Annual report and accounts 2015

REDROCK RESOURCES

Welcome to Red Rock Resources plc

Identifying and Developing Opportunities Amidst Disruption

Red Rock Resources plc is a natural resource exploration and investment company.

The Company's strategy involves investing in projects and opportunities where it can enhance the value of the assets through exploration, development and corporate transactions.

Diversity of projects, an actively managed project pipeline and the identification of key strategic exit points allow multiple routes of value creation for shareholders.

The principal activities of the Company involve gold exploration in West Africa, and the Company also holds investments in manganese as well as in oil and gas exploration and development.

Copies of this report are available on www.rrrplc.com/investor-relations/reports-and-presentations/

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STRATEGIC REPORT

In this report

STRATEGIC REPORT

Executive Chairman's Review

Highlights

- Pivot from mineral exploration to near term cash-generative development projects – mainly in oil and gas
- Cleaned up the balance sheet, restructured the business, and reduced overheads significantly during the year
- Holding costs of existing project portfolio reduced and projects optimised for value preservation and maximisation
- Laid the foundation for growth and value creation in 2016 and beyond

> "The period was one of restructuring and improvement of finances, we sought and made progress but more slowly than we expected."

Dear Shareholders,

Overview

The year ended 30 June 2015 was frustrating for all of us. It contained a period of great difficulty for the entire exploration and mining sector, when in a short period from late 2014 most commodity metals saw substantial price declines, in many cases of 30% to 50%.

Forecasts for commodity demand had been heavily dependent on assumptions of a continuance of previous Chinese industrial growth and capital investment trends, and when these assumptions had to be revised, the vulnerability of the sector became apparent. Once the supply/demand balance was adjusted, there was little to hold prices above their long term trend rates, from which they had risen so sharply since 2003.

It cannot be certain that these falls are over, and only gold, which follows its own path and only sometimes behaves as a metal, remains a relatively safe haven in a mineral sector that is painfully adjusting its cost and break-even assumptions.

Our frustrations were not restricted to the general ills of the sector. The transactions that formed part of our restructuring strategy proceeded with agonising slowness too. We began the year with a sale process of our Colombian gold assets under way, and we almost ended it the same way, as the transaction only completed in May of this year. The delays were hard to explain to you, and doubts were frequently expressed as to whether the transaction would ever complete. We did not share the doubt, but felt and shared your frustration. We also announced early in the year that our associate Resource Star Limited (now Star Striker Limited) in Australia was entering into a significant transaction. Star Striker Ltd terminated this deal, and on the last day of the year we had to announce it was terminating the next one.

In May the bad faith with which we suspected we were being treated by certain authorities in relation to our Kenyan gold interests including Mid Migori Mining Ltd broke cover and became public: this ended another long frustration as it provided us a clear course of action and gave us the power to seize the initiative, which we did, instituting proceedings for judicial review.

These matters, the general and the particular apart, we accomplished a certain amount. We conducted some early stage exploration in Côte d'Ivoire, and we continued our efforts to reduce liabilities, improve the balance sheet, and make significant reductions in our administration costs.

One bright spot was Jupiter Mines Ltd, where we hold a small but valuable stake, and which owns half of one of the world's leading and lowest cost manganese mines, Tshipi è Ntle in the South Kalahari Basin. Jupiter announced during the year both its maiden production of 1Mt and just before the year end the impressive achievement of a production of over 2Mt in its second year of operation.

The period was therefore one where the restructuring and improvement of finances we sought made progress, but more slowly than we expected or wanted, and against a most unfavourable backdrop. This both necessitated the raising of finance, and affected the terms on which we were able to finance. Since this sale, and the restructuring, were the necessary precursor to recovery and to those actions which could rebuild value, it is only in the post-balance sheet events that we have begun to chart our new course. The Elephant Oil investment in July 2015 was a small investment in onshore oil in West Africa. The option over a participating interest in an oil exploration and development programme at Shoats Creek in Louisiana is much more significant, since it offers the transformative prospect of a significant flow of income within the current financial year. Also since year-end the value of our holding in Star Striker, a non-core holding which we may look to reduce, has increased substantially.

> "The projects we are looking at are now either producing or capable of producing cash flow."

Review of the Results

In the Consolidated statement of financial position, the significant change during the year was the sale of the Colombian asset, where we had owned just over 50% of Four Points Mining Ltd and so had consolidated 100%. With the sale, total assets shrank to £9,625,758 as £6,994,468 of assets classified as held for sale disappeared, as on the other side of the balance sheet did £4,744,285 of liabilities directly associated with the assets classified as held for sale.

Parent company borrowings, reduced from £2,557,013 to £1,074,867 in the previous year, were reduced to nil in the year under review.

The Consolidated income statement shows losses from continuing operations rising from £3,768,558 to £7,727,371. This results principally from impairment of amounts due from associates of £5,280,000: we took a prudent view of the Kenyan exposure pending results of the court case, notwithstanding our view that we

will prevail. A significant impairment was also taken against the iron ore assets in Greenland, reflecting the current weakness in iron ore prices, and this appears under the £1,349,245 impairment of investment in associates and joint ventures. Included within the heading other expenses is a £380,000 exchange loss on translation. These three non-cash items account for £7,009,245 of the declared loss.

After a decline from £2,244,908 to £1,563,808 in the previous year, other expenses declined further in the year to 30 June 2015 to £1,334,404. Without an increase in the figure for exchange loss on translation of £196,000, a non-cash item, the decrease would have been greater. We expect other expenses to be running for the latter part of the current year at less than half this annualised level, as a result of the cost reduction programme.

Prospects

Since the year end the Company has further reduced its liabilities and has undertaken a further and more extensive cost reduction programme. This programme is cutting costs across the board, sharing or eliminating office costs, and implementing a reduction in staff numbers (excluding Non-executive Directors) of over 80% from the average level of the 2014-2015 year.

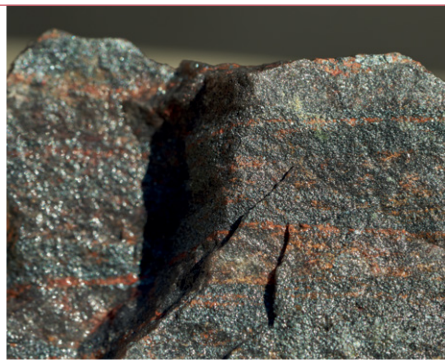
We are sorry to lose capable and hard-working colleagues with whom we have worked for some time, as we adapt to the new marketplace. As we go forward now, having divested operational responsibilities and costs for our

> “Our business has changed and that means as we grow we intend to remain a lean operation with tightly controlled costs.”

mineral exploration and production activities, we are looking at non-operator participations in onshore oil and gas projects. These matters apart we accomplished a significant amount during this period. As we rebuild, it is specialist oil geology skills for the particular basins where we may have interest that we may require, and initially it will be more economically effective to bring these in on a consultancy basis as needed.

The projects we look at are now either producing or capable of producing cash flow, and this means that as we look forward at the shape of the Company we want to see our analysis driven by cost and revenue at the Company as well as the project scale. This is different from exploration, where the cost is simply "whatever is required" to progress to the next milestone or to establish or increase a resource, and is safely undertaken in the knowledge that whatever level of speed or cost is set, our operations and cost of discovery are likely to be far cheaper than those of a major. This cost differential, and the ability to sell on or farm in to a major if one did not self-develop, was the engine that in large part drove the exploration model for juniors. For a number of reasons, that model cannot now be relied upon. Our business has changed, and that means that even as we grow we intend to remain a lean operation that tightly controls costs.

Our announcement of the option over Shoats Creek offers us the opportunity to participate in a project that has low geological risk, low cost to us, and where we can look to early production.



Our new prospective partner there is Northcote Energy Limited (AIM:NCT), a company with which we have built over recent months a solid relationship and with which we hope we would continue to co-operate in this area.

The Company will be open to further opportunities to enhance and possibly scale up its onshore low cost oil production and development portfolio, but no project will now be considered unless it meets certain base criteria. These include early cash flow, low entry

> “We will continue to seek favourable outcomes for our existing mineral and investment interests.”

and operating cost, low geological risk, high anticipated IRR, and expected positive share price impact.

We will continue to seek favourable outcomes for our mineral and investment interests, including Star Striker, whether through sale or farm-out.

Finally, I thank you, the shareholders, for your support through difficult times. We are confident that we can stabilise and grow the Company while creating shareholder value in the months ahead.

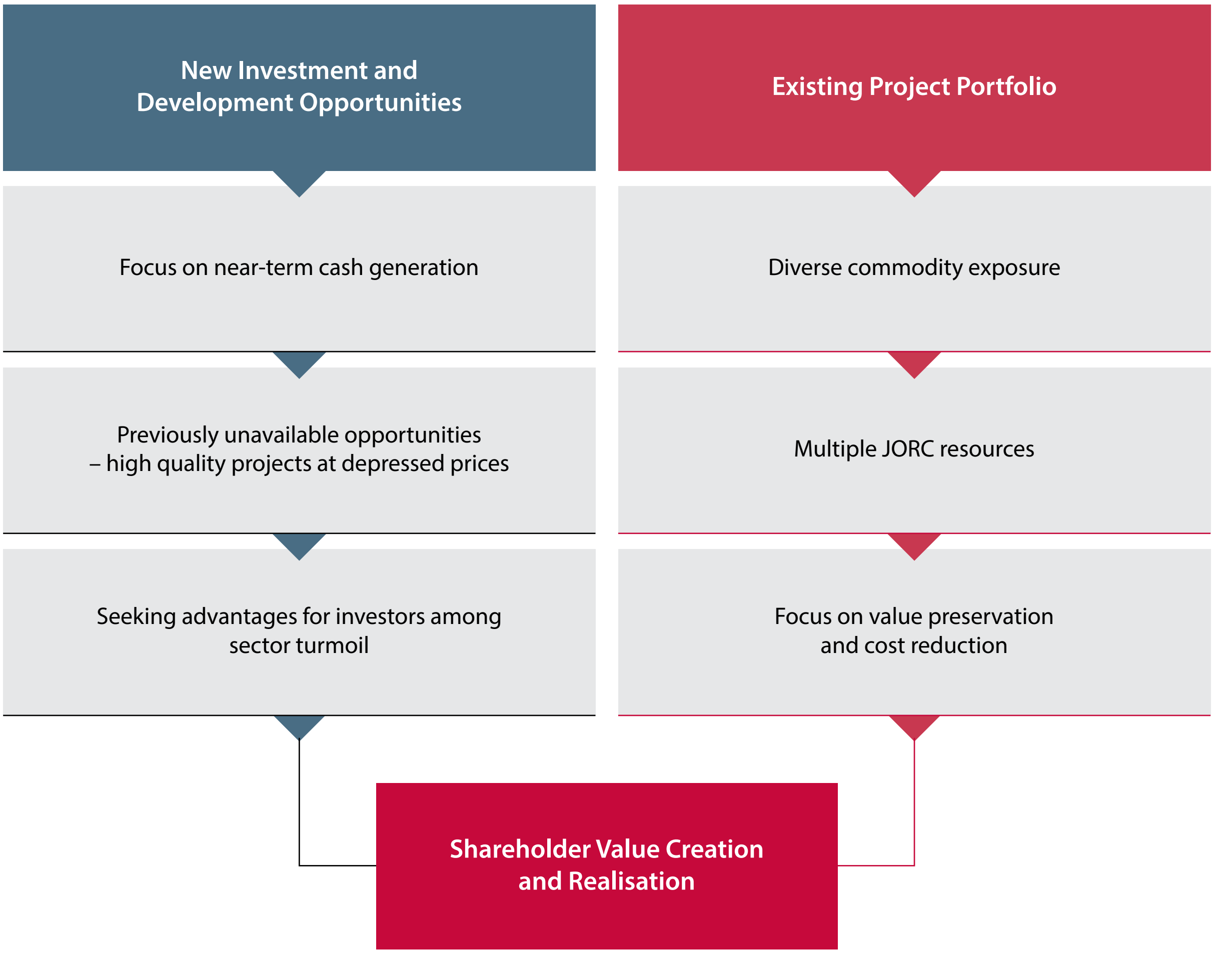
Andrew Bell
Chairman and CEO
12 November 2015

STRATEGIC REPORT

Group Structure

Red Rock adds value by cultivating a diverse portfolio of projects and investments with exposure to numerous commodities and opportunities across multiple stages of the natural resource development timeline.

Our Business Model and Strategy



Current focus is on preserving and maximising value in the existing project portfolio while exploring new cash-generative development and investment options.

Our Key Performance Indicators

The primary KPI set for 2014-15 was the sale of the Colombian interests. A major KPI for 2015-16 will be the successful deployment of capital and the return on invested capital ("ROIC") exceeding the Company's cost of capital and the minimum returns demanded by investors. We aim to accomplish this via new cash generating investments and the monetisation of non-core assets remaining on the balance sheet. The Company will be targeting the most efficient use of funds deployed and returns on investments. This should manifest itself during the year to investors as a strengthening share price and increased market capitalisation and reduced reliance on external sources of finance.

Market Overview
Gold and Manganese Market

Gold Market
Investors are accustomed to thinking about gold priced in US dollars, which most of the time is a useful index. This may be a misleading indicator at times when there is very rapid price movement in the dollar against the generality of secondary currencies, for which the trade-weighted dollar, although heavily euro-weighted, may stand proxy. This may be shown by comparing a trend of the gold price in US dollars over the last two years with that for a representative commodity-oriented and gold-producing major currency, the Australian dollar.

While gold in Australian dollars shows a rising trend, in US dollars, gold has been falling. Gold in many other currencies, including the Colombian peso, has risen over the period. In others, such as the Kenyan shilling, it has fallen little. In others, such as the CFA franc used in West Africa, it has been broadly neutral. From the Company's point of view, the negative development has been in sentiment, but the realities differ from country to country.

Red Rock remains interested in gold through its sale of its Colombian interests, where some of the consideration is deferred through future payments and royalties. The feedback from the purchaser of the Colombian assets is that the remodelling of the gold plant is proceeding well and the outlook for progressing the business plan and increasing production remains positive. Red Rock also has exploration interests in Kenya and Ivory Coast, and it remains its view that the proving up of substantial resources in these countries is a worthwhile objective, and will position the Company well to develop mines when capital market conditions improve, or when major producers increase their appetite for joint ventures and farm-ins.

Given the uncertainty of the investment climate in Kenya, where the Company is asserting its rights to licences with an established resource of 1.2Moz, and the interference Red Rock has encountered in its attempts to progress exploration, the Company is for the time being placing its principal exploration emphasis on the Ivory Coast, where promising prospects are held in the south east of the country near the Ghanaian border as well as in other areas.

The continuing risk of the excess money creation of recent years leaking back into inflation and the continuing debt dependence and other instabilities of the global financial system suggest that the demand for asset diversification into gold will continue. The probability of unexpected events sending the price higher seems greater than that of unexpected events sending it lower. Non-US dollar based gold assets appear to have less risk than other mineral resource investment categories at present, although development capital remains in short supply.

Manganese Market
The manganese price, after showing relative resilience last year compared with iron ore, has shown a consistent downward trend in 2015. Destocking in China was the reason given in the first half of the year, but recovery was expected in the second half as stocks reached normal levels. That recovery has not been seen, and while a year ago we wrote of CIF (cost, insurance, freight) prices for 37% manganese ore delivered to Tianjin port having dropped from USD4.50 to USD3.80 per DMTU (dry metric tonne unit) the price in late August 2015 was USD2.58.

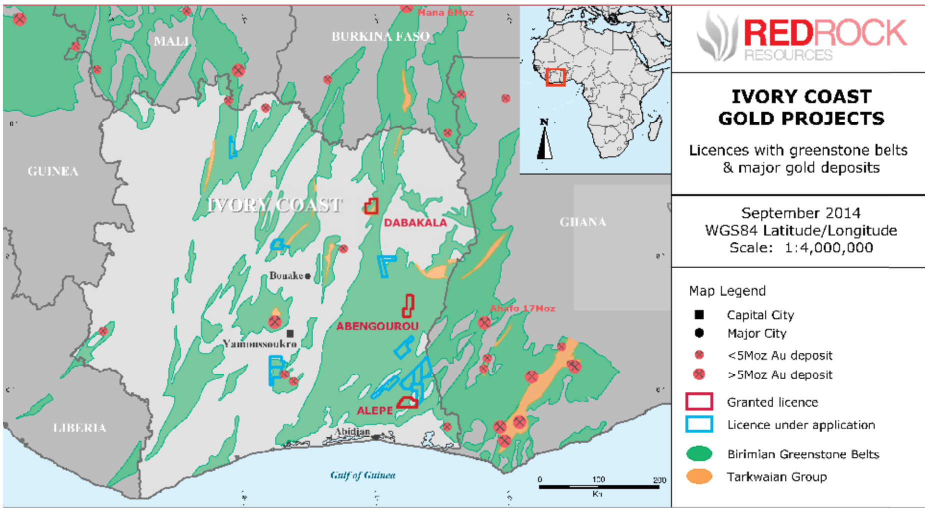
Free on board (FOB) prices in Port Elizabeth have dropped below USD1.80 per DMTU or USD66 per tonne for a producer of 37% ore. This creates challenges for all producers. Up to the summer of 2015, Tshipi é Ntle, the South African operating arm of Jupiter Mines Ltd, in which Red Rock is invested, had been consistently profitable since starting production two years earlier, and considered itself the lowest or near-lowest cost producer, but our current assessment is that no significant producer can be making money at current prices. This contrasts with the iron ore market where current prices of c USD50 per tonne CIF Tianjin will still allow the big three producers to make a return even if the price drops further, although they will destroy lesser producers. Jupiter management are focussed on the creation of further efficiencies at the Tshipi mine in order to remain the leading edge producer.

One well-known comparator, OM Holdings Ltd (ASX:OMH), recently produced its results. For the six months to June 2015 it disclosed a cash operating cost of AUD3.79 per DMTU compared with a cash operating cost of AUD4.36 per DMTU in the comparable period of 2014. Net of other revenues and of costs, the outcome was an after-tax loss of AUD31.3m.

By comparison Jupiter, and Tshipi, are fortunate in their industry leadership position, having low operating costs and a scale of operations that allow considerable flexibility in response to changing market conditions.

STRATEGIC REPORT

Current Projects



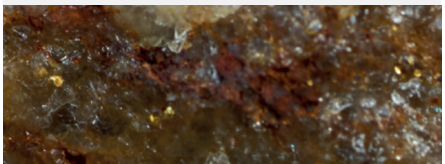
> All areas applied for are underlain by Birimian greenstone units with local geological and structural features highly prospective for gold mineralisation.

Ivory Coast

Highlights

- New gold exploration venture – 3 licences granted totalling c. 1,185km^2
- Interests in additional licences under application in central and eastern Ivory Coast
- Comprehensive analysis conducted to determine where gold exploration upside exists
- Several major gold deposits proximal or along the same mineralised trends
- More West African Birimian greenstone geology in Ivory Coast than any other country – 35% vs Ghana's 19%

Red Rock has entered into an agreement with local companies Nemex Resources CI SARL and Barclay Resources CI SARL to explore for gold and manganese across three licences in eastern Ivory Coast. In ground selection, the companies benefited from the insights of individuals with outstanding local geological knowledge and were able to acquire some highly prospective ground.



5 licences

Interests in 5 additional licences currently under application, also in prospective Birimian and Tarkwaian geological regions

Dabakala

The Dabakala licence covers 393.4km^2 in north-eastern Ivory Coast and occupies part of the Ouango-Fetini Greenstone belt along trend from Semafo's 6.0Moz Mana Gold Mine in Burkina Faso. The ground is considered highly prospective for both gold and manganese and the immediate vicinity has been targeted by Newmont, Randgold and Resolute Mining.

The results of a preliminary regional soil geochemical sampling programme, from which 650 composite samples were generated, show nine gold anomalies up to 385ppb Au of which three are considered the most significant at this early stage of exploration. Red Rock is particularly encouraged by the strong correlation between the anomalies and underlying geological and structural features. Dabakala's eastern margin also contains a 17km long Banded Manganese Formation (BMF) ridge considered a target for manganese deposits. The ridge will be a focus of future field programmes alongside follow-up assessment of the soil geochemical Au anomalies.

Abengourou

The Abengourou licence covers 399.6km^2 in eastern Ivory Coast and is positioned along a 35km long, NNE-trending sheared corridor containing magnetic intrusive rocks. Five soil geochemical gold anomalies have been identified leading to an application to extend the area to the southwest to capture an expected continuation of the anomalous structural trend. Future work will focus on follow-up testing of the existing soil anomalies in addition to soil geochemical sampling of the licence extension, once granted.

Alepe

The Alepe licence covers 392.6km^2 in south-eastern Ivory Coast and contains a NE-SW faulted Birimian meta-sedimentary sequence wrapped around a granite intrusion. The area contains more than 30km of structural target in ground considered a potential cross-border extension of Ghana's gold-rich Sefwi Greenstone Belt, host to Newmont's c. 17Moz Ahafo Gold Mine.

