differences between IFRS and statutory tax rules give rise to temporary differences between the carrying values of certain assets and liabilities for financial reporting purposes and for income tax purposes.

At 31 December 2015, the Group had unrecognised deferred tax assets of $4,039,000 (31 December 2014: $3,350,000) in respect of UK and Liberian tax losses. No deferred tax asset has been recognised in respect of these amounts as the recovery is dependent on the future profitability, the timing and the certainty of which cannot reasonably be foreseen.

20 Trade and other payables

	31 Dec 2015 $'000	31 Dec 2014 $'000
Trade payables	**1,074**	1,263
Other taxes and social security	**1,888**	474
VAT payable	**64**	58
Accruals	**2,347**	2,251
Other payables	**604**	271
	5,977	4,317

The average credit period taken for trade purchases is 55 days (31 December 2014: 52 days). Where possible the Group seeks to settle agreed payables within the contractual timeframe. The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

Included within accruals is an amount of $1,660,000 due to SENET (Pty) Limited ("SENET") which originally fell due in April 2016. Following the year end the due date was extended by 12 months.

Operating lease commitments

At the balance sheet date, the Group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 Dec 2015 $'000	31 Dec 2014 $'000
Within one year	**69**	169
In the second to fifth years inclusive	**169**	161
After five years	**17**	71
	255	401

Operating lease payments represent rentals payable by the Group for properties located in Liberia, Mali, and the head office in the UK.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2015

21 Other financial liabilities

	31 Dec 2015 $'000	31 Dec 2014 $'000
Royalty liability	**15,000**	15,000
Warrant liability (see notes 9 and 23)	**—**	50
	15,000	15,050

Royalty liability

On 17 December 2012 the Group entered into a royalty financing arrangement with APG AUS No 5 Pty Limited (a wholly owned subsidiary of Anglo Pacific Group Plc) ("APG") in relation to the Dugbe 1 Project.

Under the terms of the agreement APG agreed to advance $15m in three equal tranches subject to the satisfaction of certain criteria.

The first tranche of $5m was received on 14 March 2013 and the second tranche of $5m was received on 10 April 2013, the third tranche of $5m was received on 13 March 2014 giving a total of $15m due at 31 December 2015.

The advances will be converted into a 2% net smelter return royalty from any sales of product mined within a 20km radius of Dugbe F. After an initial grace period of six months following the commencement of commercial production, in the event that quarterly sales of gold produced are less than 50,000 oz, additional quarterly payments will be required until such time as the cumulative royalty paid is $15m (the maximum total payment in any such quarter is equivalent to the royalty that would have arisen on sales of 50,000 oz of gold). Following this period the royalty is 2% except where both the average gold price is above $1,800 and sales of gold are less than 50,000 oz, in which case it increases to 2.5% in respect of that quarter.

These advances do not bear interest and are only repayable in certain limited circumstances prior to the commencement of commercial production.

Until the commencement of commercial production when the liability will be extinguished and treated as a part disposal of the Group's economic interest in the Dugbe 1 Project a financial liability of the amount advanced exists.

Issue costs of $292,000 have been capitalised within intangible exploration and evaluation assets.

The amounts advanced are secured by legal charges over the assets of Hummingbird Resources (Liberia) Inc and Sinoe Exploration Limited, and a legal charge over the shares of Hummingbird Resources (Liberia) Inc, Sinoe Exploration Limited and Golden Grebe Mining Limited. Additionally the Company has provided a guarantee to APG regarding the obligations of its subsidiaries in respect of this arrangement.

22 Share capital

Authorised share capital

As permitted by the Companies Act 2006, the Company does not have an authorised share capital.

Issued equity share capital

	31 Dec 2015		31 Dec 2014	
	Number	**$'000**	Number	$'000
Issued and fully paid				
Ordinary shares of £0.01 each	**106,952,469**	**1,723**	84,843,267	1,385

The Company has one class of Ordinary shares which carry no right to fixed income.