The results from a preliminary soil geochemical programme, which only tested approximately 20% of the licence area, have confirmed the presence of gold at Alepe, with some zones considered anomalous. Red Rock intends to complete sampling of the remaining, as yet untested ~80% of the licence area to build a more complete dataset before determining the next steps for progressing the licence.

Licence Applications

Red Rock also has interests in several licences currently under application in central and eastern Ivory Coast. All areas applied for are underlain by Birimian greenstone units with local geological and structural features highly prospective for gold mineralisation. Most areas are located proximal or along trend of major gold deposits. Several areas have also had significant early exploration results reported recently from neighbouring ground.

Geology

Ivory Coast contains more than a third of the Birimian geology yet, due to the relative lack of exploration, produces less gold than neighbouring countries. Ghana is the region's greatest producer, with most production coming from the rich Ashanti Belt, home to numerous multi-million ounce world-class deposits in southwest Ghana, close by the Ivorian border.

Other Projects and Investments

Jupiter Mines Limited

Highlights

- 49.9% ownership of open-pit manganese mine at Tshipi, South Africa
  - Started production early 2013
  - Doubled its production and export volumes to over 2Mt of Mn ore
  - One of the world's largest Mn mines
- DSO project at Mount Mason, Western Australia
  - Placed into care and maintenance until market conditions improve
  - Cost savings across most operating and capital items
  - Cost optimisation exercise ongoing
- Magnetite project at Mt Ida, Western Australia
  - JORC Inferred Resource of 1.85bn tonnes at 29.48% Fe
  - Currently on hold pending improved market conditions

Introduction

Jupiter Mines Limited is an Australian company with interests in Tshipi é Ntle's manganese mine in South Africa, a Direct Shipping Ore iron project at Mount Mason in Western Australia and a Magnetite project at Mt Ida, also in Western Australia.

Red Rock's Interest

Red Rock's 27.3m shares (1.2%) in Jupiter Mines Limited have formed a significant part of the Company's investment portfolio since 2007 when Red Rock vended its iron exploration tenements into then-ASX listed Jupiter. After several years of exceptional performance, in December 2013 it became clear that the value of Jupiter's assets was not being reflected in the share price (which had fallen dramatically since reaching a peak of 87 cents in early 2011). Consequently, management decided to delist. The price at delisting was 8 cents per share and the net asset value of the shares since delisting has been 20 cents.

Tshipi

Jupiter owns 49.9% of the open-pit manganese mine Tshipi é Ntle in South Africa. The 163Mt at 37.1%Mn Tshipi mine started production in early 2013 and has since more than

doubled its production and export volumes to over 2Mt of Mn ore. Tshipi is one of the world's largest manganese mines and is well positioned to increase market share across global manganese markets.

Other Projects

Progress at both of Jupiter's Western Australia projects has been slowed by recent low iron ore prices. Mt Ida, in which Red Rock retains a 0.75% production royalty, has a JORC Inferred Mineral Resource Estimate of 1.85bn tonnes at 29.48% Fe. This and the Direct Shipping Ore project at Mt. Mason are not being progressed currently.

Elephant Oil Ltd

Highlights

- Red Rock invested £275,000 for a 4.76% stake in Elephant Oil in July 2015
- Elephant is a privately held oil exploration company exploring onshore Benin, West Africa
- Strategy is to build a portfolio of low-risk and cost effective onshore exploration assets
- Preparations underway for new 2D seismic acquisition to define drill targets

4,500km²
LICENCE AREA
Onshore Benin believed to have massive potential and neglected by the oil and gas industry to date

Investment

Red Rock entered into an agreement with Elephant Oil limited in July 2015 where it exercised its option to invest £275,000 for a 4.76% stake in Elephant Oil and has also been given the right to invest a further £412,500 on the same terms for the subsequent six months.

Location

The block covers 4,500km^2, or approximately two-thirds of the coastal basin, and is one of only two onshore blocks to have been made available by the government of Benin. The region has experienced significant investment and numerous discoveries offshore including at Ogo in the Benin Basin. Elephant believes onshore Benin to be of similar high potential and having been neglected by the oil and gas industry to date.

Elephant currently holds a 100% interest in the production-sharing contract ("PSC") on Block B, on the prolific West Africa Transform Margin.

Current Status

Elephant has acquired a high-resolution aero gravity gradiometry survey, covering the entirety of Block B, performed by CGG (Fugro). Fieldwork and geophysical interpretation have also been completed, resulting in the identification of subsurface leads.

Preparations are underway for acquisition of further 2D seismic data that will be used to further define drill targets for the first exploration wells onshore in Benin. There are no well obligations during the first phase of development.

The Company recently began the Environmental Impact Assessment ("EIA") over the area of the forthcoming seismic survey. The EIA is a prerequisite to permitting the new seismic acquisition programme, planned in 2016.

Other Projects and Investments continued

Kenya

Highlights

- Red Rock is currently challenging the termination of its Special Prospecting Licences 122 and 202 with the Kenyan Ministry of Mining
- Agreement with Kansai Mining Corporation executed for a 75% interest following successful licence recovery
- Mikei Resources contain JORC Indicated and Inferred Resource Estimates at 0.5g/t Au cut-off: 29.4Mt at 1.26g/t Au with contained metal content of 1.2Moz Au over five deposits
- Macalder Tailings with a JORC Measured Resource of 1.3Mt at 1.7g/t Au with contained metal content of 68koz Au. An application for a Mining Licence is pending approval
- More than 30 regional targets with significant upside within the Migori Greenstone Belt, part of the Tanzanian Craton, approximately 40km north of Acacia's North Mara gold mine in Tanzania

Location

The Migori Gold Project in south-west Kenya comprises two contiguous Special Prospecting Licences SPL122 and SPL202, covering 243km^2 and spanning 63km of the prolific Migori Greenstone Belt.

Red Rock Resources' Interest

The notifications of termination of the Special Prospecting Licences (SPL) by the office of the Mining Cabinet Secretary are being challenged in the Kenya High Courts. Red Rock and Mid Migori Mining Company Ltd (MMM) have jointly been granted leave to institute judicial review proceedings and a stay in relation to the purported Migori SPLs termination. Legal proceedings are ongoing. Red Rock executed an agreement with Kansai Mining Corporation Ltd ("Kansai"), the majority shareholder in MMM, for a higher direct stake to 75% in MMM through funding and directing the legal proceedings through to a successful conclusion.

Resource

The Migori Project's 1.2Moz gold resource lies over five main zones within the Mikei Shear Zone. The mineral resource statement released in December 2012 validated and increased historic resources to Indicated and Inferred JORC status. Gold mineralisation is hosted predominantly within iron-rich mafic volcanic rocks with pervasive carbonate alteration and some felsic igneous intrusive dykes, cut by a major shear zone in close proximity to the Migori granite. The Nyanza prospect is the Company's primary resource area, hosting significant diamond drill intersections up to 31m at 3.91g/t Au.

Prospect	JORC Classification	Mt	g/t Au	Moz	Cut-off g/t Au
KKM	Indicated & Inferred	17.8	1.01	0.58	0.5
KKM-West	Indicated & Inferred	4.2	1.04	0.14	0.5
Nyanza	Indicated & Inferred	2.3	2.73	0.20	0.5
Gori Maria	Indicated	3.8	1.16	0.14	0.5
MK	Indicated & Inferred	1.4	3.07	0.13	0.5
	Total	**29.4**	**1.26**	**1.2**	**0.5**
Macalder Tailings	Measured	1.3	1.65	0.068	N/A

Greenland

Highlights

- Red Rock owns 60% of Melville Bugt Ltd ("MBL"), which owns the 1,570km^2 licence on which the Melville Bugt Iron Project is located
- Recognised potential for high grade haematite (Direct Shipping Ore) with grades in excess of 60% Fe in the eastern licence areas
- Licence contains a JORC Inferred Mineral Resource Estimate of 67Mt at 31.4% Fe at Havik East and Havik Northeast
- Davis Tube testwork from resource samples show a high-quality concentrate can be produced with mass recovery of approximately 40% for a concentrate grading at approximately 70% Fe
- Additional twelve exploration targets confirmed by SRK Consulting with a potential tonnage of between 158Mt and 474Mt
- Nearby Mary River mine in Baffin Island and project comparator entered into production despite weak iron prices

Introduction

The total licence area is 1,570km^2 and is located in the north-west of Greenland, 150km south of the town of Qaanaaq. Greenland is one of the world's most remote mining frontiers, with many areas of untapped mineral potential and a population supportive of natural resource development. Government incentives encouraging exploration and mineral development make the country an attractive exploration destination.

The Red Rock geology team undertook two exploration seasons in Melville Bay in 2011 and 2012, with the aim of identifying and declaring a new iron ore province. The first season confirmed the existence of significant iron deposits, and a drill programme the following year led to the declaration of a JORC Inferred Mineral Resource Estimate of 67Mt at 31.4% Fe, with further potential identified across the licence area.

Potential

Drill intersections and grab samples indicate that the licence area has the potential to host DSO ("direct shipping ore") style targets. SRK's evaluated exploration targets, considered conservative by the Company, are for DSO of over 111Mt and are located on the least-explored parts of the licence to date. Expanding existing magnetite resources and developing the project's haematite potential all with close proximity to deep water access would help make Melville Bugt one of Greenland's most promising iron development opportunities.

Target	Classification	Tonnes (Mt)	Fe %	SiO_2 %	Al_2O_3 %	P %
Havik East	Inferred	45	32.1	50.76	0.77	0.06
Havik Northeast	Inferred	22	30.0	52.17	1.51	0.07
Total	**Inferred**	**67**	**31.4**	**51.20**	**1.01**	**0.06**
Average Head Grade = 33.4% Fe	Concentrate		70.0	2.0	0.3	0.01

Regency Mines plc

Highlights

- Red Rock's sister company listed in London (AIM:RGM)
- Invests and develops projects in the natural resources sector
- Active in base metals, agrominerals, and oil and gas

Introduction

Regency Mines ("Regency") is an associated company of Red Rock Resources plc (1.36% held). Formed in 2004 to undertake mineral exploration, Regency has subsequently evolved into a diversified minerals as well as oil and gas exploration and development vehicle.

Projects

Regency's flagship project is in Mambare, Papua New Guinea, where a JORC Resource of 162.5Mt at 0.94% Ni and 0.09% Co (1.53Mt of nickel) has been declared, and further exploration targets identified. Regency also has nickel interests through its investment in Direct Nickel Ltd – an Australian company who have created an industry-changing lateritic nickel treatment technology (the DNi Process) and are currently in talks to put this technology into commercial production in Indonesia.

In 2012-2013, Regency sold its interest in Fraser Range, Australia – the location of Sirius' Nova deposit currently being fast-tracked to mine development – to Ram Resources, retaining a carried interest in the project, a royalty over one of the assets and a 5.65% share of Ram. Exploration in Fraser Range is ongoing, with drilling yielding positive results to date.

In Sudan, Regency has an early stage agromineral exploration project prospective for phosphate, phosphorous and gypsum and conducted field activity on multiple occasions over the past year, vastly improving the Company's understanding of the significant licence areas.

Regency also has an option to participate in an oil development project in West Virginia in the United States, and is examining other US based opportunities in the sector.

33.9m

SHARES HELD

Red Rock holds 33.9m shares in Regency Mines plc

Star Striker Limited (Ex. Resource Star Limited)

Highlights

- Listed in Australia, ASX:SRT
- Renamed to Star Striker in 2015
- Currently pursuing new investment opportunities
- SRT fundraising completed Nov 2015 – now holding AUD2m in cash
- Investment is a non core asset for Red Rock

Introduction

Star Striker Limited was originally envisioned by Red Rock as a back door listing for uranium assets that came with Red Rock's iron ore assets in Australia, and at the same time the firm took on a uranium project in Malawi. Over time, more uranium assets were picked up but the 2011 Fukushima nuclear disaster severely impacted market sentiment for uranium, and RSL struggled to continue its uranium related activities.

The Company has recently been renamed Star Striker Limited and in November 2015 completed a further fundraising and is now holding AUD2m in cash while continuing to look for new opportunities outside of the natural resource sector.

Red Rock's Interest

Red Rock holds 65.3m shares (a 10.05% holding) and 5.21m options exercisable at AUD0.004 in RSL. This is a non-core business for Red Rock.

10.05%

HOLDING

Red Rock holds 65.3m shares in Resource Star Limited valued at AUD 1.1m

STRATEGIC REPORT

Principal Risks and Uncertainties

The principal risks facing the Group and Company are set out below. Risk assessment and evaluation is an essential part of the Group's planning and an important aspect of the Group's internal control system.

Risk Management

The Board considers risk assessment to be important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management and Directors to forecasts. Project milestones and timelines are regularly reviewed. Further details of the Group's financial risk management policies can be found in note 22.3.

Key Risks

- General and economic risks
- Funding risk
- Commodity risk
- Exploration and development risks
- Market risk

General and Economic Risks

- Contractions in world economic growth and expansion in particular in China and other key markets and thus the perceived reduction in demand and development of natural resources;
- Adverse changes in market sentiment towards the natural resource industry generally;
- Extreme movements in the equity markets in the United Kingdom and throughout the world;
- Weakness in global equity markets, in particular in the United Kingdom;
- Currency exchange rate fluctuations and, in particular, the relative prices of the UK pound sterling to foreign country currencies the Company operates in;
- Exposure to interest rate fluctuations;
- Diverse changes in factors affecting the success of exploration and development operations, such as increases in expenses; changes in government policy and further regulation of the industry; unforeseen major failure, breakdowns or repairs required to key items of plant and equipment resulting in significant delays, notwithstanding regular programmes of repair, maintenance and upkeep; variations in grades; and unforeseen adverse geological factors or prolonged weather conditions; and
- Natural resource policy regulatory shifts that might adversely impact operations and investments.

Funding Risk

The Group or the companies in which it has invested may not be able to raise sufficient funds to enable completion of planned exploration, investment and/or development projects.

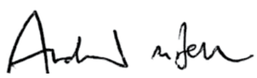
Commodity Risk

Commodities are subject to high levels of volatility in price and demand. The price of commodities depends on a wide range of factors, most of which are outside the control of the Company:

- Exploration and development activity is subject to numerous risks, including failure to achieve estimated mineral or petroleum resources, recovery and production rates and capital and operating costs;
- Success in identifying economically recoverable reserves can never be guaranteed. The Company also cannot guarantee that the companies in which it has invested will be able to obtain the necessary permits and approvals required for development of their projects;
- Availability of skilled workers is an ongoing challenge; and
- Geology is a potential risk in mining and oil and gas development activities.

Market Risk

The ability of the Group, and the companies it invests in, to continue to secure sufficient funding to maintain operations remains an ongoing risk.



Andrew Bell
Chairman and CEO
12 November 2015

Corporate Social Responsibility and Health & Safety

Corporate Social Responsibility

Red Rock's Corporate Social Responsibility ("CSR") policy recognises that as a junior explorer and natural resource investor, the Company has a responsibility to the local communities in which it works, ensuring that the projects it brings off the ground are undertaken with responsible behaviours. The Company's framework for CSR places emphasis on stakeholder engagement and information dissemination, ensuring the local community is aware of plans and activities. Where appropriate, the Company also undertakes sustainable development projects including capacity building, scholarships, and other ventures.

Health & Safety

The Company includes Health and Safety ("H&S") procedures and frameworks in all of its planning and field activities, with emphasis on top-down as well as bottom-up ownership and responsibility, quality training of all personnel, and risk assessments that go beyond regulatory compliance. Comprehensive Risk Assessments of Health and Safety Systems have been developed to identify existing risks, to implement relevant mitigation measures, and to identify potential risks before they may be directly applicable to our operations. Red Rock's H&S strategy includes project and location specific training and H&S inductions, Emergency Response Plans and field team reporting procedures.

Board of Directors

The Board of Directors make decisions based on shareholders' behalf. Red Rock has three Non-executive Directors and two Executive Directors.

Andrew Bell MA, LLB, FGS
Chairman and CEO

Andrew Bell began his career as a natural resources analyst at Morgan Grenfell & Co. in the 1970s. His business experience encompasses periods in fund management and advisory work at leading financial institutions, international corporate finance work and private equity. Andrew Bell's listed company directorships are Regency Mines plc (Executive Chairman), Greatland Gold plc (Non-executive Chairman), Jupiter Mines Limited (Non-executive Director) and Star Striker Limited (formerly Resource Star Limited) (Non-executive Chairman).

Scott Kaintz BS, MBA
Executive Director and COO

Scott Kaintz began his career as a US Air Force intelligence officer working across Europe, the Middle East and Central Asia. More recently he held managerial roles in the defence industry and worked in corporate finance and investment funds in London, focussing primarily on capital raising efforts and debt and equity investments in small-cap companies. He joined Red Rock Resources plc in 2011 in a Corporate Finance role and has subsequently become an Executive Director where he works to identify, evaluate and source funding for natural resource development projects. Scott has MBAs from London Business School in London and Columbia Business School in New York.

Michael Nott BSc, MSc, DIC, FIMMM, FMES, FIQ, C.Eng
Non-executive Director

Mike Nott is a geologist and mining engineer by profession and has 35 years' experience in the mining, minerals and quarrying industries. His early career was based in Zambia including nine years with Roan Consolidated Mines Limited. He was a regional manager for Pioneer Aggregates (UK) Limited, then an Australian company, and later a director of Jay Minerals Services Limited and Hills Aggregates Limited, becoming trading director of ARC (Southern) Limited and production director of C White Limited. He is currently CEO of Alba Mineral Resources plc and a director and CEO of Magyar Mining Limited.

Sam Quinn BA, LLB
Non-executive Director

Sam Quinn has a Bachelor of Law and Bachelor of Arts and is a qualified lawyer in Western Australia and in England & Wales. He has served as legal counsel for and as part of the executive management team of several listed and non-listed gold, silver, copper, iron-ore and diamond exploration and development companies with operations in various jurisdictions. He is also currently the Director of Corporate Finance and Legal Counsel for the Dragon Group and Lionshead Consultants Limited.

James Ladner lic. oec. HSG
Independent Non-executive Director

James Ladner, a Swiss citizen, has over 40 years' experience in the finance industry. After 28 years at Coutts Bank (Switzerland) Limited, where he was an executive vice-president, he was for nine years chairman of Bank Austria (Switzerland). He has also served as a director of The Royal Bank of Scotland AG, Interallianz Bank AG, Asahi Bank AG and F. Van Lanschot Bankiers (Switzerland). He was a member of the Swiss Admissions Commission for listing on the Swiss Stock Exchange and of the Swiss Capital Market Commission of the Swiss National Bank. Outside Switzerland, he has served as director of a number of companies, including StrataGold Corporation, Pan Pacific Aggregates plc, Colombia Gold plc and Nevoro Inc. He is currently a director of Oracle Energy Corp., Colt Resources Inc. and Guerrero Exploration Inc.

GOVERNANCE

Directors' Report

FOR THE YEAR ENDED 30 JUNE 2015

The Directors present their eleventh annual report on the affairs of the Group and Parent Company, together with the Group financial statements for the year ended 30 June 2015.

Results and dividends

The Group's results are set out in the consolidated income statement on page 21. The audited financial statements for the year ended 30 June 2015 are set out on pages 20 to 59.

The Group made a post-tax loss of £8,411,541 (2014: £4,113,460).

The Directors do not recommend the payment of a dividend.

Business review and future developments

The business review and future developments are dealt with in the Chairman's statement and in the strategic report on pages 2 to 11.

Fundraising and share capital

During the year, the Company raised £2,327,377 (2014: £2,723,861) of new equity by the issue of 2,727,436,998 Ordinary shares (2014: 654,818,441 shares); further details are given in note 19.

Directors

The Directors who served at any time during the period to date are as follows:

Andrew R M Bell
James F Ladner
Michael C Nott
John Watkins (Resigned 30 June 2015)
Scott Kaintz (Appointed 30 June 2015)
Sam Quinn (Appointed 30 June 2015)

The direct and beneficial interests of the Board in the shares of the Company as at 30 June 2015 were as follows:

	Ordinary shares			
	Direct	Beneficial*	Total	As percentage of issued share capital
Andrew R M Bell	7,779,160	11,702,008	19,481,168	0.42%
James F Ladner	6,000,000	12,338,273	18,338,273	0.39%
Michael C Nott	–	27,304,571	27,304,571	0.59%
Scott Kaintz	–	11,562,008	11,562,008	0.25%

*Each Director indirectly holds 11,562,008 shares through the Share Incentive Plan Trustees. In addition, Andrew Bell holds 140,000 shares through Beaufort Securities Nominees Limited, Michael C Nott indirectly holds 15,742,563 shares jointly with Anna Nott through Barclayshare Nominees Limited and James F Ladner holds 776,265 shares through an undisclosed nominee which are pledged as collateral for a loan.

Events after the reporting period

The events after the reporting period are set out in note 25 to the financial statements.