	Ordinary Shares of £0.01 Number
At 1 June 2014	59,484,764
Issue of shares	21,258,503
Issue of shares	4,100,000
At 31 December 2014	**84,843,267**
Issue of shares (a) – Tranche 1	3,638,292
Issue of shares (a) – Tranche 2	4,963,498
Issue of shares (a) – Open Offer	1,332,416
Issue of shares (b) – Warrants	53,784
Issue of shares (c)	1,515,152
Issue of shares (d)	10,606,060
At 31 December 2015	**106,952,469**

(a) Issue of shares
On 20 March 2015, the Company announced details of a funding package for the Yanfolila project in Mali. The funding package consisted of two tranches of a placing of units and a binding agreement with BCM International Ltd ("BCM"). Each placing unit consists of one new ordinary share of £0.01 each a half of one warrant to subscribe for a new ordinary share ("placing units"). The placing units were priced at £0.30 per share. Each warrant will grant the holder the right to subscribe for one new ordinary share at £0.33 at any time during the 6 month period from the date of issue. Additionally an open offer was provided to eligible shareholders to subscribe for placing units on the basis of 1 new ordinary share for every 12.64 existing ordinary shares held on 19 March 2015.

Tranche 1 funding
On 25 March 2015 3,638,292 placing units were issued, including 3,638,292 ordinary shares and 1,819,146 warrants.

Tranche 2 funding
On 16 April 2015 4,963,498 placing units were issued, including 4,963,498 ordinary shares and 2,481,749 warrants.

Open offer
On 16 April 2015 1,332,416 placing units were issued, including 1,322,416 ordinary shares and 661,208 warrants.

In total from tranches 1 and 2 and the open offer 9,934,206 ordinary shares and 4,967,103 warrants have been issued. The gross proceeds of the placing units were $4,420,000.

(b) Issue of shares – Warrants
As part of the funding described in (a) above, each warrant will grant the holder the right to subscribe for one new ordinary share at £0.33 at any time during the 6 month period from the date of issue. Of the 4,967,103 warrants issued a total of 53,784 warrants were exercised for 53,784 ordinary shares raising a total net proceeds of $27,000. During the year 4,913,319 warrants lapsed.

(c) Issue of shares
On 30 June 2015 1,515,152 shares were issued at a price of £0.33 to Exploration Capital 2000 in return for £500,000 ($789,000) before costs. Exploration Capital 2000 is a private investment fund managed by Resource Capital Investment Corp., part of the Sprott Group of Companies.

(d) Issue of shares
On 30 June 2015 10,606,060 shares were issued at a price of £0.33 in return for £3,500,000 ($5,501,000) before costs.

On 29 February 2012 the Group entered into a conditional agreement to acquire the 20% interest in its Joe Village licence, which it did not previously own, for 103,255 ordinary shares in the Company. At 31 December 2015 the acquisition had not yet completed and the shares had not been issued.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2015

23 Warrants issued

On 12 December 2012 the Company granted 1,612,903 warrants to the IFC:

Total number of warrants granted	1,612,903
Exercise price of the warrants	£1.4415
Final exercise date:	12/12/2017

The fair value of the warrants granted was estimated as at the date of grant using the Black-Scholes model, taking into account the terms and conditions upon which the warrants were granted. The expected volatility was determined based on the volatility of the Company's own historic volatility from listing on AIM.

The table below lists the principal assumptions and inputs to the model used to fair value the warrants granted on the 12 December 2012 and to fair value the warrants at 31 December 2015:

	31 Dec 2015	31 Dec 2014
Share price	**£0.125**	£0.340
Expected dividend yield	**Nil**	Nil
Expected volatility	**47.00%**	49.40%
Expected life	**2 Years**	3 Years
Risk free interest rate	**1.34%**	1.17%

The gain arising on the change in value of the warrants between 31 December 2014 and 31 December 2015 is disclosed in note 9.

As described in note 22 4,967,103 warrants were issued, a total of 53,784 warrants were exercised for 53,784 ordinary shares raising a total net proceeds of $27,000, with the remaining warrants lapsing during the period.

24 Share based payments

	31 Dec 2015 $'000	31 Dec 2014 $'000
Share based payment charge for equity settled share based payments granted 17 November 2014	**90**	12
Share based payment charge for equity settled share based payments granted 5 December 2013	**110**	126
Share based payment charge for cash settled share based payments granted 2 July 2014	**248**	—
Total share based payment charge	**448**	138

Included within share based payments for the year is $12,000 (7 month period ended 31 December 2014: $19,000) capitalised to intangible evaluation & exploration assets.