Substantial shareholdings

On 30 June 2015 and 26 October 2015 the following were registered as being interested in 3% or more of the Company's Ordinary share capital:

	30 June 2015		26 October 2015	
	Ordinary shares of £0.0001 each	Percentage of issued share capital	Ordinary shares of £0.0001 each	Percentage of issued share capital
TD Direct Investing Nominees (Europe) Limited	632,027,734	13.56%	757,550,728	12.55%
Barclayshare Nominees Limited	611,939,491	13.13%	804,678,745	13.34%
HSDL Nominees Limited	418,365,027	8.97%	493,910,038	8.19%
Daniel Sklan (through HSBC Client Holdings Nominee (UK) Limited)	259,270,072	5.56%	259,270,072	4.30%
HSBC Client Holdings Nominee (UK) Limited (excluding Daniel Sklan's shares)	235,153,145	5.04%	291,977,189	4.84%
Jim Nominees Limited	–	–	237,694,477	3.94%
Regency Mines plc	227,119,006	4.87%	227,119,006	3.76%
Hargreaves Lansdown (Nominees) Limited – Designation HLNOM	174,022,231	3.73%	221,778,025	3.68%
Hargreaves Lansdown (Nominees) Limited – Designation 15942	160,051,226	3.43%	–	–
Hargreaves Lansdown (Nominees) Limited– Designation VRA	158,942,176	3.41%	292,896,430	4.85%
HSDL Nominees Limited – Designation IWEB	142,274,732	3.05%	209,883,289	3.48%
Winterflood Securities Limited	–	–	193,075,400	3.20%
Total number of shares in issue	4,662,024,541		6,033,861,110	

Auditor
A resolution proposing the re-appointment of Chapman Davis LLP as auditor is contained in the Notice of Annual General Meeting and will be put to shareholders at the Annual General Meeting.

Management incentives
In each of the years to 30 June 2007, 30 June 2009 and 30 June 2011, the Company granted options over a total of 39,500,000 Ordinary shares. As at 30 June 2015, 7,000,000 of these options were outstanding.

In January 2012 the Company implemented a tax efficient Share Incentive Plan, a government approved scheme, the terms of which provide for an equal reward to every employee, including Directors, who had served for three months or more at the time of issue. The terms of the plan provide for:

- Each employee to be given the right to subscribe any amount up to £150 per month with Trustees who invest the monies in the Company's shares;
- The Company to match the employee's investment by contributing an amount equal to double the employee's investment; and
- The Company to award free shares to a maximum of £3,600 per employee per annum.

The subscriptions remain free of taxation and national insurance if held for five years.

Further details on share options and the Share Incentive Plan are set out in note 21 to the financial statements.

Directors' remuneration report
The remuneration of the Executive Director paid during the year was fixed on the recommendation of the Remuneration Committee. The remuneration of the Non-executive Directors paid during the year was fixed on the recommendation of the Executive Director. This has been achieved acknowledging the need to maximise the effectiveness of the Company's limited resources during the year.

A fee was paid to each Director for the year ended 30 June 2015. In addition, in each case fees and expenses were paid to businesses with which the Directors are associated as set out in note 7 to the financial statements.

Each Director is entitled to participate in the Share Incentive Plan.

The Company also has a Group Personal Pension Scheme for all eligible employees, including the Directors. The Scheme is an insured, defined contribution arrangement with all members entitled to an employer pension contribution equivalent to 4.5% of basic salary, subject to the individual agreeing to make a minimum contribution to the Scheme equivalent to 4% of basic salary (subject to statutory and regulatory conditions). The Scheme is available on a salary sacrifice basis, with 100% of the employer's national insurance saving passed on to the member by way of an enhanced employer contribution to the Scheme of an equivalent amount.

The Company is closely associated with Regency Mines plc, which had a 4.87% interest in the Company as at 30 June 2015. The Company had a 1.65% interest in Regency Mines plc as at 30 June 2015. Two Directors, Andrew Bell and Scott Kaintz, are also directors of and are paid by Regency Mines plc. The amount of their remuneration is not required to be disclosed in the Company financial statements, but is fully disclosed in the financial statements of Regency Mines plc.

Corporate governance statement
A corporate governance statement follows on pages 16 and 17.

Control procedures
The Board has approved financial budgets and cash forecasts; in addition, it has implemented procedures to ensure compliance with accounting standards and effective reporting.

Environmental responsibility
The Company is aware of the potential impact that its subsidiary companies may have on the environment. The Company policy is to follow the best international practice in mitigating and minimising impacts through exploration and mining activities. The Company ensures that it and its subsidiaries comply with the local regulatory requirements and the revised Equator Principles, and the industry standard for environmental and social risk management.

The Company established a tree nursery on its Migori Project in Kenya to promote environmental conservation and has donated batches of seedlings of different species to landowners within the licence areas.

Employment policies
The Group is committed to promoting policies which ensure that high calibre employees are attracted, retained and motivated, to ensure the ongoing success of the business. Employees and those who seek to work within the Group are treated equally regardless of sex, marital status, creed, colour, race or ethnic origin.

Directors' Report continued

FOR THE YEAR ENDED 30 JUNE 2015

Health and safety

The Group's aim is to achieve and maintain a high standard of workplace safety. In order to achieve this objective the Group provides training and support to employees and sets demanding standards for workplace safety.

Going concern

The Group has incurred a loss of £8.4m for the year ended 30 June 2015. At that date there was a net current liability of £1.4m. The loss resulted mainly from impairments of £6.6m. Whilst the Directors have instituted measures to preserve cash and secure additional finance, these circumstances create material uncertainties over future trading results and cash flows.

During the fiscal year the Board of Directors has completed the sale of its gold interests in Colombia for a total consideration of USD5.0m. Fixed cash payments are to occur in three tranches, with the USD0.450m having been paid at closing, USD0.225m payable 9 months after closing, and a third tranche of USD0.225 payable 15 months after closing. In addition the Company has received a three-year convertible promissory note of USD1.0m secured over the assets of the gold mine and associated plant and bearing interest of 5% per annum. Additional payments of up to USD2.0m will be paid in the form of a 3% net smelter royalty payable quarterly on gold production and commencing at the earlier of 9 months or 100 tonnes per day processing and production at the plant in Colombia for 30 consecutive days. A final royalty stream of up to USD1.0m will be paid following the payment in full of the initial net smelter royalty in the form of a 0.5% net smelter royalty.

The Company has in September 2015 announced the raising of a convertible loan note of £250,000 from YA Global Master SPV, Ltd and is currently in discussions regarding additional fundraising options expected to complete prior to the end of the calendar year. The Directors feel that sales of non-core assets and/or a fundraising associated with a current or new project development plan will be the most likely scenario at this time.

In March 2015 the Company paid off the entirety of its outstanding term loans with YA Global and UK Bond Network, removing £882,974 of corporate debt from the balance sheet and largely completing the deleveraging efforts begun in the prior year.

The Group has further implemented plans to minimise its cash outflows by reducing its fixed costs and overheads by such measures as staff reductions both in the form of redundancies and natural employee attrition, as well as minimising marketing costs and other office and corporate expenditure. The decision has been made to close the geology and accounting departments and instead to rely on outsourced contractors on an ad hoc basis to perform residual functions, giving the Company a much lower level of fixed costs and much greater operational flexibility. As currently proposed total headcount is expected to fall to three full time employees by January 2016.

The Directors are confident in the Company's ability to raise new finance from stock markets if this is required during 2016 and the Group has demonstrated a consistent ability to do so. This includes recent share issues of 1.5 billion shares for a total consideration of £1.0m as well as the issuance of 689m shares for a total consideration of £0.327m. Furthermore the Company retains liquid investments in the form of Star Striker Limited and Regency Mines plc, as well as a substantial stake in Jupiter Mines Limited, all of which may be sold or disposed of if required during the course of the year. Currently the firm is in discussions with major stakeholders of Star Striker Limited regarding a complete disposal of its stake in this non-core business.

The Directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern. Nevertheless after making enquiries, and considering the uncertainties described above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

By order of the Board

Signed by:

Andrew Bell
Chairman and CEO
12 November 2015

Statement of Directors' Responsibilities

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 have elected under company law to prepare the Company financial statements in accordance with IFRS as adopted by the EU.

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 and Company 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 applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 Company's transactions and disclose with reasonable accuracy at any time the financial position of 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The Directors have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Red Rock Resources plc website.

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

GOVERNANCE

Corporate Governance Statement

The Board is committed to maintaining high standards of corporate governance. The Listing Rules of the Financial Services Authority incorporate the UK Corporate Governance Code, which sets out the principles of good governance, and the Code of Best Practice for listed companies. The UK Corporate Governance Code does not apply to AIM companies. The Company does not comply with the UK Corporate Governance Code. However, the Directors have reported on Corporate Governance arrangements by drawing upon the best practice available, including those aspects of the UK Corporate Governance Code which are considered to be relevant to the Company and best practice.

Role of the Board

The Board has a responsibility to govern the Company rather than to manage it and in doing so act in the best interests of the Company as a whole. Each member of the Board is committed to spending sufficient time to enable them to carry out their duties as a Director. Non-executive Directors receive formal letters of appointment setting out the key terms, conditions and expectations of their appointment.

Responsibilities of the Board

The Board is responsible for formulating, reviewing and approving the Company's strategy, financial activities and operating performance. Day-to-day management is devolved to the Executive Directors who are charged with consulting the Board on all significant financial and operational matters.

Board of Directors

The Board of Directors comprises five Directors, one of whom is Executive Chairman and Chief Executive as of the year end. In addition, there is one Executive Director, two Independent Non-executive Directors, being James Ladner and Sam Quinn, and one Non-executive Director who has additionally provided professional services to the Company and who therefore does not qualify as independent.

The Directors are of the opinion that the Board comprises a suitable balance and that the recommendations of the UK Corporate Governance Code have been implemented to an appropriate level. The Board, through the Executive Chairman and the Executive and Non-executive Directors, maintains regular contact with its advisers and public relations consultants in order to ensure that the Board develops an understanding of the views of major shareholders about the Company.

All Directors have access to the advice of the Company's solicitors and the Company Secretary, necessary information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively, and all Directors have access to independent professional advice, at the Company's expense, as and when required.

Executive Chairman

The Board acknowledges that, in having an Executive Chairman who is also the Chief Executive Officer, best practice, as stated in the listing rules of the Financial Services Authority applicable to the main market, is not being followed. However, it is the opinion of the Board as a whole that the current arrangements are appropriate to the Company and Group at this stage of development.

Board meetings

The Board meets regularly throughout the year. During the year ended 30 June 2015 the Board met six times in relation to normal operational matters.

Board committees

The Board has established the following committees, each of which has its own terms of reference:

Audit Committee

The Audit Committee considers the Group's financial reporting, including accounting policies, and internal financial controls. It is responsible for ensuring that the financial performance of the Group is properly monitored and reported on. The Audit Committee meets at least twice a year, once with the auditor, and is comprised of James Ladner, Independent Non-executive Director, as Chairman and Sam Quinn, Non-executive Director. The Executive Chairman and senior personnel attend the Committee as requested by the Committee.

It is the responsibility of the Committee to review the annual and half-yearly financial statements, to ensure that they adequately comply with appropriate accounting policies, practices and legal requirements, to recommend to the Board their adoption, and to consider the independence of and to oversee the management's appointment of the external auditor.

Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board on Executive Directors' remuneration. It comprises two suitably qualified Non-executive Directors: Sam Quinn as Chairman and Michael Nott. The Executive Chairman and other senior personnel attend meetings as requested by the Committee which meets at least twice a year.

Nominations Committee

The Board has not established a Nominations Committee. The Board considers that a separately established committee is not warranted at this stage of the Group's development and that the functions of such a committee are being adequately discharged by the Board as a whole.

Ethical decision making

Confidentiality

In accordance with legal requirements and agreed ethical standards, Directors and all staff have agreed to maintain confidentiality of non-public information except where disclosure is authorised or legally mandated.

Bribery

In accordance with the provisions of the Bribery Act, all Directors and staff have been informed and have acknowledged that it is an offence under the act to engage in any form of bribery. The Company has an anti-bribery and whistleblowing policy in force.

Internal controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Group and to ensure the reliability of financial information for both internal use and external publication. Whilst they are aware that no system can provide absolute assurance against material misstatement or loss, in the light of increased activity and further development of the Group, continuing reviews of internal controls will be undertaken to ensure that they are adequate and effective.

Insurance

The Group maintains insurance in respect of its Directors and officers against liabilities in relation to the Company.

Treasury policy

The Group finances its operations through equity, loans and sales of investments. The Group holds its cash as a liquid resource to fund the obligations of the Group. Decisions regarding the management of these assets are approved by the Board.

Securities trading and share dealing

The Board has adopted the Share Dealing Code contained within the AIM rules that applies to Directors, senior management and any employee who is in possession of "inside information". All such persons are prohibited from trading in the Company's securities if they are in possession of "inside information". Subject to this condition and trading prohibitions applying to "close periods" (usually two months prior to the publication of the interim and final audited accounts), trading can occur provided the relevant individual has received the appropriate prescribed clearance. All Directors and staff are required to advise the Executive Chairman, or other designated person, of their intention to undertake a transaction in the Company's shares. Such a transaction will be prohibited if the Director or employee is considered to be in possession of non-public material information.

Relations with shareholders

The Board recognises that it is accountable to shareholders for the performance and activities of the Company and Group and to this end is committed to providing effective communication with the shareholders of the Company.

Significant developments are disseminated through stock exchange announcements and regular updates of the Company website where descriptions of the Group projects are available and updated regularly. In addition, copies of press comments, broker notes, video updates and presentations are available. On the website, shareholders may sign up to receive news releases directly by email.

The Board views the Annual General Meeting as an important forum for communication between the Company and its shareholders and encourages shareholders to express their views on the Group's business activities and performance.

Independent Auditor’s Report

TO THE MEMBERS OF RED ROCK RESOURCES PLC

We have audited the financial statements of Red Rock Resources plc for the year ended 30 June 2015 which comprise the consolidated and Company statements of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated and Company statements of changes in equity, the consolidated and Company statements of cash flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (“IFRS”) as adopted by the European Union and, as regards the Company’s 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 explained more fully in the Statement of Directors’ responsibilities 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 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’s and of the Company’s affairs as at 30 June 2015 and of the Group’s loss for the year then ended;
- The Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- The Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- The financial statements have been prepared in accordance with the requirements 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 1.5 to the financial statements concerning the Group’s ability to continue as a going concern.

The Group incurred a net loss of £8.4m during the year ended 30 June 2015 and, at that date, the Group had net current liabilities of £1.4m.

As explained in note 1.5, the Group has implemented plans to minimise its cash outflows by reducing its overheads and corporate expenditure. The Company is also considering disposals of investments to improve liquidity.

These conditions, along with the other matters explained in note 1.5 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Rowan J Palmer
Senior Statutory Auditor
for and on behalf of Chapman Davis LLP
Statutory Auditor, Chartered Accountants
London
12 November 2015

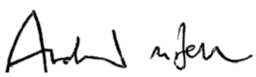
FINANCIAL STATEMENTS

Consolidated Statement of Financial Position

AS AT 30 JUNE 2015

	Notes	30 June 2015 £	30 June 2014 £
ASSETS			
Non-current assets			
Property, plant and equipment	10	**266**	5,100
Investments in associates and joint ventures	12	**3,968,878**	5,319,306
Available for sale financial assets	13	**1,331,766**	1,583,984
Non-current receivables	15	**3,634,270**	7,148,560
Total non-current assets		**8,935,180**	14,056,950
Current assets			
Cash and cash equivalents	14	**29,426**	51,167
Restricted cash	14	**–**	221,846
Other receivables	16	**661,152**	579,145
Total current assets		**690,578**	852,158
Assets classified as held for sale	8	**–**	6,994,468
TOTAL ASSETS		**9,625,758**	21,903,576
EQUITY AND LIABILITIES			
Equity attributable to owners of the Parent			
Called up share capital	19	**2,600,207**	1,934,588
Share premium account		**24,285,503**	22,663,691
Other reserves		**394,899**	604,064
Retained earnings		**(19,747,630)**	(11,671,669)
Total		**7,532,979**	13,530,674
Non-controlling interest		**(5,491)**	60,461
Total equity		**7,527,488**	13,591,135
LIABILITIES			
Current liabilities			
Trade and other payables	17	**2,098,270**	2,493,289
Short-term borrowings	17	**–**	755,889
Total current liabilities		**2,098,270**	3,249,178
Liabilities directly associated with the assets classified as held for sale	8	**–**	4,744,285
Non-current liabilities			
Long-term borrowings	17	**–**	318,978
Deferred tax liabilities	18	**–**	–
Total non-current liabilities		**–**	318,978
TOTAL EQUITY AND LIABILITIES		**9,625,758**	21,903,576

These financial statements on pages 20 to 59 were approved by the Board of Directors and authorised for issue on 12 November 2015 and are signed on its behalf by:



Andrew Bell
Chairman and CEO

The accompanying notes form an integral part of these financial statements.

Consolidated Income Statement

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	Year to 30 June 2015 £	Year to 30 June 2014 £
Gain on sales of investments		4,308	6,994
Impairment of investment in associates and joint ventures	12	(1,349,245)	(1,863,962)
Impairment of available for sale investment	13	–	(469,446)
Impairment of amount due from associates		(5,280,000)	–
Exploration expenses		(139,221)	(34,939)
Other expenses		(1,334,404)	(1,563,808)
Share of losses of associates	12	(1,183)	(105,092)
Provision for bad debts		(222,830)	(599,673)
Other income		30,033	375,643
Finance income, net	4	565,171	485,725
Loss for the year before taxation from continuing operations	3	(7,727,371)	(3,768,558)
Tax	5	–	–
Loss for the year from continuing operations		(7,727,371)	(3,768,558)
Discontinued operations			
Loss after tax for the year from discontinued operations	8	(684,170)	(344,902)
Loss for the year		(8,411,541)	(4,113,460)
Loss for the year attributable to:			
Equity holders of the Parent		(8,091,951)	(4,043,784)
Non-controlling interest		(319,590)	(69,676)
		(8,411,541)	(4,113,460)
Loss per share attributable to owners of the Parent:			
Basic loss per share			
– Loss from continuing operations		(0.27)p	(0.25)p
– Loss from discontinued operations		(0.01)p	(0.02)p
Total	9	(0.28)p	(0.27)p
Diluted			
– Loss from continuing operations		(0.27)p	(0.25)p
– Loss from discontinued operations		(0.01)p	(0.02)p
Total	9	(0.28)p	(0.27)p

The accompanying notes form an integral part of these financial statements.

FINANCIAL STATEMENTS

Consolidated Statement of Comprehensive Income

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	30 June 2015 £	30 June 2014 £
Loss for the year		(8,411,541)	(4,113,460)
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
(Deficit)/surplus on revaluation of available for sale investment	13	(242,148)	390,001
Unrealised foreign currency profit arising upon retranslation of foreign operations		48,973	126,006
Total other comprehensive income net of tax for the year		(193,175)	516,007
Total comprehensive expense net of tax for the year		(8,604,716)	(3,597,453)
Total comprehensive expense net of tax attributable to:			
Owners of the Parent		(8,285,126)	(3,527,777)
Non-controlling interest		(319,590)	(69,676)
		(8,604,716)	(3,597,453)

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2015

The movements in equity during the period were as follows:

	Share capital £	Share premium account £	Retained earnings £	Other reserves £	Total attributable to owners of the Parent £	Non-controlling interest £	Total equity £
As at 30 June 2013	1,279,769	20,558,401	(7,783,544)	243,716	14,298,342	130,137	14,428,479
Changes in equity for 2014							
Loss for the year	–	–	(4,043,784)	–	(4,043,784)	(69,676)	(4,113,460)
Other comprehensive income for the year	–	–	–	516,007	516,007	–	516,007
Transactions with owners							
Issue of shares	627,739	2,076,484	–	–	2,704,223	–	2,704,223
Share issue costs	–	(56,465)	–	–	(56,465)	–	(56,465)
Share issue in relation to SIP	27,080	85,271	–	–	112,351	–	112,351
Share-based payment transfer	–	–	155,659	(155,659)	–	–	–
Total transactions with owners	654,819	2,105,290	155,659	(155,659)	2,760,109	–	2,760,109
As at 30 June 2014	1,934,588	22,663,691	(11,671,669)	604,064	13,530,674	60,461	13,591,135
Changes in equity for 2015							
Loss for the year	–	–	(8,091,951)	–	(8,091,951)	(319,590)	(8,411,541)
Disposal of subsidiary	–	–	–	–	–	253,638	253,638
Other comprehensive income for the year	–	–	–	(193,175)	(193,175)	–	(193,175)
Transactions with owners							
Issue of shares	655,354	1,656,938	–	–	2,312,292	–	2,312,292
Share issue costs	–	(112,116)	–	–	(112,116)	–	(112,116)
Share issue in relation to SIP	10,265	76,990	–	–	87,255	–	87,255
Share-based payment transfer	–	–	15,990	(15,990)	–	–	–
Total transactions with owners	**665,619**	**1,621,812**	**15,990**	**(15,990)**	**2,287,431**	**–**	**2,287,431**
As at 30 June 2015	**2,600,207**	**24,285,503**	**(19,747,630)**	**394,899**	**7,532,979**	**(5,491)**	**7,527,488**

	Available for sale trade investments reserve £	Associate investments reserve £	Foreign currency translation reserve £	Share-based payment reserve £	Total other reserves £
As at 30 June 2013	(6,043)	–	(33,819)	283,578	243,716
Changes in equity for 2014					
Other comprehensive income for the year	390,001	–	126,006	–	516,007
Transactions with owners					
Share-based payment transfer	–	–	–	(155,659)	(155,659)
Total transactions with owners	–	–	–	(155,659)	(155,659)
As at 30 June 2014	383,958	–	92,187	127,919	604,064
Changes in equity for 2015					
Other comprehensive income for the year	(242,148)	–	48,973	–	(193,175)
Transactions with owners					
Share-based payment transfer	–	–	–	(15,990)	(15,990)
Total transactions with owners	–	–	–	(15,990)	(15,990)
As at 30 June 2015	**141,810**	**–**	**141,160**	**111,929**	**394,899**

See note 20 for a description of each reserve included above.