	31 Dec 2015 Number	Granted Number	Lapsed Number	31 Dec 2014 Number
Share options granted 17 November 2014	**250,000**	—	—	250,000
Share options granted 5 December 2013	**2,254,000**	—	—	2,254,000
Share options granted 11 July 2012	**–**	—	(12,500)	12,500
Share options granted 27 June 2011	**–**	—	(48,500)	48,500
Share options granted 26 October 2010	**3,095,000**	—	—	3,095,000
Total number of share options	**5,599,000**	—	(61,000)	5,660,000

Equity settled share-based payments granted in the 7 month period to 31 December 2014

On 17 November 2014 the Company granted 250,000 share options to the Non-Executive Chairman Russell King.

Total number of share options granted	250,000
Exercise price of the options	$0.015 (£0.01)
Exercise period:	
Tranche 1 – 17 November 2014 and 17 November 2025	125,000
Tranche 2 – 17 November 2014 and 17 November 2026	125,000
Number of share options lapsed during the current period	–
Number of share options outstanding as at 31 Dec 2015	250,000

The fair value of equity-settled share options granted was estimated as at the date of grant using the Black-Scholes model, taking into account the terms and conditions upon which the options were granted. The expected volatility was determined based on the volatility of similar quoted companies as well as the Company's own historic volatility from listing on AIM.

The table below lists the principal assumptions and inputs to the model used for options granted on the 17 November 2014:

Share price at the date of grant	$0.55 (£0.355)
Expected dividend yield	Nil
Expected volatility	49.94%
Expected life	5 years
Risk free interest rate	1.40%

Share based payment charge for cash settled share based payments granted 2 July 2014
On 1 June 2014, contingent on the successful acquisition by the Company (or a subsidiary of the Company) of the Yanfolila Project the Company awarded the Chief Executive Officer a deferred contingent bonus in the form of a cash settled share based payment equivalent to the cash value on the date of payment of 1,785,714 shares (subject to a maximum share price of £2.016). This bonus is deferred and except in the event of a change of control, only becomes payable after 2 years and the earlier of the Chief Executive Officer ceasing to be a Director of the Company or 10 years.

The Yanfolila Project was acquired on 2 July 2014 and accordingly this share based payment was granted on that date.

The share price and resultant fair value of this cash settled share based payment was estimated as at the date of grant as £0.56 and $1,774,000 respectively, which is spread over the vesting period of 2 years and re-measured at each balance sheet date using the share price on that date (share price as at 31 December 2015: £0.125 (2014: £0.34).

The amounts recognised in the income statement for year is as follows:

	Initial charge $'000	Revaluation $'000	Total $'000
Amounts in respect of the period ended 31 December 2014	443	(207)	236
Amounts in respect of the period ended 31 December 2015	887	(875)	12
Total charge for the year	**1,330**	**(1,082)**	**248**

Long term incentive plan ("LTIP")
On 1 July 2014 the shareholders approved the adoption of a LTIP for the purpose of retaining, motivating and building an appropriate senior executive team to deliver the proposed new strategy.

Participants in the LTIP are expected to be limited to selected senior executives. The LTIP will issue shares to the participants for adding material long term shareholder value and therefore align the interest of the senior executives with the shareholders by providing a strong incentive for the senior executives to drive shareholder value. The value that may be delivered to executives and the dilution of shareholders are commensurate with levels applying in schemes implemented by industry comparators.

Under the LTIP, shares may be distributed to participants depending upon the value that has been added to shareholders over the vesting period. No value will accrue to the LTIP if the growth in shareholder value is less than 50% of the market capitalisation of Hummingbird on the date of inception. If the growth in shareholder value is over 50%, a proportion of value added to shareholders will accrue to the LTIP, increasing progressively, starting at 5% of the value added to shareholders up to a maximum of 15% of the value added to shareholders above 150%. Shares with a value equal to the value accrued in the LTIP will be issued on vesting. There is also the flexibility to allow early payments under the LTIP where assets or companies are disposed of and value has been added exceeding 50% on the same principles.

The absolute dilution limit relating to awards under employee share incentive schemes (including this LTIP) is 20%.

There were no share awards allocated to participants or any share awards that vested during the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

FOR THE YEAR ENDED 31 DECEMBER 2015

25 Notes to the statement of cash flows

	31 Dec 2015 $'000	31 Dec 2014 $'000
Loss before tax	**(4,563)**	(3,382)
Adjustments for:		
Depreciation of property, plant and equipment	**21**	18
Share based payments	**436**	119
Finance income	**(84)**	(104)
Finance expense	**244**	268
Share of joint venture loss	**54**	32
Operating cash flows before movements in working capital	**(3,892)**	(3,049)
Increase in receivables	**(861)**	(38)
Increase / (decrease) in payables	**114**	(47)
Decrease in amounts due to joint venture	**—**	(185)
Net cash outflow from operating activities	**(4,639)**	(3,319)

Cash and cash equivalents (which are presented as a single class of assets on the balance sheet) comprise cash in hand, cash at bank and short term bank deposits with an original maturity of three months or less. The carrying value of these assets is approximately equal to their fair value.

26 Financial Instruments

In common with all other businesses, the Group and Company are exposed to risks that arise from its use of financial instruments. This note describes the Group's and Company'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.

Capital

The Company and Group define capital as share capital, share premium and retained earnings. In managing its capital, the Group's primary objective is to provide a return to its equity shareholders through capital growth. Going forward the Group will seek to maintain a gearing ratio that balances risks and returns at an acceptable level and also to maintain a sufficient funding base to enable the Group to meet its working capital and strategic investment needs. In making decisions to adjust its capital structure to achieve these aims, either through new share issues or the issue of debt, the Group considers not only its short-term position but also its long term operational and strategic objectives.

Externally imposed capital requirements

The Group is not subject to externally imposed capital requirements.

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the Consolidated Financial Statements.

Principal financial instruments
The principal financial instruments used by the Group from which financial risk arises are as follows:

	31 Dec 2015 $'000	31 Dec 2014 $'000
Financial assets		
Cash and cash equivalents	**7,220**	8,536
Other receivables	**600**	105
	7,820	8,641
Financial liabilities		
Borrowings (note 18)	**14,965**	9,793
Trade payables	**1,074**	1,263
Other payables	**604**	271
Royalty liability (see note 21)	**15,000**	15,000
Warrant liability[1] (see note 23)	**—**	50
	31,643	26,377

1 The fair value of the warrant liability (see note 23) has been determined using a valuation technique where at least one input (which could have a significant effect on the instrument's valuation) is not based on observable market data and is therefore a level 3 financial instrument. Where inputs can be observed from market data without undue cost and effort, the observed input has been used. Otherwise, management determines a reasonable estimate for the input.

General objectives, policies and processes
The Board has overall responsibility for the determination of the Group's risk management objectives and policies. Whilst retaining ultimate responsibility for these, the Board 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 reports from the Group's finance function through which it reviews the effectiveness of the processes put in place and the appropriateness of the objectives and policies set.

The overall objective of the Board is to set policies that seek to reduce risk as far as practical without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group.

Credit risk arises principally from the Group's investment in cash deposits. The Group seeks to deposit funds with reputable financial institutions until such time as it is required.

The Group does not have any significant credit risk exposure on trade and other receivables.

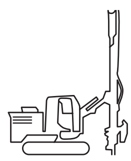
The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk.

Liquidity risk
Liquidity risk arises from the Group and Company's management of working capital and the amount of funding committed to its work programmes. It is the risk that the Group or Company will encounter difficulty in meeting its financial obligations as they fall due.

The Group and Company's policy is to ensure that sufficient funds will be available to allow it to meet its liabilities as they fall due. To achieve this, the Board receives cash flow projections as well as information regarding available cash balances on a regular basis. The Board will not commit to material expenditures prior to being satisfied that sufficient funding is available. The Group's borrowings including maturity dates are detailed in note 18.

Foreign exchange risk and foreign currency risk management
The Group is exposed to foreign exchange risk through certain of its costs being denominated in currencies other than the functional currency, and from holding non-functional currency cash balances.