FINANCIAL STATEMENTS

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2015

	Notes	Year to 30 June 2015 £	Year to 30 June 2014 £
Cash flows from operating activities			
Loss before tax from continuing operations		(7,727,371)	(3,768,558)
Loss before tax from discontinued operations	8	(721,226)	(2,542,156)
Loss before tax		(8,448,597)	(6,310,714)
Decrease/(increase) in receivables		4,898,171	(407,285)
Decrease in payables		(4,885,663)	(470,342)
Share of losses in associates		1,183	105,092
Interest receivable and finance income		(668,438)	(627,557)
Interest payable		103,267	141,832
Share-based payments		72,170	92,712
Unrealised foreign exchange loss		411,988	125,364
Impairment of associates and joint ventures		6,629,245	1,863,962
Impairment of available for sale investment		–	469,446
Impairment of assets classified as held for sale	8	64,406	2,388,158
Loss on write-off/impairment of property, plant and equipment		–	41,326
Gain on sale of investments		(4,308)	(6,994)
Provision for bad debts		222,830	599,673
Depreciation		4,834	522,497
Net cash outflow from operations		(1,598,912)	(1,472,830)
Corporation tax reclaimed/(paid)		37,056	(18,946)
Net cash used in operations		(1,561,856)	(1,491,776)
Cash flows from investing activities			
Interest received		125	516
Proceeds of sale of investments		14,378	1,712,992
Proceeds of sale of subsidiary		292,141	–
Payments to acquire associate company and joint venture investments		–	(83,897)
Payments to acquire available for sale investments		–	(232,978)
Payments to acquire property, plant and equipment		–	(39,430)
Net cash inflow from investing activities		306,644	1,357,203
Cash flows from financing activities			
Proceeds from issue of shares		2,327,377	2,723,861
Transaction costs of issue of shares		(112,116)	(56,465)
Interest paid		(103,267)	(106,285)
Proceeds of new borrowings		–	1,328,154
Repayments of borrowings		(882,974)	(3,720,155)
Net cash inflow from financing activities		1,229,020	169,110
Net (decrease)/increase in cash and cash equivalents		(26,192)	34,537
Cash and cash equivalents at the beginning of period		55,618	21,081
Cash and cash equivalents at end of period	14	29,426	55,618

The accompanying notes and accounting policies form an integral part of these financial statements.

Company Statement of Financial Position

AS AT 30 JUNE 2015

	Notes	30 June 2015 £	30 June 2014 £
ASSETS			
Non-current assets			
Property, plant and equipment	10	**266**	5,100
Investments in subsidiaries	11	**131**	–
Investments in associates and joint ventures	12	**4,299,422**	5,693,873
Available for sale financial assets	13	**1,331,766**	1,583,984
Non-current receivables	15	**3,634,270**	7,148,560
Total non-current assets		**9,265,855**	14,431,517
Current assets			
Cash and cash equivalents	14	**22,841**	50,969
Restricted cash	14	**–**	221,846
Other receivables	16	**703,172**	577,970
Total current assets		**726,013**	850,785
Assets classified as held for sale	8	**–**	2,189,723
TOTAL ASSETS		**9,991,868**	17,472,025
EQUITY AND LIABILITIES			
Called up share capital	19	**2,600,207**	1,934,588
Share premium account		**24,285,503**	22,663,691
Other reserves		**255,090**	513,228
Retained earnings		**(19,242,714)**	(11,207,345)
Total equity		**7,898,086**	13,904,162
LIABILITIES			
Current liabilities			
Trade and other payables	17	**2,093,782**	2,492,996
Short-term borrowings	17	**–**	755,889
Total current liabilities		**2,093,782**	3,248,885
Non-current liabilities			
Long-term borrowings	17	**–**	318,978
TOTAL EQUITY AND LIABILITIES		**9,991,868**	17,472,025

These financial statements on pages 20 to 59 were approved by the Board of Directors and authorised for issue on 12 November 2015 and are signed on its behalf by:

Andrew Bell
Chairman and CEO

The accompanying notes form an integral part of these financial statements.

Registration number: 05225394.

FINANCIAL STATEMENTS

Company Statement of Changes in Equity

FOR THE YEAR ENDED 30 JUNE 2015

The movements in equity during the period were as follows:

	Share capital £	Share premium account £	Retained earnings £	Other reserves £	Total equity £
As at 30 June 2013	1,279,769	20,558,401	(5,552,141)	278,886	16,564,915
Changes in equity for 2014					
Loss for the year	–	–	(5,810,863)	–	(5,810,863)
Other comprehensive income for the year	–	–	–	390,001	390,001
Transactions with owners					
Issue of shares	627,739	2,076,484	–	–	2,704,223
Share issue costs	–	(56,465)	–	–	(56,465)
Share issues in relation to SIP	27,080	85,271	–	–	112,351
Share-based payment transfer	–	–	155,659	(155,659)	–
Total transactions with owners	654,819	2,105,290	155,659	(155,659)	2,760,109
As at 30 June 2014	1,934,588	22,663,691	(11,207,345)	513,228	13,904,162
Changes in equity for 2015					
Loss for the year	–	–	(8,051,359)	–	(8,051,359)
Other comprehensive income for the year	–	–	–	(242,148)	(242,148)
Transactions with owners					
Issue of shares	655,354	1,656,938	–	–	2,312,292
Share issue costs	–	(112,116)	–	–	(112,116)
Share issues in relation to SIP	10,265	76,990	–	–	87,255
Share-based payment transfer	–	–	15,990	(15,990)	–
Total transactions with owners	**665,619**	**1,621,812**	**15,990**	**(15,990)**	**2,287,431**
As at 30 June 2015	**2,600,207**	**24,285,503**	**(19,242,714)**	**255,090**	**7,898,086**

	Available for sale trade investments reserve £	Share-based payment reserve £	Total other reserves £
As at 30 June 2013	(4,692)	283,578	278,886
Changes in equity for 2014			
Other comprehensive income for the year	390,001	–	390,001
Transactions with owners			
Share-based payment transfer	–	(155,659)	(155,659)
Total transactions with owners	–	(155,659)	(155,659)
As at 30 June 2014	385,309	127,919	513,228
Changes in equity for 2015			
Other comprehensive income for the year	(242,148)	–	(242,148)
Transactions with owners			
Share-based payment transfer	–	(15,990)	(15,990)
Total transactions with owners	–	(15,990)	(15,990)
As at 30 June 2015	**143,161**	**111,929**	**255,090**

See note 20 for a description of each reserve included above.

Company Statement of Cash Flows

FOR THE YEAR ENDED 30 JUNE 2015

	30 June 2015 £	30 June 2014 £
Cash flows from operating activities		
Loss before taxation	(8,051,359)	(5,810,863)
Increase in receivables	(240,028)	(467,823)
Decrease in payables	(399,213)	(983,976)
Interest receivable and finance income	(668,438)	(727,987)
Interest payable	101,395	141,832
Share-based payments	72,170	92,712
Impairment of assets held for sale	358,987	1,393,955
Impairment of investments in associates and joint ventures	6,674,451	2,732,553
Impairment of available for sale investment	–	469,446
(Gain) on sale of investments	(4,308)	(6,994)
Provision for bad debts	222,830	599,673
Unrealised foreign exchange loss	363,015	315,898
Depreciation	4,834	14,366
Net cash outflow from operations	(1,565,664)	(2,237,208)
Corporation tax	–	–
Net cash used in operations	(1,565,664)	(2,237,208)
Cash flows from investing activities		
Interest received	125	516
Proceeds of sale of investments	14,378	1,712,992
Proceeds from sale of subsidiary	292,141	–
Payments to acquire associate company investments	–	(83,897)
Payments to acquire available for sale investments	–	(232,978)
Net cash outflow from investing activities	306,644	1,396,633
Cash flows from financing activities		
Proceeds from issue of shares	2,327,377	2,723,861
Transaction costs of issue of shares	(112,116)	(56,465)
Interest paid	(101,395)	(141,832)
Proceeds of new borrowings	–	1,328,154
Repayments of borrowings	(882,974)	(2,970,404)
Net cash inflow from financing activities	1,230,892	883,314
Net (decrease)/increase in cash and cash equivalents	(28,128)	42,739
Cash and cash equivalents at the beginning of period	50,969	8,230
Cash and cash equivalents at end of period	22,841	50,969

The accompanying notes and accounting policies form an integral part of these financial statements.

FINANCIAL STATEMENTS

Notes to the Financial Statements

FOR THE YEAR ENDED 30 JUNE 2015

1 Principal accounting policies

1.1 Authorisation of financial statements and statement of compliance with IFRS

The Group financial statements of Red Rock Resources plc for the year ended 30 June 2015 were authorised for issue by the Board on 12 November 2015 and the statement of financial position signed on the Board's behalf by Andrew Bell. Red Rock Resources plc is a public limited company incorporated and domiciled in England and Wales. The Company's Ordinary shares are traded on AIM.

1.2 Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations as endorsed by the EU ("IFRS") and the requirements of the Companies Act applicable to companies reporting under IFRS.

The financial statements have been prepared on the historical cost basis, except for the revaluation of certain financial instruments. The principal accounting policies adopted are set out below.

Company statement of comprehensive income

As permitted by Section 408 Companies Act 2006, the Company has not presented its own income statement or statement of comprehensive income. The Company's loss for the financial year was £8,051,359 (2014: £5,810,863). The Company's other comprehensive expense for the financial year was £242,148 (2014: £390,001 income).

Amendments to published standards effective for the year ended 30 June 2015

The following standards have been adopted during the year:

- IFRS 10 "Consolidated Financial Statements";
- IFRS 11 "Joint Arrangements";
- IFRS 12 "Disclosure of Interests in Other Entities";
- IAS 27 (Revised) "Separate Financial Statements"; and
- IAS 28 (Revised) "Investments in Associates and Joint Ventures".

Additional disclosures, where applicable, have been provided to comply with the revised standards although the adoption of these amendments has had no significant impact on the financial position and performance of the Group.

IFRS 10 is a new standard which establishes principles for the presentation and preparation of consolidated financial statements. As a result of its publication, the Directors are required to consider the application of the revised definition of control to determine whether additional entities will need to be consolidated and whether consolidation is still appropriate for those that currently are.

The new definition of control will require the Directors to consider whether the Company has:

a) Power over the investee;

b) Exposure, or rights, to variable returns from involvement with the investee; and

c) The ability to use power over the investee to affect the amount of the investor's returns.

The Directors considered whether the new definition of control above would apply to the Company's associate, Mid Migori Mining Company Limited, and decided that it would not be applicable primarily because the Company is not using its power over the investee to affect the amount of investor returns but rather acting in the role of an agent as opposed to a principal.

IFRS 11 replaces IAS 31 "Interests in Joint Ventures" and SIC-13 "Jointly Controlled Entities – Non-monetary Contributions by Venturers". It removes the option to account for jointly controlled entities ("JCEs") using proportionate consolidation. Instead, JCEs that meet the definition of a joint venture must be accounted for using the equity method. JCEs under current IAS 31 that will be classified as joint ventures under IFRS 11 will transition from proportionate consolidation to the equity method by aggregating the carrying values previously recorded, testing that amount for impairment and then using that amount as deemed cost for applying the equity method going forward. The Group recognises its interest in jointly controlled entities using the equity method of accounting. The application of this new standard will not impact the financial position of the Group.

IFRS 12 includes all of the disclosures that were previously in IAS 27 related to consolidated financial statements, as well as all of the disclosures that were previously included in IAS 31 and IAS 28. These disclosures related to an entity's interests in subsidiaries, joint arrangements, associates and structured entities.

Standards adopted early by the Group

The Group has not adopted any standards or interpretations early in either the current or the preceding financial year.

Adoption of standards and interpretations

As at the date of authorisation of these financial statements, there were standards and interpretations in issue but that are not yet effective and have not been applied in these financial statements, as listed below.

1 Principal accounting policies continued

1.2 Basis of preparation continued

Standards, amendments and interpretations in issue but not effective

Effective for annual periods beginning on or after 1 January 2015:

- IFRS 9 "Financial Instruments: Classification and Measurement".

Effective for annual periods beginning on or after 1 January 2016:

- IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations";
- IAS 1 "Presentation of Financial Statements (revised)"; and
- IAS 34 "Interim Financial Reporting (revised)".

The Directors do not anticipate that the adoption of these standards and interpretations in future periods could have a material effect on the financial position or performance of the Group and Company.

1.3 Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Company and subsidiaries controlled by the Company made up to 30 June each year.

Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies so as to obtain economic benefits from their activities. Subsidiaries are consolidated from the date on which control is obtained, the acquisition date, up until the date that control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, contingent consideration and liabilities incurred or assumed at the date of exchange. Costs directly attributable to the acquisition are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date.

Provisional fair values are adjusted against goodwill if additional information is obtained within one year of the acquisition date, about facts or circumstances existing at the acquisition date. Other changes in provisional fair values are recognised through profit or loss.

Non-controlling interests in subsidiaries are measured at the proportionate share of the fair value of their identifiable net assets.

Intra-group transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated on consolidation, except to the extent that intra-group losses indicate an impairment.

For the year ended 30 June 2015, the consolidated financial statements combine those of the Company with those of its subsidiaries, Red Rock Australasia Pty Ltd and Red Rock Kenya Ltd. American Gold Mines Limited and Four Points Mining SAS ("FPM") (formerly "Mineras Four Points SA") are no longer consolidated as they were sold during the year.

The Group's dormant subsidiary, Intrepid Resources Limited and the two new subsidiaries in the Ivory Coast, Red Rock Cote D'Ivoire sarl and Basse Terre sarl, have been excluded from consolidation on the basis of the exemption provided by Section 405(2) of the Companies Act 2006 that their inclusion is not material for the purpose of giving a true and fair view.

Non-controlling interests

Profit or loss and each component of other comprehensive income are allocated between the aims of the Parent and non-controlling interests, even if this results in the non-controlling interest having a deficit balance.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions. Any differences between the adjustment for the non-controlling interest and the fair value of consideration paid or received are recognised in equity.

1.4 Summary of significant accounting policies

1.4.1 Property, plant and equipment

Assets in the course of construction are stated at cost, less any identified impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.

Field equipment and fixtures and fittings are stated at cost less accumulated depreciation and any recognised impairment loss.

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

1 Principal accounting policies continued

1.4 Summary of significant accounting policies continued

1.4.1 Property, plant and equipment continued

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

Mines	5% per annum
Field equipment	33% per annum
Fixtures and fittings	10% per annum
Assets under construction	not depreciated until brought into use

1.4.2 Investment in associates

An associate is an entity over which the Group is in a position to exercise significant influence, but not control or jointly control, through participation in the financial and operating policy decisions of the investee.

Investments in associates are recognised in the consolidated financial statements using the equity method of accounting. The Group's share of post-acquisition profits or losses is recognised in profit or loss and its share of post-acquisition movements in other comprehensive income are recognised directly in other comprehensive income. The carrying value of the investment, including goodwill, is tested for impairment when there is objective evidence of impairment. Losses in excess of the Group's interest in those associates are not recognised unless the Group has incurred obligations or made payments on behalf of the associate.

Where a Group company transacts with an associate of the Group, unrealised gains are eliminated to the extent of the Group's interest in the relevant associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred in which case appropriate provision is made for impairment.

In the Company accounts investments in associates are recognised and held at cost. The carrying value of the investment is tested for impairment when there is objective evidence of impairment.

1.4.3 Interests in joint ventures

The Company has 60% interest in Melville Bay Limited (formerly known as "NAMA Greenland Limited"). The Company does not have significant control over Melville Bay Limited but has joint control along with North Atlantic Mining Associates Limited and International Media Projects Ltd through a contractual joint venture arrangement making it a jointly controlled entity.

The Group recognises its interest in the entity's assets and liabilities using the equity method of accounting. Under the equity method, the interest in the joint venture is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of its net assets, less distributions received and less any impairment in value of individual investments. The Group income statement reflects the share of the jointly controlled entity's results after tax.

Any goodwill arising on the acquisition of a jointly controlled entity is included in the carrying amount of the jointly controlled entity and is not amortised. To the extent that the net fair value of the entity's identifiable assets, liabilities and contingent liabilities is greater than the cost of the investment, a gain is recognised and added to the Group's share of the entity's profit or loss in the period in which the investment is acquired.

Financial statements of the jointly controlled entity are prepared as at and for the year ended 30 November 2014. The joint venture entity prepares, for the use of the Group, financial statements as of the same date as the financial statements of the Group. Where necessary, adjustments are made to bring the accounting policies used into line with those of the Group and to reflect impairment losses where appropriate. Adjustments are also made in the Group's financial statements to eliminate the Group's share of unrealised gains and losses on transactions between the Group and its jointly controlled entity. The Group ceases to use the equity method on the date from which it no longer has joint control over, or significant influence in, the joint venture.

1.4.4 Non-current assets held for sale

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

When a non-current asset ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) the asset is measured at the lower of: its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale; and its recoverable amount at the date of the subsequent decision not to sell.

1 Principal accounting policies continued

1.4 Summary of significant accounting policies continued

1.4.5 Taxation

Corporation tax payable is provided on taxable profits at the current rate. The tax expense represents the sum of the current tax expense and deferred tax expense.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from accounting profit as reported in the statement of comprehensive income 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 measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount 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 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 which affects neither the taxable 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.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based upon tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax is charged or credited in profit or loss, except when it relates to items credited or charged directly to equity, in which case the deferred tax is also dealt with in equity, or items charged or credited directly to other comprehensive income, in which case the deferred tax is also recognised in other comprehensive income.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax relates to income tax levied by the same tax authorities on either:

- The same taxable entity; or
- Different taxable entities which intend to settle current tax assets and liabilities on a net basis or to realise and settle them simultaneously in each future period when the significant deferred tax assets and liabilities are expected to be realised or settled.

1.4.6 Foreign currencies

Both the functional and presentational currency of Red Rock Resources plc is sterling (£). Each Group entity determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

The functional currency of the foreign subsidiaries are Australian dollars (AUD) and Kenyan shillings.

Transactions in currencies other than the functional currency of the relevant entity are initially recorded at the exchange rate prevailing on the dates of the transaction. At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in profit or loss for the period, except for exchange differences on non-monetary assets and liabilities, which are recognised directly in other comprehensive income when the changes in fair value are recognised directly in other comprehensive income.

On consolidation, the assets and liabilities of the Group's overseas operations are translated into the Group's presentational currency at exchange rates prevailing at the reporting date. Income and expense items are translated at the average exchange rates for the period unless exchange rates have fluctuated significantly during the year, in which case the exchange rate at the date of the transaction is used. All exchange differences arising, if any, are recognised as other comprehensive income and are transferred to the Group's foreign currency translation reserve.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

1 Principal accounting policies continued

1.4 Summary of significant accounting policies continued

1.4.7 Share-based payments

The Group operates an equity-settled share-based payment arrangement whereby the fair value of services provided is determined indirectly by reference to the fair value of the instrument granted.

The fair value of options granted to Directors and others in respect of services provided is recognised as an expense in the statements of income with a corresponding increase in equity reserves – the share-based payment reserve.

On exercise or lapse of share options, the proportion of the share-based payment reserve relevant to those options is transferred to retained earnings. On exercise, equity is also increased by the amount of the proceeds received.

The fair value is measured at grant date and charged over the vesting period during which the option becomes unconditional.

The fair value of options is calculated using the Black-Scholes model taking into account the terms and conditions upon which the options were granted. There are no market vesting conditions. The exercise price is fixed at the date of grant.

For other equity instruments granted during the year (i.e. other than share options), fair value is measured on the basis of an observable market price.

1.4.8 Pension

The Group operates a defined contribution pension plan which requires contributions to be made to a separately administered fund. Contributions to the defined contribution scheme are charged to the profit and loss account as they become payable.

1.4.9 Finance costs/revenue

Borrowing costs are recognised on an accruals basis using the effective interest method.

Finance revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

1.4.10 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised where the Group has become party to the contractual provisions of the instrument.

Financial assets

Investments

Investments in subsidiary companies are classified as non-current assets and included in the statement of financial position of the Company at cost at the date of acquisition less any identified impairments.

Investments in associate companies are classified as non-current assets and included in the statement of financial position of the Company at cost at the date of acquisition less any identified impairments.