Although the Group has no formal policy in respect of foreign exchange risk, as the majority of the Group's forecast expenditures are in United States Dollars and Sterling, the Group holds the majority of its funds in these two currencies. Currency exposures are monitored on a monthly basis.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
FOR THE YEAR ENDED 31 DECEMBER 2015

The carrying amounts of the Group's and Company's foreign currency denominated financial assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	31 Dec 2015 $'000	31 Dec 2014 $'000	**31 Dec 2015 $'000**	31 Dec 2014 $'000
Euros ("€")	**72**	79	**366**	141
Sterling ("GBP")	**530**	701	**3,344**	1,631
Canadian Dollars ("CAD")	**10**	—	**50**	60
South African Rand ("ZAR")	**72**	1	**353**	774
Australian Dollars ("AUD")	**73**	44	**100**	46
French CFA Franc ("FCFA")	**547**	432	**179**	348

Foreign currency sensitivity analysis
The Group is exposed primarily to movements in GBP against the $. Sensitivity analyses have been performed to indicate how the profit or loss would have been affected by changes in the exchange rate between the $ and GBP. The analysis is based on a weakening and strengthening of the $ by 10% against the GBP in which the Group has assets and liabilities at the end of each respective period. A movement of 10% reflects a reasonably possible sensitivity when compared to historical movements over a three to five year timeframe. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates.

A positive number below indicates an increase in profit where the $ strengthens 10% against the GBP. For a 10% weakening of the $ against the GBP, there would be an equal and opposite impact on the profit, and the balance below would be negative.

The following table details the Group's sensitivity to a 10% strengthening in the $ against the GBP.

	31 Dec 2015 $'000	31 Dec 2014 $'000
Decrease in income statement and net assets	**(283)**	(89)

27 Related party transactions
Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions with Stephen Betts & Sons Limited
During the year Stephen Betts & Sons Limited charged the Company $69,000 (7 month period ended 31 December 2014: $46,000) under a contract for the provision of staff, office equipment and premises. $nil was accrued outstanding between the parties as at 31 December 2015 (2014: $nil). The amounts outstanding are unsecured and will be settled in cash.

Stephen Betts & Sons Limited is a related party of the Group because Stephen Betts and Daniel Betts are shareholders and Directors of that company.

Transactions with The Pygmy Hippo Foundation
During the year the Company made charitable contributions to The Pygmy Hippo Foundation of $nil (2014: $nil). At 31 December 2015 The Pygmy Hippo Foundation owed the Company $nil (2014: $nil). The Pygmy Hippo Foundation is a related party as Daniel Betts, Thomas Hill and William Cook are Directors of the Company and The Pygmy Hippo Foundation.

Joint venture with Petmin Limited (Iron Bird Resources Inc)
Petmin Limited is a related party of the Group because Petmin Limited is a joint venture partner in Iron Bird Resources Inc (note 13). During the year the Group received management fees of $62,000 (7 month period ended 31 December 2014: $35,000) from Iron Bird Resources Inc.

Transactions with D Pelham
David Pelham is a related party as he is a Non-Executive Director during the current year. During the year D Pelham received geological consultancy fees of $9,000 (7 month period ended 31 December 2014: $10,000).

Remuneration of key management personnel
The remuneration of the Directors, who are the key management personnel of the Group, is set out below in aggregate for each of the categories specified in IAS 24 Related Party Disclosures.

	31 Dec 2015 $'000	31 Dec 2014 $'000
Short-term employee benefits	**1,093**	877
Social security cost	**138**	113
Pension	**74**	44
Share based payment charge	**422**	100
Reduction for potential social security costs on share options	**(6)**	(62)
	1,721	1,072

28 Disposals
On 23 April 2015 the Group agreed to sell the wholly owned subsidiary Ensign Resources Limited ("Ensign") to Taoudeni Resources Limited ("Taoudeni") for a 10% equity interest in Taoudeni and a $1/oz of gold discovery bonus. Antubia Resources Limited ("Antubia"), a wholly owned subsidiary of Ensign, held the Asheba project in Ghana that was included within the acquisition of the Yanfolila project in July 2014. No attributable value was assigned to Ensign and Antubia on acquisition.

29 Events after the reporting date
Extension of Taurus $15m loan
On 2 February 2016 Taurus agreed a one month extension to the $15m bridge facility to 8 March 2016 and on 25 February 2016 Taurus agreed a further six month extension to the $15m bridge facility to 8 September 2016.

Extension of deferred SENET fees
On 25 February 2016 SENET agreed to defer $1,660,000 of fees which previously fell due for payment in April 2016 for an additional period up to 12 months. The balance is held within accruals see note 20.

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2015

	Notes	31 Dec 2015 $'000	31 Dec 2014 $'000
Assets			
Non-current assets			
Investments	34	**38,114**	34,101
Property, plant and equipment	35	**17**	20
Receivables from subsidiaries	36	**32,690**	32,230
		70,821	66,351
Current assets			
Trade and other receivables	37	**1,527**	1,052
Cash and cash equivalents	37	**6,170**	4,343
		7,697	5,395
Total assets		**78,518**	71,746
Liabilities			
Current liabilities			
Trade and other payables	38	**1,487**	1,492
Other financial liabilities	38	**—**	50
Total liabilities		**1,487**	1,542
Net assets		**77,031**	70,204
Equity			
Share capital	39	**1,723**	1,385
Share premium		**81,428**	71,627
Retained earnings		**(6,120)**	(2,808)
Total equity		**77,031**	70,204

The financial statements were approved by the Board of Directors and authorised for issue on 13 April 2016.

They were signed on its behalf by:

DE Betts
Director

The notes to the Company financial statements form part of these financial statements.

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

	Notes	**12 months to 31 Dec 2015 $'000**	7 months to 31 Dec 2014 $'000
Net cash outflow from operating activities	41	**(3,108)**	(2,630)
Investing activities			
(Additions) / disposals of property, plant and equipment		**(18)**	1
Investment in subsidiaries		**(4,013)**	(1,393)
Decrease in amounts due from subsidiary companies		**(1,003)**	(935)
Interest received		**24**	10
Net cash used in investing activities		**(5,010)**	(2,317)
Financing activities			
Net proceeds from issue of shares		**10,139**	2,808
Net cash from financing activities		**10,139**	2,808
Net decrease in cash and cash equivalents		**2,021**	(2,139)
Effect of foreign exchange rate changes		**(194)**	(172)
Cash and cash equivalents at beginning of period		**4,343**	6,654
Cash and cash equivalents at end of period		**6,170**	4,343

COMPANY STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2015

	Share capital $'000	Share premium $'000	Retained earnings $'000	Total $'000
As at 1 June 2014	**953**	**48,135**	**(830)**	**48,258**
Comprehensive loss for the period:				
Loss for the period	—	—	(2,116)	(2,116)
Total comprehensive loss for the period	—	—	(2,116)	(2,116)
Transactions with owners in their capacity as owners:				
Issue of shares	432	23,492	—	23,924
Total transactions with owners in their capacity as owners	**432**	**23,492**	**—**	**23,924**
Share based payments	—	—	138	138
As at 31 December 2014	**1,385**	**71,627**	**(2,808)**	**70,204**
Comprehensive loss for year:				
Loss for year	—	—	(3,512)	(3,512)
Total comprehensive loss for the year	**—**	**—**	**(3,512)**	**(3,512)**
Transactions with owners in their capacity as owners:				
Issue of shares	338	9,801	—	10,139
Total transactions with owners in their capacity as owners	**338**	**9,801**	**—**	**10,139**
Share based payments	—	—	200	200
As at 31 December 2015	**1,723**	**81,428**	**(6,120)**	**77,031**

NOTES TO THE COMPANY FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2015

30 Significant accounting policies

The separate financial statements of the Company are presented as required by the Companies Act 2006 (the 'Act'). As permitted by the Act, the separate financial statements have been prepared in accordance with International Financial Reporting Standards.

The financial statements have been prepared on the historical cost basis. The principal accounting policies adopted are the same as those set out in note 3 to the consolidated financial statements except as noted below.

As permitted by section 408 of the Act, the Company has elected not to present its income statement for the year. Hummingbird Resources PLC reported a loss for the year ended 31 December 2015 of $3,512,000 (7 month period ended 31 December 2014: $2,116,000).

Investments

Fixed asset investments, including investments in subsidiaries, are stated at cost and reviewed for impairment if there are any indications that the carrying value may not be recoverable.

31 Critical accounting judgements and key sources of estimation uncertainty

The Company's financial statements, and in particular its investments in and receivables from subsidiaries, are affected by the critical accounting judgements and key sources of estimation uncertainty in respect of the recoverability of exploration and evaluation assets which are described in note 4 to the consolidated financial statements.

Recoverability of investment in subsidiaries and amounts due from subsidiaries

Where the majority of the assets of subsidiary undertakings are exploration and evaluation assets, determining whether an investment in and loan to a subsidiary is impaired requires an assessment of whether there are any indicators of impairment, of these underlying exploration and evaluation assets. If there is any indication of potential impairment, an impairment test is required based on value in use of the asset. This assessment involves judgement as to: (i) the likely future commerciality of each cost pool of assets; (ii) when such commerciality should be determined, and (iii) the potential future revenues and value in use. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value.