Available for sale financial assets

Equity investments intended to be held for an indefinite period of time are classified as available for sale investments. They are carried at fair value, where this can be reliably measured, with movements in fair value recognised in other comprehensive income and debited or credited to the available for sale trade investments reserve. Where the fair value cannot be reliably measured, the investment is carried at cost or a lower valuation where the Directors consider the value of the investment to be impaired.

Available for sale investments are included within non-current assets. On disposal, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had previously been recognised directly in reserves is recognised in the statement of income.

Income from available for sale investments is accounted for in the statement of income when the right to receive it has been established.

The Group assesses at each reporting date whether there is objective evidence that an investment is impaired. When there is evidence of impairment, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that investment previously recognised in the income statement – is removed from other comprehensive income and recognised in the income statement. Impairment losses on equity investments are not reversed through the income statement; increases in their fair value after impairment are recognised directly in other comprehensive income.

Cash and cash equivalents

Cash and short-term deposits in the statement of financial position comprise cash at bank and in hand and short-term deposits.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

1 Principal accounting policies continued

1.4 Summary of significant accounting policies continued

1.4.10 Financial instruments continued

Financial assets continued

Restricted cash

Cash which is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period is not considered cash and cash equivalents and is classified as restricted cash.

Trade and other receivables

Trade receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectable amounts.

An allowance for impairment is made when there is objective evidence that the Group will not be able to collect the debts. Bad debts are written off when identified.

After initial recognition these assets are measured at amortised cost using the effective interest method less provision for impairment.

Financial liabilities and equity

Trade and other payables

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

Borrowings

Borrowings are recorded initially at their fair value, plus directly attributable transaction costs. Such instruments are subsequently carried at their amortised cost and finance charges, including premiums payable on settlement or redemption, are recognised in profit or loss over the term of the instrument using an effective rate of interest.

Deferred and contingent consideration

Where it is probable that deferred or contingent consideration is payable on the acquisition of a business based on an earn out arrangement, an estimate of the amount payable is made at the date of acquisition and reviewed regularly thereafter, with any change in the estimated liability being reflected in the income statement. Where deferred consideration is payable after more than one year the estimated liability is discounted using an appropriate rate of interest.

Equity instruments

Equity instruments issued by the Company are recorded at fair value at initial recognition net of issue costs.

1.5 Significant accounting judgements, estimates and assumptions

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

Significant judgements in applying the accounting policies

In the process of applying the Group's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Going concern

The Group has incurred a loss of £8.4m for the year ended 30 June 2015. At that date there was a net current liability of £1.4m. The loss resulted mainly from impairments of £6.6m. Whilst the Directors have instituted measures to preserve cash and secure additional finance, these circumstances create material uncertainties over future trading results and cash flows.

During the fiscal year the Board of Directors has completed the sale of its gold interests in Colombia for a total consideration of USD5.0m. Fixed cash payments are to occur in three tranches, with the USD0.450m having been paid at closing, USD0.225m payable 9 months after closing, and a third tranche of USD0.225 payable 15 months after closing. In addition the Company has received a three-year convertible promissory note of USD1.0m secured over the assets of the gold mine and associated plant and bearing interest of 5% per annum. Additional payments of up to USD2.0m will be paid in the form of a 3% net smelter royalty payable quarterly on gold production and commencing at the earlier of 9 months or 100 tonnes per day processing and production at the plant in Colombia for 30 consecutive days. A final royalty stream of up to USD1.0m will be paid following the payment in full of the initial net smelter royalty in the form of a 0.5% net smelter royalty.

The Company has in September 2015 announced the raising of a convertible loan note of £250,000 from YA Global Master SPV, Ltd and is currently in discussions regarding additional fundraising options expected to complete prior to the end of the calendar year. The Directors feel that sales of non-core assets and/or a fundraising associated with a current or new project development plan will be the most likely scenario at this time.

In March 2015 the Company paid off the entirety of its outstanding term loans with YA Global and UK Bond Network, removing £882,974 of corporate debt from the balance sheet and largely completing the deleveraging efforts begun in the prior year.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

1 Principal accounting policies continued

1.5 Significant accounting judgements, estimates and assumptions continued

Going concern continued

The Group has further implemented plans to minimise its cash outflows by reducing its fixed costs and overheads by such measures as staff reductions both in the form of redundancies and natural employee attrition, as well as minimising marketing costs and other office and corporate expenditure. The decision was made during the year to close the geology and accounting departments and instead to rely on outsourced contractors on an ad hoc basis to perform residual functions, giving the Company a much lower level of fixed costs and much greater operational flexibility. As currently proposed total headcount is expected to fall to three full time employees by January 2016.

The Directors are confident in the Company's ability to raise new finance from stock markets if this is required during 2016 and the Group has demonstrated a consistent ability to do so. This includes recent share issues of 1.5 billion shares for a total consideration of £1.0m as well as the issuance of 689m shares for a total consideration of £0.327m. Furthermore the Company retains liquid investments in the form of Star Striker Limited and Regency Mines plc, as well as a substantial stake in Jupiter Mines Limited, all of which may be sold or disposed of if required during the course of the year. Currently the firm is in discussions with major stakeholders of Star Striker Limited regarding a complete disposal of its stake in this non-core business.

The Directors have concluded that the combination of these circumstances represents a material uncertainty that casts significant doubt upon the Group's ability to continue as a going concern. Nevertheless after making enquiries, and considering the uncertainties described above, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

Assets classified as held for sale

On 14 April 2015 the Company executed a Sale Agreement with Colombia Milling Limited ("CML"), a private company registered in Belize. CML is the nominee of Nicaragua Milling Company ("NML"), with which Red Rock signed a Letter of Intent on 12 May 2014. CML is represented by James Randall Martin, an experienced mining executive who was the CEO of Colombia Goldfields Ltd and was the founder and Chairman of Nicaraguan gold producer Hemco. Under the Sale Agreement, the Company sells, and CML buys, (a) a 100% interest in American Gold Mines Limited ("AGM"), which owns a 50.002% interest in Four Points Mining SAS ("FPM"), the owner of the El Limón mine, and (b) its loans to FPM, for a total consideration of USD5,000,000. CML will also purchase an 11.2% stake from a minority shareholder in the business. Payment of the unchanged consideration of USD5,000,000 will occur in tranches. The initial payment of USD100,000, was previously made in respect of the CML's due diligence review. The first tranche of USD450,000 was paid at the closing of the transaction ("Completion") on 13 May 2015. The second tranche of USD225,000 will be payable on the date that is 9 months from Completion. The third tranche of USD225,000 will be payable on the date that is 15 months from Completion. A further payment of USD1,000,000 will be satisfied by the issuance by CML to Red Rock at Completion of a three-year convertible 5% promissory note ("PN"), secured on the acquired shares in AGM and providing that during its currency the CML will procure that AGM does not alienate or dispose of its interest in FPM. Security for the PN will be held in the form of a charge over 100% of the shares in AGM and conversion is possible following any listing of CML or vend of the assets into a public vehicle. Additional payments of up to USD2,000,000 will be paid in the form of a 3% net smelter return royalty ("First NSR") payable quarterly on gold production from FPM commencing on the earlier of (a) 9 months from Completion; and (b) the achievement of commercial gold production and processing through the El Limon plant of at least 100 tonnes per day for 30 consecutive calendar days. A final royalty stream of up to USD1,000,000 will be paid following the payment in full of the First NSR in the form of a 0.5% net smelter return royalty ("Second NSR") payable quarterly on gold production from FPM.

Based on this and in accordance with IFRS 5, FPM is classified as a disposal group held for sale in the Company & Group's accounts as at 30 June 2014. The AGM results up to the completion date of 13 May 2015 have been included in the Consolidated Income Statement.

Recognition of holdings less than 20% as an associate

The Company owns 15% of the issued share capital of Mid Migori Mining Company Limited ("MMM"). Andrew Bell is a member of the board of MMM. In accordance with IAS 28, the Directors of the Company consider this, and the input of resource by the Company in respect of drilling and analytical activities, to provide the Group with significant influence as defined by the standard. As such, MMM has been recognised as an associate for the year ended 30 June 2015.

The effect of recognising MMM as an available for sale financial asset would be to decrease the loss by £43.

1 Principal accounting policies continued

1.5 Significant accounting judgements, estimates and assumptions continued

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting period include the impairment determinations, the selling price of assets held for sale, the useful lives of property plant and equipment, the bad debt provision and the fair values of our financial assets and liabilities.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

For unquoted equity investments, we have based our valuation on the weighted average share price of actual sale transactions which we consider as level 2 of the fair value hierarchy as they are based on indirectly observable inputs. In the absence of a quoted liquid market for Jupiter shares directly determining their value, the Company applied two different methodologies to estimate the fair value of its holding. These included an Adjusted Net Asset Method and a Market Approach. Under the Adjusted Net Asset method, the final results of Jupiter for the year ended 28 February 2015 announced on 26 June 2015, as well as the independent business valuation on the Tshipi asset by Venmyn Deloitte were used to provide relevant data points. Taking the net asset value, an adjusted hard asset only net asset value, and a further adjusted asset value modified using figures from Venmyn Deloitte, management arrived at an average value of 19.8 cents per share and a total valuation of AUD5.40m (£2.63m). Applying a discount of 40% to this for illiquidity would reduce the fair value to 11.88 cents per share or AUD3.24m (£1.58m). Under the Market Approach, the Company considered all the transactions involving Jupiter shares since de-listing. A total of thirty five transactions occurred between the de-listing date in January 2014 and the financial year-end, at an average price of 9.8 cents per share. This period is determined to be representative of the fair value at year end since there were no significant changes to the business and the transactions were considered orderly. After careful consideration of all the facts and circumstances that existed at the year-end date, management believes that greater weight should be given to the actual transactions between buyers and sellers rather than the net asset value figures. Thus, the market value approach was determined to be more suitable, and the corresponding 9.8 cents per share value implies that the Company's holding in Jupiter Mines is valued at AUD2.68m (£1.30m).

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of share options is determined using the Black-Scholes model.

Impairment of financial assets

The Group follows the guidance of IAS 39 to determine when a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred "loss event") and that loss event has an impact on the estimated future cash flows of the financial asset or the Group of financial assets that can be reliably estimated. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which fair value of an investment is less than its cost.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

1 Principal accounting policies continued

1.5 Significant accounting judgements, estimates and assumptions continued

Fair value measurement continued

Impairment of financial assets continued

In the case of equity investments classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. "Significant" is evaluated against the original cost of the investment and "prolonged" against the period in which the fair value has been below its original cost. Mining share prices typically have more volatility than most other shares and this is taken into account by management when considering if a significant decline in the fair value of its mining investments has occurred. Management would consider that there is a prolonged decline in the fair value of an equity investment when the period of decline in fair value has extended to beyond the expectation management has for the equity investment. This expectation will be influenced particularly by the Company development cycle of the investment.

As a result of the Group's evaluation, no impairment on available for sale financial assets was recognised in the income statement for the year ended 30 June 2015.

Impairment of non-financial assets

The Group follows the guidance of IAS 36 to determine when a non-financial asset is impaired. The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed projections, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These projections generally cover a period of five years with a terminal value or salvage value applied.

Impairment losses of continuing operations are recognised in the income statement in expense categories consistent with the function of the impaired asset.

For investments in associates and joint ventures, the Group assesses impairment after the application of the equity method.

As a result of the Group's evaluation of its non-financial assets, an impairment loss of £1,349,245 on investments in associates and joint ventures was recognised in the income statement (2014: £1,863,962). This relates to the Company's iron ore assets in Greenland. Management recognises that the declines in the price of iron ore and the general decline in global growth rates, are all factors which indicate a further impairment may be required in the Greenland asset. In estimating the level of this impairment, management has considered factors such as the outlook for the iron ore market and the infrastructure which would be required to produce iron ore for the Greenland asset. It was decided that a valuation based on the income approach would not be appropriate due to the relative infancy of the project, and an inability to accurately project cash-flows in a meaningful way. Particular attention was also paid to the Baffinland Iron Mines Corporation and its operations at the Nunavut based Mary River Project in NE Canada. Long considered the closest known comparator to Melvile Bugt, Mary River announced an expansion to its shipping schedule to 10 months a year, further validating the Company's underlying investment thesis regarding the viability of iron exploration and development in nearby Greenland. After extensive review and analysis, a final impairment value of £1.349m for the year was thus determined to be most appropriate.

Amounts due from associates

The Company conducted a review of the carrying value of the amount receivable from Mid Migori Mining Company Limited in relation to the Kenya asset. For the purpose of impairment review, the Company views this receivable as part of its net investment in the associate and hence followed the guidance of IAS 36. Management recognises that the recent variability in gold prices, change in market fundamentals based on demand from key consumers, concerns around the global macroeconomic environment in general, and the key uncertainty relating to the renewals of licences can all have an effect on the value of this project. As of mid-2015 the Company was currently engaged via its local partner in Kenya, Mid Migori Mining, in a legal challenge of the purported termination of its Special License numbers 122 and 202, and in May 2015 was granted a leave to institute judicial review proceedings and a stay on the implementation of the Ministry of Mines revocation decision. Red Rock has also applied via a local affiliate, Red Rock Kenya, for the same ground covered by the existing licenses. While the Company feels it has a strong and quite valid case for retention of the licenses and the existing JORC resource the ongoing legal process makes the timing of any resolution unclear and difficult to project. As a result of the uncertainties associated with the project the Company felt it prudent to further impair the value of the Kenya project by £5.28m.

2 Segmental analysis

The Group considered its mining and exploration activities as separate segments. These are in addition to the investment activities which continue to form a significant segment of the business. Its mining segment, which has now been sold, is currently presented as discontinued operations on the face of the income statement and is excluded from the continuing operations segmental analysis below.

The Group has made a strategic decision to concentrate on two commodities, gold and iron ore. However, as the Group was only in the production phase of gold during the year, a further segmental analysis by commodity has not been presented.

	Investment		Exploration		Other	
Year to 30 June 2015	Jupiter Mines Limited £	Other investments £	Australian exploration £	African exploration £	Corporate and unallocated £	Total £
Gain on sales of investments	–	4,308	–	–	–	4,308
Impairment of amounts due from associates and ventures	–	–	–	(5,280,000)	–	(5,280,000)
Impairment of investments in associates and joint ventures	–	(1,349,245)	–	–	–	(1,349,245)
Exploration expenses	–	(65,960)	16,710	(81,409)	(8,562)	(139,221)
Other expenses (excluding currency loss)*	–	–	(2,895)	(11,677)	(937,613)	(952,185)
Currency loss	–	–	(35,648)	–	(346,571)	(382,219)
(Provision for)/Reversal of provision for bad debts	–	(222,830)	–	–	–	(222,830)
Shares of losses in associates	–	–	–	–	(1,183)	(1,183)
Other income	–	–	–	–	30,033	30,033
Finance (cost)/income, net	–	–	–	(1,872)	567,042	565,170
Net profit/(loss) before tax from continuing operations	**–**	**(1,633,727)**	**(21,833)**	**(5,374,958)**	**(696,854)**	**(7,727,372)**

*Included in other expenses is a depreciation charge of £4,834.

	Investment		Exploration		Other	
Year to 30 June 2014	Jupiter Mines Limited £	Other investments £	Australian exploration £	African exploration £	Corporate and unallocated £	Total £
Gain on sales of investments	6,994	–	–	–	–	6,994
Impairment of available for sale investments	–	–	–	(469,446)	–	(469,446)
Impairment of investments in associates and joint ventures	–	(1,863,962)	–	–	–	(1,863,962)
Exploration expenses	–	(31,865)	(871)	(1,838)	(365)	(34,939)
Other expenses (excluding currency loss)*	–	–	(2,337)	–	(1,377,853)	(1,380,190)
Currency loss	–	–	(18,983)	–	(164,635)	(183,618)
(Provision for)/Reversal of provision for bad debts	–	(600,000)	–	–	327	(599,673)
Shares of losses in associates	–	(85,696)	–	(19,396)	–	(105,092)
Other income	–	–	–	–	375,643	375,643
Finance income, net	–	–	–	–	485,725	485,725
Net profit/(loss) before tax from continuing operations	**6,994**	**(2,581,523)**	**(22,191)**	**(490,680)**	**(681,158)**	**(3,768,558)**

*Included in other expenses is a depreciation charge of £14,409.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

2 Segmental analysis continued

Information by geographical area

Presented below is certain information by the geographical area of the Group's activities. Revenue from investment sales and the sale of exploration assets is allocated to the location of the asset sold.

Year ended 30 June 2015	UK £	Australia £	Greenland £	Africa £	Total £
Revenue					
Gain on sales of investments	4,308	–	–	–	4,308
Total segment revenue and other gains	**4,308**	**–**	**–**	**–**	**4,308**
Non-current assets					
Property, plant and equipment	266	–	–	–	266
Investments in associates and joint ventures	–	–	2,997,060	971,818	3,968,878
Total segment non-current assets	**266**	**–**	**2,997,060**	**971,818**	**3,969,144**
Available for sale financial assets					1,331,766
Non-current receivables					3,634,270
Total non-current assets					**8,935,180**

Year ended 30 June 2014	UK £	Australia £	Greenland £	Africa £	Total £
Revenue					
Gain on sales of investments	6,994	–	–	–	6,994
Total segment revenue and other gains	6,994	–	–	–	6,994
Non-current assets					
Property, plant and equipment	5,100	–	–	–	5,100
Investments in associates and joint ventures	–	–	4,347,446	971,860	5,319,306
Total segment non-current assets	5,100	–	4,347,446	971,860	5,324,406
Available for sale financial assets					1,583,984
Non-current receivables					7,148,560
Total non-current assets					14,056,950

3 Loss for the year before taxation

Loss for the year before taxation is stated after charging:

	2015 £	2014 £
Auditor's remuneration:		
– fees payable to the Company's auditor for the audit of consolidated and Company financial statements	**20,000**	79,659
Directors' emoluments	**157,169**	218,566
Share-based payments – Directors	**24,000**	24,000
Share-based payments – staff	**48,170**	68,712
Depreciation – continuing operations	**4,834**	14,409
Depreciation – discontinued operations	**–**	508,088
Currency losses	**382,219**	183,618

4 Finance income/(costs), net

	2015 £	2014 £
Interest income	668,438	596,416
Interest expense	(103,267)	(141,832)
Other finance income	–	31,141
	565,171	485,725

Interest income comes mainly from non-current receivables from an associate. Please refer to note 15.

5 Taxation

	Note	2015 £	2014 £
Current period taxation on the Group			
UK corporation tax at 20.75% (2014: 22.50%) on profits for the period		–	–
		–	–
Deferred tax			
Origination and reversal of temporary differences		–	(2,279,276)
Deferred tax assets not recognised		–	82,022
Tax credit		–	(2,197,254)
Factors affecting the tax charge for the year			
Loss on ordinary activities before taxation		(8,411,542)	(6,310,714)
Loss on ordinary activities at the average UK standard rate of 20.75% (2014: 22.50%)		(1,745,395)	(1,419,911)
Impact of subsidiaries and associates		74,738	(1,304,135)
Effect of expenditure not deductible		1,358,309	41,298
Effect of non-taxable income		–	(84,799)
Effect of losses carried forward not recognised		312,348	570,293
Tax credit		–	(2,197,254)
Tax credit arising from continuing operations		–	–
Tax credit arising from discontinued operations	8		(2,197,254)
Total tax credit		–	(2,197,254)

Deferred tax amounting to £nil (2014: £nil) relating to the Group's investments was recognised in the statement of comprehensive income. In 2014 the deferred tax credit of £2,197,254 relates to discontinued operations and is included in the loss after tax for the year from discontinued operations in the income statement.

Finance Act 2013 set the main rate of corporation tax at 21% from 1 April 2014 and at 20% from 1 April 2015. Therefore deferred tax assets/(liabilities) are calculated at 20% (2014: 21%).

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

6 Staff costs

The aggregate employment costs of staff (including Directors) for the year in respect of the Group was:

	2015 £	2014 £
Wages and salaries	546,749	750,628
Pension	19,083	28,588
Social security costs	60,174	76,654
Employee share-based payment charge	72,170	92,712
Total staff costs	698,176	948,582

The average number of Group employees (including Directors) during the year was:

	2015 Number	2014 Number
Executives	4	4
Administration	12	16
Exploration	5	8
	21	28

The Company's staff also work for Regency Mines plc and staff costs of £44,031 (2014: £82,500) were recharged during the year. Such charges are offset against administration expenses in the income statement.

In addition, professional staff employed by Regency Mines plc are sub-contracted to the Company to work on specific assignments as necessary. During the year, the total charge was £105,848 (2014: £174,863).

The average number of employees includes 5 (2014: 6) administration employees of the Four Points Mining SAS, a subsidiary company until 13 May 2015, which runs its own payroll for administrative staff. The key management personnel are the Directors and their remuneration is disclosed within note 7.