As the market capitalisation of the Company was less than the carrying value of the Company's net assets as at 31 December 2015, an impairment review was carried out in respect of the carrying values of the investment in subsidiaries and the amounts due from subsidiaries as stated in the Company Balance Sheet. As part of the impairment review of the carrying value of the Groups exploration and evaluation assets the Directors considered that there was no impairment as at 31 December 2015.

32 Auditor's Remuneration

The auditor's remuneration for audit and other services is disclosed in note 7 to the consolidated financial statements.

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

AS AT 31 DECEMBER 2015

33 Staff costs

The average monthly number of employees (including Directors) was:

	12 months to 31 Dec 2015 Number	7 months to 31 Dec 2014 Number
Directors	**7**	7
Other employees	**8**	6
	15	13

	$'000	$'000
Their aggregate remuneration comprised:		
Wages and salaries	**1,733**	1,270
Social security costs	**212**	162
Pension	**93**	55
Share based payments	**436**	118
Reduction for potential social security costs related to share based payments	**(6)**	(62)
	2,461	1,532

Within wages and salaries, $1,089,000 (7 month period ended 31 December 2014: $875,000) relates to amounts paid to Directors for services rendered. Included within staff costs is $nil (7 month period ended 31 December 2014: $nil) recharged to subsidiaries as intangible exploration and evaluation assets.

Included within social security costs is a release of a provision of $13,000 (7 month period ended 31 December 2014: $73,000 provision) for the potential employers social security contributions in respect of the share options issued to employees and Directors.

Key management remuneration is disclosed in note 27 to the consolidated financial statements.

34 Investments

	Investment in subsidiaries 31 Dec 2015 $'000	Investment in subsidiaries 31 Dec 2014 $'000
Cost at the beginning of the period	**34,101**	11,501
Acquisition	**—**	21,116
Additions	**4,013**	1,484
Total	**38,114**	34,101

The Company's subsidiaries are disclosed in note 16 to the consolidated financial statements. The additions in the prior year relate to certain costs incurred by the Company on behalf of its subsidiaries that are not invoiced to subsidiaries, including share based payments.

Hummingbird Resources Plc subscribed for 4 additional nil par value shares in its wholly owned subsidiary Trochilidae Resources Limited for a value of $4,000,000 during the year.

35 Property, plant & equipment

	Development assets – other $'000	Other $'000	Total $'000
Cost			
At 1 June 2014	59	338	397
Additions	—	3	3
Disposals	—	(3)	(3)
At 1 January 2015	**59**	**338**	**397**
Additions	—	18	18
Disposals	—	—	—
At 31 December 2015	**59**	**356**	**415**
Accumulated depreciation			
At 1 June 2014	52	309	361
Charge for the period	4	15	19
Disposals	—	(3)	(3)
At 1 January 2015	**56**	**321**	**377**
Charge for the year	3	18	21
Disposals	—	—	—
At 31 December 2015	**59**	**339**	**398**
Carrying amount			
At 31 December 2015	—	17	17
At 31 December 2014	3	17	20

36 Receivables from subsidiaries

At the balance sheet date amounts receivable from the subsidiaries were $32,690,000 (31 December 2014: $32,230,000). These amounts are repayable on demand however these are not expected to be repaid within one year and no interest is currently charged. The carrying amount of these assets approximates their fair value.

37 Current Assets

Trade and other receivables

	31 Dec 2015 $'000	31 Dec 2014 $'000
Other receivables	**358**	32
Prepayments and accrued income	**500**	415
Trade receivables - intercompany	**669**	605
	1,527	1,052

There are no past due or impaired receivables.

Cash and cash equivalents

Cash and cash equivalents as at 31 December 2015 of $6,170,000 (31 December 2014: $4,343,000) comprise cash and short-term bank deposits with an original maturity of three months or less. The carrying value of these assets approximates their fair value.

The Company's principal financial assets are bank balances and cash and receivables from related parties, none of which are past due. The Directors consider that the carrying amount of receivables from related parties approximates their fair value.

NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED
AS AT 31 DECEMBER 2015

38 Current Liabilities
Trade and other payables

	31 Dec 2015 $'000	31 Dec 2014 $'000
Trade payables	**351**	942
Other taxes and social security	**66**	59
VAT	**65**	58
Accruals	**630**	424
Other payables	**375**	9
	1,487	1,492

The average credit period taken for trade purchases is 59 days (Dec 2014: 73 days).

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

Other financial liabilities
The Company's other financial liabilities are included within note 21 of the consolidated financial statements.

Amounts due to joint venture
Amounts due by the Company to the joint venture are disclosed in note 13 of the consolidated financial statements.

Operating lease commitments
At the balance sheet date, the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	31 Dec 2015 $'000	31 Dec 2014 $'000
Within one year	**27**	86
In the second to fifth years inclusive	**—**	27
	27	113

Operating lease payments represent rentals payable by the Company for the UK head office.

39 Share Capital
The movements on this item are disclosed in note 22 to the consolidated financial statements.

40 Share based payments
The Company's share based payments information is disclosed in note 24 to the consolidated financial statements.

41 Notes to the statement of cash flows

	31 Dec 2015 $'000	31 Dec 2014 $'000
Loss before tax	**(3,503)**	(2,116)
Adjustments for:		
Depreciation of property, plant and equipment	**21**	18
Share based payments	**436**	119
Finance income	**(71)**	(100)
Finance expense	**194**	172
Operating cash flows before movements in working capital	**(2,923)**	(1,907)
Increase in receivables	**(236)**	(382)
Increase / (decrease) in payables	**51**	(156)
Decrease in amounts due to joint venture	**—**	(185)
Net cash outflow from operating activities	**(3,108)**	(2,630)

42 Financial Instruments

The Company's strategy and financial risk management objectives are described in note 26.

Principal financial instruments

The principal financial instruments used by the Company from which risk arises are as follows:

	31 Dec 2015 $'000	31 Dec 2014 $'000
Financial assets		
Cash and cash equivalents	**6,170**	4,343
Other receivables	**33,717**	32,867
	39,887	37,210
Financial liabilities		
Trade payables	**351**	942
Other payables	**375**	9
Warrant liabilities[1]	**—**	50
	726	1,001

1 The fair value of the warrant liability (see note 23) has been determined using a valuation technique where at least one input (which could have a significant effect on the instrument's valuation) is not based on observable market data, and is therefore a level 3 financial instrument. Where inputs can be observed from market data without undue cost and effort, the observed input has been used. Otherwise, management determines a reasonable estimate for the input.

The risks that the Company is subject to in addition to the Group risks described in note 26 are set out below:

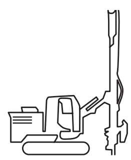
Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company.

In addition to the risks described in note 26, which affect the Group, the Company is also subject to credit risk on the balances receivable from its subsidiaries (see note 36).

Foreign currency exposure and sensitivity analysis

The Company's exposure to foreign currency exposure and sensitivity to exchange rates is the same as the Group's (see note 26).



NOTES TO THE COMPANY FINANCIAL STATEMENTS CONTINUED

AS AT 31 DECEMBER 2015

43 Related Parties

Amounts due from subsidiaries

The Company has entered into a number of unsecured related party transactions with its subsidiary undertakings. The most significant transactions carried out between the Company and its subsidiary undertakings are mainly for short and long-term financing. Amounts owed from these entities are detailed below:

	31 Dec 2015 $'000	31 Dec 2014 $'000
Hummingbird Resources (Liberia) Inc.	**32,690**	32,230

These amounts are repayable on demand and no interest is currently charged.

The Company's transactions with other related parties and remuneration of key management personnel are disclosed in note 27 to the consolidated financial statements.

44 Events after the balance sheet date

Events after the balance sheet date are disclosed in note 29 to the Consolidated Financial Statements.

“In the cave before the spring, visulize the blooms and sing;
Imagine what lies beyond the stone, bathed in glorious warmth and light.
It’s easy in your dark wet hole to let the will drain from your soul
But paradise lost or paradise found weighs on your strength to confound.

Mighty feats require faith; no time to cower beneath the wraith;
To see where others couldn’t see, to tread where others feared to be:
Block out the black made noise of doubt, to yourself stay true throughout
Sunrise is just that rock behind - blast it out and let the gold be mined”

Basil DeTent

WWW.HUMMINGBIRDRESOURCES.CO.UK