7 Directors' emoluments

2015	Directors' fees £	Consultancy fees £	Share Incentive Plan £	Pension contributions £	Social security costs £	Total £
Executive Directors						
A R M Bell	61,750	15,000	6,000	3,361	5,384	91,495
Other Directors						
J F Ladner	16,500	8,500	6,000	–	956	31,956
M C Nott	16,500	8,500	6,000	795	905	32,700
J Watkins	16,500	1,500	6,000	–	1,018	25,018
	111,250	33,500	24,000	4,156	8,263	181,169

7 Directors' emoluments continued

2014	Directors' fees £	Consultancy fees £	Share Incentive Plan £	Pension contributions £	Social security costs £	Total £
Executive Directors						
A R M Bell	100,833	15,000	6,000	7,321	9,854	139,008
Other Directors						
M G R Yannaghas	12,500	–	–	–	1,548	14,048
J F Ladner	16,000	9,000	6,000	–	930	31,930
M C Nott	16,000	9,000	6,000	808	842	32,650
J Watkins	16,000	2,000	6,000	–	930	24,930
	161,333	35,000	24,000	8,129	14,104	242,566

On 30 June 2015, Mr Scott Kaintz was appointed an Executive Director, Mr Sam Quinn was appointed a Non-executive Director and Mr John Watkins resigned as a Director. Neither Mr Scott Kaintz nor Mr Sam Quinn received any emoluments for their roles as a Director in the year under review.

The number of Directors who exercised share options in the year was nil (2014: nil).

During the year, the Company contributed to a Share Incentive Plan more fully described in the Directors' Report on page 13. 3,529,411 (2014: 631,578) free shares were issued to each employee, including Directors, making a total of 14,117,644 (2014: 2,526,312) to Directors.

In addition to Directors' fees, consultancy fees in respect of Mike Nott were payable to Woodridge Associates, a business which provided his services.

In addition to Directors' fees, consultancy fees in respect of John Watkins were payable to his business as a chartered accountant in practice.

8 Assets classified as held for sale

Four Points Mining SAS

On 14 April 2015 the Company executed a Sale Agreement with Colombia Milling Limited ("CML"), a private company registered in Belize. CML is the nominee of Nicaragua Milling Company ("NML"), with which Red Rock signed a Letter of Intent on 12 May 2014. CML is represented by James Randall Martin, an experienced mining executive who was the CEO of Colombia Goldfields Ltd and was the founder and Chairman of Nicaraguan gold producer Hemco. Under the Sale Agreement, the Company sells, and CML buys, (a) a 100% interest in American Gold Mines Limited ("AGM"), which owns a 50.002% interest in Four Points Mining SAS ("FPM"), the owner of the El Limón mine, and (b) its loans to FPM, for a total consideration of USD5,000,000. CML will also purchase an 11.2% stake from a minority shareholder in the business. Payment of the unchanged consideration of USD5,000,000 will occur in tranches. The initial payment of USD100,000 was previously made in respect of CML's due diligence review. The first tranche of USD450,000 was paid at the closing of the transaction ("Completion"). The second tranche of USD225,000 will be payable on the date that is 9 months from Completion. The third tranche of USD225,000 will be payable on the date that is 15 months from Completion. A further payment of USD1,000,000 will be satisfied by the issuance by CML to Red Rock at Completion of a three year convertible 5% promissory note ("PN"), secured on the acquired shares in AGM and providing that during the duration of the loan, CML will procure that AGM does not alienate or dispose of its interest in FPM. Security for the PN will be held in the form of a charge over 100% of the shares in AGM and conversion is possible following any listing of CML or transfer of the assets into a public vehicle.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

8 Assets classified as held for sale continued

Four Points Mining SAS continued

Additional payments of up to USD2,000,000 will be paid in the form of a 3% net smelter return royalty ("First NSR") payable quarterly on gold production from FPM commencing on the earlier of (a) 9 months from Completion; and (b) the achievement of commercial gold production and processing through the El Limon plant of at least 100 tons per day for 30 consecutive calendar days. A final royalty stream of up to USD1,000,000 will be paid following the payment in full of the First NSR in the form of a 0.5% net smelter return royalty ("Second NSR") payable quarterly on gold production from FPM. Completion took place on 13 May 2015. A 7% commission is payable to Ariel Partners on the transaction.

Based on this, FPM is classified as a disposal group held for sale in the Company and Group's accounts as at 30 June 2014. The results of FPM for the period to completion, 13 May 2015, and for the prior year are presented below:

	Note	30 June 2015 £	30 June 2014 £
Revenue		1,682,567	2,424,539
Cost of sales		(1,210,993)	(1,673,479)
Gross profit		471,574	751,060
Expenses		(960,068)	(790,783)
Finance costs, net		(168,326)	(114,275)
Impairment of assets held for sale		(64,406)	(2,388,158)
Loss before tax from a discontinued operation		(721,226)	(2,542,156)
Tax credit		37,056	2,197,254
Loss after tax from a discontinued operation		(684,170)	(344,902)
Loss from a discontinued operation attributable to:			
Owners of the Parent		(370,071)	(275,226)
Non-controlling interest		(314,099)	(69,676)
		(684,170)	(344,902)
Loss per share attributable to owners of the Parent:			
Basic	9	(0.01)p	(0.02)p
Diluted	9	(0.01)p	(0.02)p

The major classes of assets and liabilities classified as held for sale as at 30 June 2015 are as follows:

Group	30 June 2015 £	30 June 2014 £
Assets		
Property, plant and equipment	–	4,916,147
Inventory	–	77,750
Other receivables	–	1,996,120
Cash and cash equivalents	–	4,451
Assets classified as held for sale	–	6,994,468
Liabilities		
Trade and other payables	–	1,530,130
Borrowings	–	2,266,354
Deferred tax liabilities	–	947,801
Liabilities directly associated with assets classified as held for sale	–	4,744,285
Net assets directly associated with disposal group	–	2,250,183
Non-controlling interest	–	(60,461)
Net assets directly associated with disposal group attributable to owners of the Parent	–	2,189,722

8 Assets classified as held for sale continued

Four Points Mining SAS continued

Company	30 June 2015 £	30 June 2014 £
Assets		
Investment in subsidiary	–	947,149
Amounts due from subsidiary	–	1,115,248
Other receivables	–	1,521,280
Impairment of assets classified as held for sale	–	(1,393,955)
Assets classified as held for sale	–	2,189,722

The net cash flows of discontinued operations are as follows:

	30 June 2015 £	30 June 2014 £
Operating	286,751	996,491
Investing	(45,699)	(39,241)
Financing	(245,503)	(964,644)
Net cash outflows	(4,451)	(7,394)

9 Loss per share

The basic loss per share is derived by dividing the loss for the year attributable to ordinary shareholders of the Parent by the weighted average number of shares in issue.

Diluted loss per share is derived by dividing the loss for the year attributable to ordinary shareholders of the Parent by the weighted average number of shares in issue plus the weighted average number of Ordinary shares that would be issued on conversion of all dilutive potential Ordinary shares into Ordinary shares.

The following reflects the loss and share data used in the basic and diluted earnings per share computations:

	2015	2014
Loss attributable to equity holders of the Parent from continuing operations	£(7,721,880)	£(3,768,558)
Loss attributable to equity holders of the Parent from discontinued operations	£(370,071)	£(275,226)
Loss attributable to equity holders of the Parent	£(8,091,951)	£(4,043,784)
Weighted average number of Ordinary shares of £0.0001 (2014: £0.001) in issue	2,884,093,532	1,518,425,648
Loss per share – basic	(0.28)p	(0.27)p
Weighted average number of Ordinary shares of £0.0001 (2014: £0.001) in issue inclusive of outstanding dilutive options*	2,884,093,532	1,518,425,648
Loss per share – fully diluted	(0.28)p	(0.27)p

The weighted average number of shares issued for the purposes of calculating diluted earnings per share reconciles to the number used to calculate basic earnings per share as follows:

	2015	2014
Loss per share denominator	2,884,093,532	1,518,425,648
Weighted average number of exercisable share options	–	–
Diluted loss per share denominator*	2,884,093,532	1,518,425,648

*In accordance with IAS 33, the diluted earnings per share denominator takes into account the difference between the average market price of Ordinary shares in the year and the weighted average exercise price of the outstanding options. The Group has weighted average share options of 7,265,753 (2014: 20,590,411). These were not included in the calculation of diluted earnings per share because all the options are not likely to be exercised given that even the lowest exercise price is substantially higher than the market price and are therefore non-dilutive for the period presented.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

10 Property, plant and equipment

Group	Mines £	Field equipment and machinery £	Fixtures and fittings £	Assets under construction £	Total £
Cost					
At 1 July 2013	12,970,084	968,148	88,097	402,546	14,428,875
Reclassification to assets held for sale	(12,716,945)	(832,554)	(51,581)	(368,874)	(13,969,954)
Additions	–	37,487	1,943	–	39,430
Disposals	–	(60,385)	(4,838)	–	(65,223)
Currency exchange	(253,139)	(78,089)	(4,972)	(33,672)	(369,872)
At 30 June 2014	–	34,607	28,649	–	63,256
Disposals	–	–	(842)	–	(842)
At 30 June 2015	**–**	**34,607**	**27,807**	**–**	**62,414**
Depreciation and impairment					
At 1 July 2013	(5,926,741)	(280,674)	(47,935)	–	(6,255,350)
Reclassification to assets held for sale	6,316,400	319,335	29,913	–	6,665,648
Depreciation charge	(394,145)	(113,541)	(14,811)	–	(522,497)
Disposal	–	19,676	4,221	–	23,897
Currency exchange	4,486	23,224	2,436	–	30,146
At 30 June 2014	–	(31,980)	(26,176)	–	(58,156)
Depreciation charge	–	(2,627)	(2,207)	–	(4,834)
Disposals	–	–	842	–	842
At 30 June 2015	**–**	**(34,607)**	**(27,541)**	**–**	**(62,148)**
Net book value					
At 30 June 2015	**–**	**–**	**266**	**–**	**266**
At 30 June 2014	–	2,627	2,473	–	5,100

Of the depreciation charge, £4,834 (2014:£14,409) is included within other expenses and £0 (2014:£508,088) within loss after tax from discontinued operations in the income statement.

10 Property, plant and equipment continued

Company	Field equipment and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 July 2013	34,607	28,649	63,256
Additions	–	–	–
At 30 June 2014	34,607	28,649	63,256
Disposals	–	(842)	(842)
At 30 June 2015	**34,607**	**27,807**	**62,414**
Depreciation			
At 1 July 2013	(23,216)	(20,574)	(43,790)
Charge	(8,764)	(5,602)	(14,366)
At 30 June 2014	(31,980)	(26,176)	(58,156)
Charge	(2,627)	(2,207)	(4,834)
Disposals	–	842	842
At 30 June 2015	**(34,607)**	**(27,541)**	**(62,148)**
Net book value			
At 30 June 2015	**–**	**266**	**266**
At 30 June 2014	2,627	2,473	5,100

11 Investments in subsidiaries

Company	2015 £	2014 £
Cost		
At 1 July 2014	**482**	4,004,554
Investment in subsidiary	**131**	–
Reclassification to assets held for sale	**–**	(4,004,072)
At 30 June 2015	**613**	482
Impairment		
At 1 July 2014	**(482)**	(3,057,405)
Charge in the year	**–**	–
Reclassification to assets held for sale	**–**	3,056,923
At 30 June 2015	**(482)**	(482)
Net book value	**131**	–

As at 30 June 2015, the Company held interests in the following subsidiary companies:

Company	Country of registration	Class	Proportion held	Nature of business
Intrepid Resources Limited	Zambia	Ordinary	100%	Dormant
Red Rock Australasia Pty Limited	Australia	Ordinary	100%	Mineral exploration
Red Rock Kenya Limited	Kenya	Ordinary	87%	Mineral exploration
Red Rock Cote D'Ivoire sarl	Ivory Coast	Ordinary	100%	Mineral exploration
Basse Terre sarl	Ivory Coast	Ordinary	100%	Mineral exploration

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

12 Investments in associates and joint ventures

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Cost				
At 30 June 2014	**9,108,304**	5,855,672	**8,951,460**	5,698,828
Additions during the year	**–**	83,897	**–**	83,897
Transfer from assets held for sale	**–**	3,168,735	**–**	3,168,735
At 30 June 2015	**9,108,304**	9,108,304	**8,951,460**	8,951,460
Impairment				
At 30 June 2014	**(3,788,998)**	(1,819,944)	**(3,257,587)**	(525,034)
Losses during the year	**(1,183)**	(105,092)	**–**	–
Impairment in the year	**(1,349,245)**	(1,863,962)	**(1,394,451)**	(2,732,553)
At 30 June 2015	**(5,139,426)**	(3,788,998)	**(4,652,038)**	(3,257,587)
Net book amount	**3,968,878**	5,319,306	**4,299,422**	5,693,873

The Company, at 30 June 2015, had holdings amounting to 20% or more of the issued share capital of the following companies which amounted to significant influence or joint control:

Company	Country of incorporation	Class of shares held	Percentage of issued capital	Accounting year ended
Red Rock Zambia Limited*	Zambia	Ordinary	28.40%	30 June 2015
Melville Bay Limited (formerly "NAMA Greenland Limited")	England	Ordinary	60.00%	30 November 2014

*Financial information was not available for this company.

The Company, at 30 June 2015, had significant influence by virtue other than shareholding over 20% over the following companies:

Company	Country of incorporation	Class of shares held	Percentage of issued capital	Accounting year ended
Star Striker Limited	Australia	Ordinary	11.03%	30 June 2015
Mid Migori Mining Company Limited	Kenya	Ordinary	15.00%	30 September 2014

Summarised financial information for the Company's associates and joint ventures, where available, as at 30 June 2015 is given below:

Company	Revenue £	Loss £	Assets £	Liabilities £
Mid Migori Mining Company Limited	–	(288)	2,200,810	(2,966,356)
Star Striker Limited	1,070	(614,833)	227,484	(60,525)
Melville Bay Limited	–	(1,742,607)	4,106,839	(150,769)

12 Investments in associates and joint ventures continued

	Mid Migori Mining Company Limited £	Red Rock Zambia Limited £	Star Striker Limited £	Melville Bay Limited £	Total £
Cost					
At 30 June 2014	1,044,766	140,596	1,709,735	6,213,207	9,108,304
Additions during the year	–	–	–	–	–
At 30 June 2015	**1,044,766**	**140,596**	**1,709,735**	**6,213,207**	**9,108,304**
Impairment and losses during the year					
At 30 June 2014	(72,905)	(140,596)	(1,709,735)	(1,865,762)	(3,788,998)
(Losses) during the year	(43)	–	–	(1,140)	(1,183)
Impairment in period	–	–	–	(1,349,245)	(1,349,245)
At 30 June 2015	**(72,948)**	**(140,596)**	**(1,709,735)**	**(3,216,147)**	**(5,139,426)**
Carrying amount					
At 30 June 2015	**971,818**	**–**	**–**	**2,997,060**	**3,968,878**
At 30 June 2014	971,861	–	–	4,347,445	5,319,306

Mid Migori Mining Company Limited

The Company owns 15% of the issued share capital of Mid Migori Mining Company Limited ("MMM"). The Company has entered into an agreement whereby it manages and funds a number of MMM's development projects and has representation on the MMM board.

In accordance with IAS 28, the involvement with MMM meets the definition of significant influence and therefore has been accounted for as an associate (note 1.5).

Red Rock Zambia Limited

The book value of Red Rock Zambia Limited was fully written off in previous years.

Star Striker Limited (formally known as Resource Star Limited)

The market value as at 30 June 2015 of the Company's investments in listed associates was as follows:

	2015 £	2014 £
Star Striker Limited	**222,824**	112,448

Melville Bay Limited

In consideration for funding the 2012 exploration programme of North Atlantic Mining Associates Limited ("NAMA"), the Company earned 60% interest in Melville Bay Limited ("MBL"). The Company does not have control over MBL but has joint control along with North Atlantic Mining Associates Limited and International Media Projects Ltd through a contractual joint venture arrangement making MBL a jointly controlled entity.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

13 Available for sale financial assets

	Group and Company	
	2015 **£**	2014 £
Opening balance	**1,583,984**	3,136,448
Additions	**–**	232,978
Disposals	**(10,070)**	(1,705,997)
Revaluations	**(242,148)**	390,001
Impairment of available for sale financial assets	**–**	(469,446)
Closing balance	**1,331,766**	1,583,984

Market value of investments

The market value as at 30 June 2015 of the Company's available for sale listed and unlisted investments were as follows:

	2015 **£**	2014 £
Quoted on London AIM	**27,120**	94,765
Unquoted investments at fair value	**1,304,646**	1,489,219
	1,331,766	1,583,984

14 Cash and cash equivalents and restricted cash

Group	**30 June 2015 £**	Cash flow £	30 June 2014 £
Cash in hand and at bank	**29,426**	(21,741)	51,167
Restricted cash	**–**	(221,846)	221,846
	29,426	(243,587)	273,013

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following at 30 June:

	30 June 2015 £	30 June 2014 £
Cash in hand and at bank	**29,426**	51,167
Cash in hand and at bank attributable to asset held for sale (note 8)	**–**	4,451
	29,426	55,618

Company	**30 June 2015 £**	Cash flow £	30 June 2014 £
Cash in hand and at bank	**22,841**	(28,128)	50,969
Restricted cash	**–**	(221,846)	221,846
	22,841	(249,974)	272,815

Cash of £221,846 was held in escrow as security for the bond liability with UK Bond Network Limited which was fully repaid during the year.

15 Non-current receivables

	Group and Company	
	2015 **£**	2014 £
Amounts due from associates	**2,228,812**	7,148,560
FPM sale proceeds	**1,405,458**	–
	3,634,270	7,148,560

Non-current related party receivables of £2,228,812 (2014: £7,148,560) is recoverable from Mid Migori Mining Company Limited under the terms of the joint venture, purchase and sale agreement entered into in August 2009 as detailed in note 26. The amount is unsecured and has no fixed repayment date. Interest is charged at 8% per annum. Management has considered the recoverability of this debt and due to the ongoing licence dispute, have impaired the asset by £5,280,000. More details are given in note 1.5, Significant accounting judgements, estimates and assumptions.

The FPM sale proceeds represents the fair value of the deferred consideration receivable for the sale of FPM. The fair value was estimated based on the consideration offered by the buyer adjusted to its present value based on the timing for which the consideration is expected to be received. The most significant inputs are the offer price per tranches, discount rate and estimated royalty stream. The estimated royalty stream takes into account current production level, estimates of future production level and gold price forecasts.

16 Other receivables

	Group		Company	
	2015 **£**	2014 £	**2015** **£**	2014 £
Current trade and other receivables				
Prepayments	**270,110**	272,322	**231,290**	272,322
Related party receivables:				
– due from subsidiaries	**–**	–	**82,978**	–
– due from associates	**715**	49,251	**715**	49,251
– due from key management	**–**	5,687	**–**	5,687
Other receivables	**390,327**	251,885	**388,189**	250,710
Total	**661,152**	579,145	**703,172**	577,970

Other receivables are stated after full provision of £600,000 relating to an amount due from North Atlantic Mining Associates Limited (2014: £600,000).

17 Trade and other payables

	Group		Company	
	2015 **£**	2014 £	**2015** **£**	2014 £
Trade and other payables	**1,410,726**	1,855,719	**1,406,238**	1,855,426
Accruals	**302,397**	318,394	**302,397**	318,394
Related party payables:				
– due to associates	**317,882**	289,941	**317,882**	289,941
– due to key management	**67,265**	29,235	**67,265**	29,235
Trade and other payables	**2,098,270**	2,493,289	**2,093,782**	2,492,996
Short-term borrowings	**–**	755,889	**–**	755,889
	2,098,270	3,249,178	**2,093,782**	3,248,885
Long-term borrowings	**–**	318,978	**–**	318,978
Total	**2,098,270**	3,568,156	**2,093,782**	3,567,863

YA Global Master SPV Limited

A short-term loan of £nil (2014: £321,850) with YA Global Master SPV Limited ("YAGM") remains outstanding as at the end of the year.

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Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

17 Trade and other payables continued

UK Bond Network

In December 2013, the Company issued a £500,000 secured bond, arranged by the UK Bond Network Limited. The bond had a term of 2 years and a coupon of 14% per annum and was to be 50% amortised with payments that started in June 2014 and continuing on a semi-annual basis. The loan could be repaid at any time following the first anniversary of the date of issuance at no additional cost to the Company. The loan was fully repaid during the year and as at 30 June 2015 the outstanding bond liability was nil (2014: £443,693).

18 Deferred tax

The movement in the Company's and Group's net deferred tax position is as follows:

	Group		Company	
	2015 £	2014 £	**2015 £**	2014 £
Deferred tax liabilities as at 30 June 2014	**–**	(3,164,001)	**–**	–
Deferred tax credit recognised in the statement of income	**–**	–	**–**	–
Deferred tax charge recognised in the statement of comprehensive income	**–**	–	**–**	–
Transferred from liabilities associated with assets held for sale	**–**	–	**–**	–
Transferred to liabilities associated with assets held for sale	**–**	3,164,001	**–**	–
Deferred tax liabilities as at 30 June 2015	**–**	–	**–**	–

The following are the major deferred tax liabilities and assets recognised by the Group and Company and the movements thereon during the period:

Group	Depreciation £	Investments £	Employee benefits £	Total £
Deferred tax liabilities as at 30 June 2013	–	(3,164,001)	–	(3,164,001)
Transferred to liabilities associated with assets held for sale	–	3,164,001	–	3,164,001
Deferred tax liabilities as at 30 June 2014 and 30 June 2015	**–**	**–**	**–**	**–**

Company	Depreciation £	Investments £	Employee benefits £	Total £
Deferred tax liabilities as at 30 June 2013	–	–	–	–
Charge to the statement of income for the year	–	–	–	–
Charge to the statement of comprehensive income	–	–	–	–
Deferred tax liabilities as at 30 June 2014	–	–	–	–
Charge to the statement of income for the year	–	–	–	–
Charge to the statement of comprehensive income	–	–	–	–
Deferred tax liabilities as at 30 June 2015	**–**	**–**	**–**	**–**

19 Share capital of the Company

The share capital of the Company is as follows:

	2015 £	2014 £
Issued and fully paid		
2,371,116,172 deferred shares of £0.0009 each	2,134,005	–
1,934,588 ordinary shares of £0.001 each	–	1,934,588
4,662,024,541 ordinary shares of £0.0001 each	466,202	–
As at 30 June	**2,600,207**	**1,934,588**

	Number	Nominal £
Movement in share capital		
Ordinary shares of £0.001 each		
As at 30 June 2013	1,279,769,102	1,279,769
Shares issued in the year to 30 June 2014	654,818,441	654,819
As at 30 June 2014	1,934,587,543	1,934,588
Issued 11 August 2014 at 0.2257p per share	97,363,903	97,364
Issued 29 August 2014 at 0.20p per share	100,000,000	100,000
Issued 18 September 2014 at 0.22p per share	76,056,779	76,056
Issued 25 November 2014 at 0.1686p per share	163,107,947	163,108
As at 23 December 2014, pre-share re-organisation	2,371,116,172	2,371,116
23 December 2014, Share Re-organisation (see below)		
– Issue of deferred shares of £0.0009 each	(2,371,116,172)	(2,134,005)
– Issue of new ordinary shares of £0.0001 each	2,371,116,172	237,112
Issued 2 March 2015 at 0.08p per share	87,500,000	8,750
Issued 6 March 2015 at 0.0798p per share	15,140,011	1,514
Issued 19 March 2015 at 0.065p per share	1,538,461,538	153,846
Issued 19 March 2015 at 0.066554p per share	7,598,784	760
Issued 25 March 2015 at 0.0666p per share	200,000,000	20,000
Issued 1 April 2015 at 0.0665p per share	121,703,854	12,170
Issued 2 April 2015 at 0.085p per share	102,652,904	10,265
Issued 15 April 2015 at 0.06837p per share	99,654,527	9,965
Issued 23 April 2015 at 0.06837p per share	118,196,751	11,820
Total shares issued in the year	2,727,436,998	665,619
As at 30 June 2015 – ordinary shares of £0.0001 each	**4,662,024,541**	**466,202**

Change in Nominal Value / share re-organisation

The nominal value of shares in the Company was originally 0.1p. At a shareholders meeting on 23 December 2014, the Company's shareholders approved a re-organisation of the Company's shares which resulted in the creation of two classes of shares, being:

- Ordinary shares with a nominal value of 0.01p, which will continue as the Company's listed securities;
- Deferred shares with a value of 0.09p which, subject to the provisions of the Companies Act 2006, may be cancelled by the Company, or bought back for £1 and then cancelled. These deferred shares are not quoted and carry no rights whatsoever.

Capital management

Management controls the capital of the Group in order to control risks, provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern.

The Group's debt and capital includes Ordinary share capital and financial liabilities, supported by financial assets (note 22).

There are no externally imposed capital requirements.

Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the Group since the prior year.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

20 Reserves

Share premium

The share premium account represents the excess of consideration received for shares issued above their nominal value net of transaction costs.

Foreign currency translation reserve

The translation reserve represents the exchange gains and losses that have arisen from the retranslation of overseas operations.

Retained earnings

Retained earnings represent the cumulative profit and loss net of distributions to owners.

Available for sale trade investments reserve

The available for sale trade investments reserve represents the cumulative revaluation gains and losses in respect of available for sale trade investments.

Associate investment reserve

The associate investments reserve represents the cumulative share of gains and losses of associates recognised in the statement of other comprehensive income.

Share-based payment reserve

The share-based payment reserve represents the cumulative charge for options granted, still outstanding and not exercised.

21 Share-based payments

Employee share options

In prior years, the Company established employee share option plans to enable the issue of options as part of the remuneration of key management personnel and Directors to enable them to purchase Ordinary shares in the Company. All options have expired as at 30 June 2015 except for those issued for an exercise price of 3.2p. Under the plan, the options were granted for no consideration, vested immediately, expiring on 21 Sept 2015 and carry no dividend or voting rights.

Under IFRS 2 "Share-based Payments", the Company determines the fair value of the options issued to Directors and employees as remuneration and recognises the amount as an expense in the statement of income with a corresponding increase in equity. The expense was charged in full during the previous years. There is no charge during the year.

At 30 June 2015, the Company has outstanding options to subscribe for Ordinary shares as follows:

	Options issued 22 September 2010 exercisable at 3.2p per share expiring 21 September 2015 Number
A R M Bell	3,250,000
M C Nott	2,000,000
J Watkins	1,000,000
Employees	750,000
Total	**7,000,000**

	Company and Group			
	2015		2014	
	Number of options	**Weighted average exercise price pence**	Number of options	Weighted average exercise price pence
Outstanding at the beginning of the period	**8,000,000**	**3.20**	24,250,000	2.21
Expired	**(1,000,000)**	**3.20**	(16,250,000)	1.72
Outstanding at the end of the period	**7,000,000**	**3.20**	8,000,000	3.20
Exercisable at the end of the period	**7,000,000**	**3.20**	8,000,000	3.20

The options outstanding at 30 June 2015 have an exercise price of 3.2p and a contractual life of 0.23 years.

During the financial year no options were exercised (2014: nil). During the financial year 1,000,000 options expired due to staff leaving the Company (2014: 16,250,000 due to the expiry date being reached).

21 Share-based payments continued

The fair value of services received in return for options granted is measured by reference to the fair value of options granted. The estimate of the fair value of the services received is measured based on the Black-Scholes option-pricing model. The contractual life of the options is used as an input into the model. The model assumes that an option is only capable of exercise at expiry.

	Fair value per option pence	Exercise price pence	Price of shares on grant pence	Estimated volatility %	Risk free interest %	Dividend %
22 September 2010	1.60	3.20	3.20	50%	1.84%	–

The expected volatility is based on the historic volatility of the Company and peer group entities (calculated on the weighted average remaining life of the share options), adjusted for any expected changes to volatility due to publicly available information and other factors indicating that expected future volatility might differ from past volatility.

Risk free interest rates are based on five-year government bonds.

Share Incentive Plan

In January 2012 the Company implemented a tax efficient Share Incentive Plan, a government approved scheme, the terms of which provide for an equal reward to every employee, including Directors, who have served for three months or more at the time of issue. The terms of the plan provide for:

- Each employee to be given the right to subscribe any amount up to £150 per month with Trustees who invest the monies in the Company's shares;
- The Company to match the employee's investment by contributing an amount equal to double the employee's investment ("matching shares"); and
- The Company to award free shares to a maximum of £3,600 per employee per annum.

The subscriptions remain free of taxation and national insurance if held for five years.

The fair value of services provided is recognised as an expense in the income statement at grant date and is determined indirectly by reference to the fair value of the free and matching shares granted. Fair value of shares is measured on the basis of an observable market price, i.e. share price as at grant date.

During the financial year, a total of 84,905,853 free and matching shares were awarded with a fair value of 0.085p resulting in a share-based payment charge of £72,170 in the income statement.

22 Financial instruments

22.1 Categories of financial instruments

The Group and Company hold a number of financial instruments, including bank deposits, short-term investments, loans and receivables and trade payables.

The carrying amounts for each category of financial instrument, measured in accordance with IAS 39 as detailed in the accounting policies, are as follows:

Group 30 June 2015	2015 £	2014 £
Financial assets		
Available for sale financial assets at fair value through OCI		
Unquoted equity shares	1,304,646	1,489,219
Quoted equity shares	27,120	94,765
Total available for sale financial assets at fair value through OCI	1,331,766	1,583,984
Loans and receivables		
Non-current receivables	3,634,270	7,148,560
Other receivables – current	391,042	306,823
Total loans and receivables	4,025,312	7,455,383
Total financial assets	5,357,078	9,039,367
Total current	391,042	306,823
Total non-current	4,966,036	8,732,544

The carrying value of non-current financial assets in the Company equals that of the Group.

The carrying value of current financial assets in the Company is not materially different from that of the Group.

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

22 Financial instruments continued

22.1 Categories of financial instruments continued

Other receivables and trade payables

Management assessed that other receivables and trade and other payables approximate their carrying amounts largely due to the short-term maturities of these instruments.

Non-current receivables

Long-term fixed-rate receivables are evaluated by the Group based on parameters such as interest rates, recoverability and risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for any expected losses on these receivables.

Financial instruments held at cost can be reconciled from beginning to ending balances as follows:

Available for sale financial assets at cost	Unlisted investments at cost	
Group and Company	2015 £	2014 £
Brought forward	–	469,445
Impairment	–	(469,445)
Carried forward	–	–

Group 30 June 2014	2015 £	2014 £
Financial liabilities		
Loans and borrowings		
Trade and other payables	2,098,270	2,174,895
Short-term borrowings	–	755,889
Long-term borrowings	–	318,978
Total loans and borrowings	2,098,270	3,249,762
Total financial liabilities	2,098,270	3,249,762
Total current	2,098,270	2,930,784
Total non-current	–	318,978

The carrying value of non-current financial liabilities in the Company equals that of the Group. The carrying value of current financial liabilities in the Company is not materially different from that of the Group.

Loans and borrowings

The carrying value of interest-bearing loans and borrowings is determined by calculating present values at the reporting date, using the issuer's borrowing rate.

22.2 Fair values

22.2.1 Fair values of financial assets and liabilities

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

22 Financial instruments continued

22.2 Fair values continued

22.2.1 Fair values of financial assets and liabilities continued

The carrying amount of the Company's financial assets and liabilities is not materially different to their fair value. The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Where a quoted price in an active market is available, the fair value is based on the quoted price at the end of the reporting period. In the absence of a quoted price in an active market, the Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Group and Company 30 June 2015	Level 1 £	Level 2 £	Level 3 £	**Total** **£**
Available for sale financial assets at fair value through OCI				
– Unquoted equity shares	–	1,304,646	–	**1,304,646**
– Quoted equity shares	27,120	–	–	**27,120**

Group and Company 30 June 2014	Level 1 £	Level 2 £	Level 3 £	Total £
Available for sale financial assets at fair value through OCI				
– Unquoted equity shares	–	1,489,219	–	**1,489,219**
– Quoted equity shares	94,765	–	–	**94,765**

The valuation techniques used for instruments categorised in Levels 2 and 3 are described below:

Unquoted available for sale financial assets (Level 2)

A significant portion of the Group's available for sale financial asset is an investment in equity shares of a non-listed company. The fair value of unquoted Ordinary shares has been estimated using the weighted average share price of actual sale transactions that happened between de-listing date and the year-end.

22.3 Financial risk management policies

The Directors monitor the Group's financial risk management policies and exposures and approve financial transactions.

The Directors' overall risk management strategy seeks to assist the consolidated Group in meeting its financial targets, while minimising potential adverse effects on financial performance. Its functions include the review of credit risk policies and future cash flow requirements.

Specific financial risk exposures and management

The main risks the Group are exposed to through its financial instruments are credit risk and market risk consisting of interest rate risk, liquidity risk, equity price risk and foreign exchange risk.

Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Group.

Credit risk is managed through the maintenance of procedures (such procedures include the utilisation of systems for the approval, granting and renewal of credit limits, regular monitoring of exposures against such limits and monitoring of the financial liability of significant customers and counterparties), ensuring, to the extent possible, that customers and counterparties to transactions are of sound creditworthiness. Such monitoring is used in assessing receivables for impairment.

Risk is also minimised through investing surplus funds in financial institutions that maintain a high credit rating, or in entities that the Directors have otherwise cleared as being financially sound.

Other receivables which are neither past due nor impaired are considered to be of high credit quality.

There are no amounts of collateral held as security in respect of trade and other receivables.

The consolidated Group does have a material credit risk exposure with Mid Migori Mining Company Limited, an associate of the Company. Management has impaired this asset by £5.28m. See note 1.5, "Significant accounting judgements, estimates and assumptions" and note 15 for further details.

The Group has no outstanding pledges (2014: 19,666,540) of its shares in Jupiter Mines Limited as security.

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

22 Financial instruments continued

22.3 Financial risk management policies continued

Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Group manages this risk through the following mechanisms:

- Monitoring undrawn credit facilities;
- Obtaining funding from a variety of sources; and
- Maintaining a reputable credit profile.

The Directors are confident that adequate resources exist to finance operations for commercial exploration and that controls over expenditure are carefully managed.

As at 30 June 2015, the Group's non-derivative financial liabilities of £2,315,904 have contractual maturities of 0-6 months.

Management intends to meet obligations as they become due through the sale of assets, the issuance of new shares, the collection of debts owed to the Company and the drawing of additional credit facilities.

Market risk

Interest rate risk

The Company is not exposed to any material interest rate risk.

Equity price risk

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices largely due to demand and supply factors for commodities, but also include political, economic, social, technical, environmental and regulatory factors.

The Group's exposure to price risk on listed investments is as follows:

Group and Company	**2015** **£**	2014 £
Change in profit:		
– increase in listed investments by 10%	**–**	–
– decrease in listed investments by 10%	**–**	–
Change in equity:		
– increase in listed investments by 10%	**2,712**	9,477
– decrease in listed investments by 10%	**(2,712)**	(9,477)

Foreign currency risk

The Groups transactions are carried out in a variety of currencies, including sterling, Australian dollar, Colombian peso, US dollar, Kenyan shilling, Canadian dollar and Danish krone.

To mitigate the Group's exposure to foreign currency risk, non-sterling cash flows are monitored. The Group does not enter into forward exchange contracts to mitigate the exposure to foreign currency risk as amounts paid and received in specific currencies are expected to largely offset one another and the currencies most widely traded in are relatively stable.

The Directors consider the balances most susceptible to foreign currency movements to be the available for sale financial assets.

These assets are denominated in the following currencies:

Group and Company 30 June 2015	GBP £	AUD £	**Total** **£**
Available for sale investments	27,120	1,304,646	1,331,766

Group and Company 30 June 2014	GBP £	AUD £	Total £
Available for sale investments	94,765	1,489,219	1,583,984

The following table illustrates the sensitivity of the value of investments in regards to the relative sterling and Australian dollar, and sterling and Canadian dollar exchange rates.

It assumes a +/–8% (2013: +/–7%) change in the AUD/GBP exchange rate for the year ended 30 June 2015. These percentages have been based on the average market volatility in exchange rates in the previous twelve months.

22 Financial instruments continued

22.3 Financial risk management policies continued

Impact on available for sale financial assets

	2015 £	2014 £
8% (2014: 8%) increase in AUD fx rate against GBP	104,372	119,138
8% (2014: 8%) decrease in AUD fx rate against GBP	(104,372)	(119,138)

Exposures to foreign exchange rates vary during the year depending on the volume and nature of overseas transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk.

23 Significant agreements and transactions

The following are the significant agreements and transactions recently undertaken having an impact in the year under review and for the period to 12 November 2015. For the sake of completeness and of clarity, some events after the reporting period are included here and in note 25 on page 59.

Board change

- On 30 June 2015, Scott Kaintz was appointed an Executive Director of the Company and Sam Quinn was appointed a Non-executive Director of the Company. The Company also accepted the resignation of John Watkins as a Non-executive Director of the Company.

FPM

- On 14 April 2015 the Company executed a Sale Agreement with Colombia Milling Limited ("CML"), a private company registered in Belize. CML is the nominee of Nicaragua Milling Company ("NML"), with which Red Rock signed a Letter of Intent on 12 May 2014. CML is represented by James Randall Martin, an experienced mining executive who was the CEO of Colombia Goldfields Ltd and was the founder and Chairman of Nicaraguan gold producer Hemco. Under the Sale Agreement, the Company sells, and CML buys, (a) a 100% interest in American Gold Mines Limited ("AGM"), which owns a 50.002% interest in Four Points Mining SAS ("FPM"), the owner of the El Limón mine, and (b) its loans to FPM, for a total consideration of USD5,000,000. CML will also purchase an 11.2% stake from a minority shareholder in the business. Payment of the unchanged consideration of USD5,000,000 will occur in tranches. The initial payment of USD100,000, was previously made in respect of the CML's due diligence review. The first tranche of USD450,000 will be payable at the closing of the transaction ("Completion"). The second tranche of USD225,000 will be payable on the date that is 9 months from Completion. The third tranche of USD225,000 will be payable on the date that is 15 months from Completion. A further payment of USD1,000,000 will be satisfied by the issuance by CML to Red Rock at Completion of a three-year convertible 5% promissory note ("PN"), secured on the acquired shares in AGM and providing that during its currency the CML will procure that AGM does not alienate or dispose of its interest in FPM. Security for the PN will be held in the form of a charge over 100% of the shares in AGM and conversion is possible following any listing of CML or vend of the assets into a public vehicle closing of the transaction ("Completion"). The second tranche of USD225,000 will be payable on the date that is 9 months from Completion. The third tranche of USD225,000 will be payable on the date that is 15 months from Completion. A further payment of USD1,000,000 will be satisfied by the issuance by CML to Red Rock at Completion of a three-year convertible 5% promissory note ("PN"), secured on the acquired shares in AGM and providing that during its currency the CML will procure that AGM does not alienate or dispose of its interest in FPM. Security for the PN will be held in the form of a charge over 100% of the shares in AGM and conversion is possible following any listing of CML or vend of the assets into a public vehicle. Additional payments of up to USD2,000,000 will be paid in the form of a 3% net smelter return royalty ("First NSR") payable quarterly on gold production from FPM commencing on the earlier of (a) 9 months from Completion; and (b) the achievement of commercial gold production and processing through the El Limon plant of at least 100 tonnes per day for 30 consecutive calendar days. A final royalty stream of up to USD1,000,000 will be paid following the payment in full of the First NSR in the form of a 0.5% net smelter return royalty ("Second NSR") payable quarterly on gold production from FPM. Completion took place on 13 May 2015.

Convertible loan note

- On 11 August 2014, YA Global Master SPV Limited has converted £149,324 of its £550,000 unsecured Convertible Bonds, which are due for repayment in April 2015, into 66,160,425 Ordinary shares of 0.1p each in the Company under the terms of the Convertible Bond Instrument as announced on 30 April 2014, at a price of £0.002257 per share. Simultaneously, £11,126, representing fees accrued on the Company's outstanding term loan, were converted into 4,929,663 shares of 0.1p each at a price of £0.002257 per share. On 1 April 2015, the Company repaid in full the outstanding convertible loan balance due to YA Global Master SPV Limited of USD110,000.
- On 6 January 2015 the Company announced that it had agreed to issue an unsecured convertible loan note of USD550,000 to MG Partners II Limited. The notes yield 4% per annum, have a maturity of 12 months, and are able to be converted into Ordinary shares from 60 days after issue. The conversion price on each conversion will be the lower of a 10% discount to the average of the three lowest VWAPs over the 15 trading days immediately preceding the date of the conversion, or a price per share of 0.5p at the option of MG Partners II Limited. The notes fall due on 1 January 2016 if not previously converted. On 6 March 2015, MG Partners II Limited converted USD7,500 unsecured convertible notes into 6,117,455 Ordinary shares of 0.01p each at a price of £0.000798 per share. On 19 March 2015, they converted a further USD7,500 unsecured convertible notes into 7,598,784 Ordinary shares of 0.01p each at a price of £0.00066554 per share. On 25 March 2015, they converted a further USD200,000 unsecured convertible notes into 200,000,000 Ordinary shares of 0.01p each at a price of £0.000666 per share. On 1 April 2015, they converted a further USD120,000 unsecured convertible notes into 121,703,854 Ordinary shares of 0.01p each at a price of £0.000665 per share. On 15 April 2015, they converted a further USD100,000 unsecured convertible notes into 99,654,527 Ordinary shares of 0.01p each at a price of £0.0006837 per share. On 23 April 2015, they converted the outstanding USD115,000 unsecured convertible notes into 118,196,751 Ordinary shares of 0.01p each at a price of £0.0006837 per share.

FINANCIAL STATEMENTS

Notes to the Financial Statements continued

FOR THE YEAR ENDED 30 JUNE 2015

23 Significant agreements and transactions continued

Financing

- On 19 March 2015 the Company completed a placing with clients of Cornhill Capital Limited ("Cornhill") of 1,538,461,538 Ordinary shares of 0.01p each ("Shares") in the Company at a price of 0.065p per Share (the "Placing"). The gross proceeds of the Subscription are £1,000,000. The proceeds of the Placing were applied towards funding exploration activities in Ivory Coast, and fully settling existing debt facilities with Yorkville and UKBN. The settlement amount of the Yorkville debt facility was approximately £442,128, and the final settlement amount of the UKBN facility was £400,109 gross (£208,387 net of cash escrow).

Share Incentive Plan

On 13 April 2015, the Board of Directors approved the issue of 102,652,904 Ordinary shares of 0.01p each in the Company under the Company's Share Incentive Plan ("SIP") for the 2014/15 tax year. 49,411,754 Free Shares, 17,747,050 Partnership Shares and 35,494,100 Matching Shares have been awarded with reference to the mid-market closing price of 0.085p on 31 March 2015.

Kenya

- On 7 May 2015 the Company announced that its partner, Mid Migori Mining Ltd ("MMM"), has today been advised by the Ministry of Mining of the termination of its Special Licenses numbers 122 and 202 ("the SLs"). MMM intends to challenge this purported termination. MMM also continues to have an application for a Mining License over a part of the SLs, submitted in 2012 pending at the Ministry. Meanwhile Red Rock through its local affiliate Red Rock Kenya Limited is applying for the ground covered by the SLs. The Ministry has indicated that in considering this application the work and expenditure of the Company since 2009 will be taken into account.
- On 26 June 2015 the Company announced that it has been granted leave to institute judicial review proceedings and a stay in relation to the purported termination of the Special Licenses covering the Migori Gold Project of its partner Mid Migori Mining Ltd ("MMM"). Red Rock has now executed an agreement with Kansai Mining Corporation Ltd ("Kansai"), the other shareholder in MMM, pursuant to which Red Rock's farm-in agreement is replaced by arrangements under which any interest in the Migori Gold Project or the other assets of MMM that may be retained by or granted to MMM or Red Rock shall be shared in the ratio 75% to Red Rock and 25% to Kansai. Kansai's interest will be carried up to the point of an Indicated Mineral Resource of 2m oz gold. Red Rock is to have full management rights and the conduct of legal proceedings on behalf of both MMM and itself. Red Rock at the same time surrenders all its share interest in Kansai and pays £25,000 to Kansai, with a further £25,000 due upon recovery of the Migori Gold Project.

Ivory Coast

On 18 September 2014 the Company announced that it has entered into an agreement whereby the right to acquire the entire issue share capital of Nemex Resources CI SARL and Barclay Resources SARL ("the IC Companies") is assigned to Red Rock for a cash consideration of £140,000. The IC Companies are special purpose vehicles which solely own three exploration licences totalling 1,200km^2 and four exploration permits in the Ivory Coast. All licence areas are underlain by West Africa's highly gold prospective Birimian and Tarkwaian Greenstone belts, in a fast growing region for gold exploration and production.

Elephant Oil

On 26 June 2015 the Company announced that it has entered into an option agreement ("the Option") with Elephant Oil Limited ("Elephant"), an oil and gas exploration company focused on West Africa. The Option if exercised requires Red Rock to subscribe for 1,086,956 new Ordinary shares in Elephant, at a price per share of 25.3p, for an aggregate consideration of £275,000. Further, the Option if executed, includes the right to invest an additional £412,500 in to Elephant within a six month period, also at 25.3p per share. The Option is exercisable within seven days, unless extended by Elephant. The last audited accounts of Elephant Oil were to 31 January 2014, and show total assets of £1,618,007 and total comprehensive loss for the year of £46,668.

24 Related party transactions

- On 5 April 2013, Regency Mines plc, Red Rock Resources plc and Greatland Gold plc, companies of which Andrew Bell and John Watkins are also directors, entered into a joint lease at Ivybridge House, 1 Adam Street, London WC2N 6LE. The total cost to the Company for these costs during the year was £151,632 (2014: £178,327), of which £48,725 represented the Company's share of the office rent and the balance services provided (2014: £55,784).
- In addition, professional staff employed by Regency Mines plc are sub-contracted to the Company to work on specific assignments as necessary. During the year, the total charge was £105,848 (2014: £174,863).
- The Company's staff are also sub-contracted to Regency Mines plc to work on specific assignments as necessary. During the year, staff costs of £44,031 (2014: £82,500) were recharged to Regency Mines plc. Such charges are offset against administration expenses in the income statement.
- The costs incurred on behalf of the Company by Regency Mines plc are invoiced at each month end and settled as soon as may be possible. By agreement, the Company pays interest at the rate of 0.5% per month on all balances outstanding at each month end until they are settled. The total charge for the year was £16,865 (2014: £11,602).
- The Company has no amount outstanding to Star Striker Limited (formerly Resource Star Limited), an associate as at 30 June 2015. At 30 June 2014, there was an amount outstanding of £18,472, included in trade and other payables.

24 Related party transactions continued

- Related party receivables and payables are disclosed in notes 15 to 17.
- The Company held 33,900,000 shares (1.65%) in Regency Mines plc as at 30 June 2015 and 33,900,000 (1.36%) as at 12 November 2015.
- On 29 August 2014, Regency Mines plc subscribed for 37,500,000 shares of the Company at £0.002 in settlement of shared costs and obligations. Following the issuance, Regency Mines plc held 227,119,006 shares representing 10.65% of the Company's total voting rights.
- The direct and beneficial interests of the Board in the shares of the Company as at 30 June 2015 are shown in the Director's Report on page 12.
- The key management personnel are the Directors and their remuneration is disclosed within note 7.

25 Events after the reporting period

Issue of new shares

- On 7 July 2015, the Company agreed to subscribe for 1,086,956 new Ordinary shares in Elephant Oil Limited, at a price per share of 25.3p, for an aggregate consideration of £275,000. The Company has also been granted the right to invest a further £412,500 in to Elephant Oil Limited within a six month period, also at 25.3p per share.
- On 7 July 2015, the Company raised £327,500 by way of an issue of 689,473,706 new Ordinary shares of 0.01p each in the Company at a price of 0.0475p per share. For every two shares, each subscriber will be issued with one warrant exercisable at 0.065p per share and expiring on 7 July 2017.
- On 8 July 2015, the Company raised £51,250 by way of an issue of 107,894,948 new Ordinary shares of 0.01p each in the Company at a price of 0.0475p per share. The Directors, Andrew Bell, Michael Nott and Sam Quinn participated in £41,250 of this placing. For every two shares, each subscriber will be issued with one warrant exercisable at 0.065p per share and expiring on 7 July 2017.
- On 13 July 2015, the Company raised £75,000 by way of an issue of 157,894,800 new Ordinary shares of 0.01p each in the Company at a price of 0.0475p per share. For every two shares, each subscriber will be issued with one warrant exercisable at 0.065p per share and expiring on 7 July 2017.
- On 4 September 2015, the Company agreed to issue an unsecured convertible loan note of up to £250,000 to YA Global Master SPV Ltd. The notes yield 10% per annum, have a maturity of 12 months and are able to be converted into Ordinary shares at any time, up until maturity. The Company will issue warrants over the shares in the capital of the Company exercisable at a price of 0.036p and freely transferable for a period of 3 years.
- On 9 October 2015, the Company announced that YA Global Master SPV Ltd had converted £75,000 of its outstanding balance of £250,000 unsecured Convertible Notes and £1,233 of accrued interest, into 416,573,115 ordinary shares in the Company at a price of 0.0183p per share.

Option Agreement

- On 28 October 2015, the Company announced it had entered into an option agreement with Shoats Creek Development Corporation Inc, to take a 20% Working Interest in the planned development of the LM#21 and LM#22 wells at the Shoats Creek Field, Beaureard Parish, Louisiana. The Operator will be an affiliate of Northcote Energy plc. The 20% Working Interest is to be achieved at an aggregate cost of up to USD500,000 – USD600,000.

Annual General Meeting

The Company intends to issue a notice of Annual General Meeting of shareholders to be held on 21 December 2015 for the purpose of dealing with the usual business applicable at such a meeting.

26 Commitments

As at 30 June 2015, the Company had entered into the following commitments:

- Exploration commitments: ongoing exploration expenditure is required to maintain title to the Group mineral exploration permits in Kenya and Greenland. No provision has been made in the financial statements for these amounts as the expenditure is expected to be fulfilled in the normal course of the operations of the Group.
- Under the terms of the joint venture, purchase and sale agreement entered into in August 2009 between the Company and Kansai Mining Corporation Limited, the Company is required to act as manager of the tenements held by Mid Migori Mining Company Limited in Kenya, pay the costs of exploration and other costs except for the costs of licence renewal and rents, and keep the tenements in good standing.
- On 5 April 2013, Red Rock Resources plc entered into a joint lease agreement with Regency Mines plc and Greatland Gold plc at Ivybridge House, 1 Adam Street, London WC2N 6LE. The lease is non-cancellable until 1 December 2017. Future minimum annual rental and service charges payable by the Company is £38,850.

27 Control

There is considered to be no controlling party. Whereas Regency Mines plc originally held a controlling interest, this was reduced to below 50% during the year to 30 June 2007, since when it has been progressively reduced to 4.87% as at 30 June 2015 and it further decreased to 3.76% as at 12 November 2015.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Red Rock Resources plc ("the Company") will be held at Ivybridge House, 1 Adam Street, London WC2N 6LE on 21 December 2015 at 11.00 am for the purpose of considering and, if thought fit, passing the following resolutions which will be proposed as ordinary resolutions in the cases of resolutions 1-8 and as special resolutions in the cases of resolutions 9-10.

Ordinary Business

Ordinary Resolutions

1. To receive the report of the Directors and the audited financial statements of the Company for the year ended 30 June 2015.
2. To re-elect James Ladner as a Director of the Company, who retires by rotation under the Articles of Association of the Company and, being eligible, offers himself for re-election.
3. To re-elect Sam Quinn as a Director of the Company, who retires at the conclusion of the meeting having been appointed during the year under the Articles of Association of the Company and, being eligible, offers himself for re-election.
4. To re-elect Scott Kaintz as a Director of the Company, who retires at the conclusion of the meeting having been appointed during the year under the Articles of Association of the Company and, being eligible, offers himself for re-election.
5. To re-appoint Chapman Davis LLP as auditors of the Company to act until the conclusion of the next Annual General Meeting and to authorise the Directors to determine the remuneration of the auditors.
6. That in substitution for all existing and unexercised authorities, the Directors of the Company be and they are hereby generally and unconditionally authorised for the purpose of section 551 of the Companies Act 2006 ("the Act") to exercise all or any of the powers of the Company to allot equity securities (within the meaning of Section 560 of the Act) up to a maximum nominal amount of £1,000,000 provided that:

   (a) this authority shall, unless previously revoked or varied by the Company in general meeting, expire on the earlier of the conclusion of the next Annual General Meeting of the Company or 15 months after the passing of this Resolution, unless renewed or extended prior to such time except that the Directors of the Company may before the expiry of such period make an offer or agreement which would or might require relevant securities to be allotted after the expiry of such period and the Directors of the Company may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired;

   (b) upon the passing and coming into effect of resolutions 7, 8, and 10 this authority shall be varied so that the maximum nominal amount to be allotted hereunder shall be £40,000.
7. That, subject to the passing of resolutions 8 and 10, with effect from 23.58 hours on the date of the passing of this resolution each of the existing issued ordinary shares of 0.01p each in the capital of the Company ("Existing Ordinary Shares") be subdivided into one A deferred share of 0.0096p each ("A Deferred Shares") and one new ordinary share of 0.0004p each.
8. That, subject to the passing of resolutions 7 and 10, with effect from 23.59 hours on the date of passing of the resolution:

   8.1 every twenty-five ordinary shares of 0.0004p each in the capital of the Company be and are hereby consolidated into one new ordinary share of 0.01p each ("New Ordinary Shares") provided that where a holder of ordinary shares of 0.0004p each shall have a fractional entitlement to a New Ordinary Share of 0.01p each such fractional entitlements shall be aggregated and may be sold in the market and the net proceeds of sale retained for the benefit of the Company; and

   8.2 the New Ordinary Shares will have the same rights and be subject to the same restrictions (save as to nominal value) as the Existing Ordinary Shares in the Company's Articles of Association and the A Deferred Shares will have the rights and be subject to the restrictions attached to A Deferred Shares as set out in the Articles of Association.

Special Resolutions

9. That in substitution for all existing and unexercised authorities and subject to the passing of resolution 6, the Directors of the Company be and they are hereby empowered pursuant to section 570 of the Act to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred upon them by resolution 6 as if section 561(1) of the Act did not apply to any such allotment provided that the power conferred by the Resolution, unless previously revoked or varied by special resolution of the Company in general meeting, shall be limited:

   (a) to the allotment of equity securities in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interest of all such shareholders are proportionate (as nearly as may be) to the respective numbers of the ordinary shares held by them subject only to such exclusions or other arrangements as the Directors of the Company may consider appropriate to deal with fractional entitlements or legal and practical difficulties under the laws of, or the requirements of any recognised regulatory body in, any territory;

   (b) the grant of a right to subscribe for, or to convert any equity securities into ordinary shares otherwise than under sub-paragraph (a) above, up to a maximum aggregate nominal amount of £200,000 (provided that upon the passing and coming into effect of resolutions 7, 8, and 10 this authority shall be varied so that the maximum aggregate nominal amount to be allotted under this sub-paragraph shall be £8,000); and

(c) to the allotment (otherwise than pursuant to sub-paragraphs (a) and (b) above) of equity securities up to an aggregate nominal amount of £800,000 in respect of any other issues for cash consideration (provided that upon the passing and coming into effect of resolutions 7, 8, and 10 this authority shall be varied so that the maximum aggregate nominal amount to be allotted under this sub-paragraph shall be £32,000);

and shall expire on the earlier of the date of the next Annual General Meeting of the Company or 15 months from the date of the passing of this Resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

10. That, subject to the passing of resolutions 7 and 8, the articles of association of the Company be amended as follows:

(a) by inserting the following definition at article 1:
"A Deferred Shares: the A deferred shares in the capital of the Company with the rights set out in article 13";

(b) by inserting the following as article 13:

"13. The rights and restrictions attached to the A Deferred Shares shall be as follows:

13.1 As regards income the holders of the A Deferred Shares shall not be entitled to receive any dividend out of the profits of the Company available for distribution and resolved to be distributed in respect of any financial year or any other income or right to participate therein.

13.2 As regards capital on a distribution of assets on a winding-up or other return of capital (otherwise than on conversion or redemption on purchase by the Company of any of its shares) the holders of the A Deferred Shares shall be entitled to receive the amount paid up on their shares after there shall have been distributed (in cash or in specie) to the holders of the Ordinary Shares the amount of £100,000,000 in respect of each Ordinary Share held by them respectively. For this purpose distributions in currency other than sterling shall be treated as converted into sterling, and the value for any distribution in specie shall be ascertained in sterling, in each case in such manner as the Directors of the Company in general meeting may approve. The A Deferred Shares shall not entitle the holders thereof to any further or other right of participation in the assets of the Company.

13.3 As regards voting the holders of A Deferred Shares shall not be entitled to receive notice of or to attend (either personally or by proxy) any general meeting of the Company or to vote (either personally or by proxy) on any resolution to be proposed thereat.

13.4 The rights attached to the A Deferred Shares shall not be deemed to be varied or abrogated by the creation or issue of any new shares ranking in priority to or pari passu with or subsequent to such shares. In addition neither the passing by the Company of any resolution for the cancellation of the A Deferred Shares for no consideration by means of a reduction of capital requiring the confirmation of the Court nor the obtaining by the Company nor the making by the Court of any order confirming any such reduction of capital nor the becoming effective of any such order shall constitute a variation, modification or abrogation of the rights attaching to the A Deferred Shares and accordingly the A Deferred Shares may at any time be cancelled for no consideration by means of a reduction of capital effected in accordance with applicable legislation without sanction on the part of the holders of the A Deferred Shares.

13.5 Notwithstanding any other provision of these Articles, the Company shall have the power and authority at any time to purchase all or any of the A Deferred Shares for an aggregate consideration of £1.

13.6 The Company shall have irrevocable authority to appoint any person to execute on behalf of the holders of the A Deferred Shares a transfer/cancellation of the A Deferred Shares and/or an agreement to transfer/cancel the same, without making any payment to the holders of the A Deferred Shares to such person or persons as the Company may determine as custodian thereof and, pending such transfer and/or cancellation and/or purchase, to retain the certificate(s) if any, for such shares.

13.7 The Company may, at its option and subject to compliance with the provisions of applicable legislation, at any time after the adoption of this Article, cancel such shares by way of reduction of capital for no consideration.

13.8 Notwithstanding any other provision of these Articles, and unless specifically required by the provisions of applicable legislation, the Company shall not be required to issue any certificates or other documents of title in respect of the A Deferred Shares."

(c) subsequent numbering of the articles of association to be sequentially amended.

Notice of Annual General Meeting continued

If you are a registered holder of Ordinary Shares in the Company, whether or not you are able to attend the meeting, you may use the enclosed form of proxy to appoint one or more persons to attend and vote on a poll on your behalf. A proxy need not be a member of the Company.

A form of proxy is provided.

This may be sent by facsimile transfer to 01252 719 232 or by mail using the reply paid card to:

The Company Secretary
Red Rock Resources plc
c/o Share Registrars Limited
Suite E, First Floor
9 Lion and Lamb Yard
Farnham, Surrey GU9 7LL

In either case, the signed proxy must be received no later than 48 hours (excluding non-business days) before the time of the meeting, or any adjournment thereof.

Registered Office:

Third Floor
55 Gower Street
London WC1E 6HQ

Registered in England and Wales Number: 05225394

By order of the Board

Stephen Ronaldson
Company Secretary
12 November 2015

Notes to the Notice of Annual General Meeting

Entitlement to attend and vote

1. Pursuant to Regulation 41 of The Uncertificated Securities Regulations 2001 and paragraph 18(c) of The Companies Act 2006 (Consequential Amendments) (Uncertificated Securities) Order 2009, the Company specifies that only those members registered on the Company's register of members 48 hours before the time of the Meeting shall be entitled to attend and vote at the Meeting. In calculating the period of 48 hours mentioned above no account shall be taken of any part of a day that is not a working day.

Appointment of proxies

2. If you are a member of the Company at the time set out in note 1 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the Meeting and you should have received a proxy form with this Notice of Meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
3. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. Details of how to appoint the Chairman of the Meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form. If you wish your proxy to speak on your behalf at the Meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.
4. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the registrars of the Company, Share Registrars Limited on 01252 821 390.
5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

Appointment of proxy using hard copy proxy form

6. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

   To appoint a proxy using the proxy form, the form must be:

   - Completed and signed;
   - Sent or delivered to Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232; and
   - Received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

   In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company.

   Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.

Appointment of proxy by joint members

7. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Changing proxy instructions

8. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

   Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Share Registrars Limited on 01252 821 390.

   If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Notes to the Notice of Annual General Meeting continued

Termination of proxy appointments

9. In order to revoke a proxy instruction you will need to inform the Company using one of the following methods:

   By sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to Share Registrars Limited at Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey GU9 7LL or by facsimile transmission to 01252 719 232. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the Company or an attorney for the Company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

   In either case, the revocation notice must be received by Share Registrars Limited no later than 48 hours (excluding non-business days) prior to the Meeting.

   If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

   Appointment of a proxy does not preclude you from attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.

Issued shares and total voting rights

10. As at 12 November 2015, the Company's issued share capital comprised 6,033,861,110 ordinary shares of £0.0001 each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 12 November 2015 is 6,033,861,110.

Communications with the Company

11. Except as provided above, members who have general queries about the Meeting should telephone Miss Rasa Vaitkute on 020 7747 9990 (no other methods of communication will be accepted). You may not use any electronic address provided either in this notice of general meeting; or any related documents (including the chairman's letter and proxy form), to communicate with the Company for any purposes other than those expressly stated.

CREST

12. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the General Meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual.

    CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

    In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual (available via euroclear.com/CREST).

    The message, regardless of whether it relates to the appointment of a proxy or to an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID: 7RA36) by the latest time(s) for receipt of proxy appointments specified above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

    CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of CREST by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

    The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Company Information

Directors
Andrew Bell
Chairman and CEO

Scott Kaintz
Executive Director

James Ladner
Independent Non-executive Director

Michael Nott
Non-executive Director

Sam Quinn
Independent Non-executive Director

All of
Ivybridge House
1 Adam Street
London WC2N 6LE
020 7747 9990

Secretary and Registered Office
Stephen Ronaldson
Third Floor
55 Gower Street
London WC1E 6HQ

Website
www.rrrplc.com

Auditor
Chapman Davis LLP
2 Chapel Court
London SE1 1HH

Solicitors
Ronaldsons LLP
55 Gower Street
London WC1E 6HQ

Nominated adviser
Beaumont Cornish Limited
29 Wilson St
London EC2M 2SJ

Accountants and tax advisers
Baker Tilly Tax and Accounting Limited
One London Square, Cross Lanes
Guildford
Surrey GU1 1UN

Broker
Dowgate Capital Stockbrokers Limited
Talisman House
Jubilee Walk
Three Bridges, Crawley
West Sussex RH10 1LQ

Bankers
Coutts & Co
440 Strand
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Registrars
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