



**28 April 2014**

**Alba Mineral Resources plc**

**Final results for the year ended 30 November 2013**

**CHAIRMAN'S STATEMENT**

The Board of Alba Mineral Resources plc (the "Company" or "Alba", and collectively with its Subsidiary Companies, the "Group") is pleased to report the results for the year ended 30 November 2013. They incorporate the results of its subsidiary companies Aurum Mineral Resources Limited ("AMR"), Mauritania Ventures Limited ("MVL") and Alba Mineral Resources Sweden AB ("Alba Sweden") (collectively the "Subsidiary Companies").

**INTRODUCTION**

Alba is a committed, technically driven explorer with a commodity focus. The Group's overall corporate and exploration strategy will continue to be one of developing a portfolio of well-researched, promising and prospective exploration properties that will be pursued further, either in the Group's own right or in conjunction with other parties.

**REVIEW OF ACTIVITIES**

**Financial**

Our activities in the year have been primarily focused on securing additional funding for the Group.

On 18 January 2013 the Company issued 4,500,000 ordinary shares to satisfy £18,000 of debt due to its Mauritania JV partner.

On 19 September 2013 the Company completed a balance sheet restructuring comprising the capitalisation of outstanding loans and debts of £172,700, the waiver of directors' fees and associated costs of £513,034 and the release of provisions totalling £79,654. The capitalisation was satisfied by the issue of 57,566,636 ordinary shares at 0.3p per share. In addition, the Company granted warrants to directors to subscribe for a total of 15,000,000 ordinary shares, exercisable at a price of 0.35p per share, being the closing bid price on the business day prior to the grant.

On 19 November 2013 the Company issued 6,000,000 ordinary shares to satisfy £21,000 of debt due to its Mauritania JV partner.

**Ireland**

On 7 December 2011 the Group announced that it had entered into an exploration option and Joint Venture Agreement (JV) with Teck Ireland Limited ("Teck"), a subsidiary of Teck Resources of Canada, on the Company's Limerick Zn-Pb-Ag property in Ireland. Under the terms of the agreement, Teck has the option to earn a 75% interest in the Limerick project before forming a JV company, to be held 75% Teck, 25% Alba, by committing to funding US\$400,000 of exploration expenditures over a maximum four year period.

No further work was conducted during the year. As at the year end Teck had incurred US\$125,177 (2012: US\$118,377) of exploration expenditure.

## **Mauritania**

MVL holds one exploration permit, No 1328, in northern Mauritania for uranium and radioactive materials.

The permit lies within the eastern half of a former permit where we had previously announced several uranium anomalies. The largest airborne uranium anomaly identified is approximately 1 km wide and 8 km in length, and grab samples from shallow pits within the anomalous area returned grades up to 0.29% U<sub>3</sub>O<sub>8</sub>. The mineralization is hosted within weathered granite, and calccrete- and silcrete- nodules, interpreted to be a paleowatercourse or ephemeral lake. Our reinterpretation of the data would indicate that the best mineralization appears to be present within the "toes" of the foot anomaly. These "toes" are located within a highly prospective 6 x 1.5km ENE-trending zone, which requires additional exploration work. The permit is due to expire in May 2015.

## **Other Development Projects**

Alba continues to review and discuss other opportunities, which have been brought to us by contacts and other possible reverse opportunities that may have value enhancing potential.

We also intend to commit time to library research with the objective of identifying and licensing new ground and projects directly.

## **POST BALANCE SHEET EVENTS**

On 4 March 2014 the Group successfully completed a fund raising of £230,718 (before expenses) with an investor with a background in the natural resources sector through the subscription of 92,287,300 ordinary shares at a subscription price of 0.25 pence per share. These funds will be used to provide working capital, develop the Group's asset portfolio and investigate further opportunities. The subscription shares represent approximately 29.99% of the enlarged share capital of the Company.

The Company also created and issued new warrants to subscribe for 15,000,000 ordinary shares (equivalent to 4.9% of the enlarged share capital of the Company) to existing directors, 5,000,000 ordinary shares (equivalent to 1.6% of the enlarged share capital of the Company) to the newly appointed director and 46,143,650 ordinary shares (equivalent to 15% of the enlarged share capital of the Company) to the subscriber for the new shares. The new warrants are exercisable at a price of 0.3 pence per share at any time between (i) the date falling 12 months from 27 March 2014 and (ii) the date falling 7 years after admission of the trading of the shares on AIM.

## **OUTLOOK**

The fresh injection of capital now gives us the opportunity to look at and consider other opportunities.

**George Frangeskides**  
**Chairman**

## **Enquiries:**

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**CONSOLIDATED INCOME STATEMENT**  
**FOR THE YEAR ENDED 30 NOVEMBER 2013**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Revenue</b>	-	-
<b>Cost of sales</b>	-	-
<b>Gross loss</b>	-	-
Administrative expenses	(85,023)	(186,340)
Exceptional items	592,688	-
Administrative expenses	507,665	(186,340)
<b>Operating profit/(loss)</b>	507,665	(186,340)
Finance costs	(8,232)	(19,189)
<b>Profit/(loss) before tax</b>	499,433	(205,529)
Taxation	-	-
<b>Profit/(loss) for the year</b>	499,433	(205,529)
<b>Attributable to:</b>		
Equity holders of the parent	497,680	(204,869)
Non-controlling interests	1,753	(660)
	499,433	(205,529)
<b>Earnings/(loss) per ordinary share</b>		
<b>Basic and diluted</b>	0.31 pence	(0.16) pence

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 30 NOVEMBER 2013**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Profit/(loss) after tax	499,433	(205,529)
Foreign exchange movements	(30,928)	27,983
<b>Total comprehensive income/(loss)</b>	468,505	(177,546)
<b>Total comprehensive income/(loss) attributable to:</b>		
Equity holders of the parent	466,752	(176,886)
Non-controlling interests	1,753	(660)
	468,505	(177,546)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**30 NOVEMBER 2013**

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Non-current assets</b>		
Intangible fixed assets	605,956	644,965
Property, plant and equipment	-	-
<b>Total non-current assets</b>	605,956	644,965
<b>Current assets</b>		
Trade and other receivables	21,300	111,294
Cash and cash equivalents	216	562
<b>Total current assets</b>	21,516	111,856
<b>Current liabilities</b>		
Trade and other payables	61,164	726,514
Financial liabilities	233,823	378,027
<b>Total current liabilities</b>	294,987	1,104,541
<b>Net assets/(liabilities)</b>	332,485	(347,720)
<b>Capital and reserves</b>		
Called up share capital	1,052,968	984,901
Share premium account	1,268,834	1,125,201
Retained losses	(2,358,292)	(2,855,972)
Merger reserve	200,000	200,000
Foreign currency reserve	139,485	170,413
<b>Equity attributable to equity holders of the parent</b>	302,995	(375,457)
Non-controlling interests	29,490	27,737
<b>Total equity</b>	332,485	(347,720)

## CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 NOVEMBER 2013

	2013	2012
	£	£
<b>Cash flows from operating activities</b>		
Operating profit/(loss)	507,665	(186,340)
Foreign exchange revaluation adjustment	(32,139)	27,983
(Decrease)/increase in creditors	(516,044)	95,694
Decrease/(increase) in debtors	2,690	(936)
<b>Net cash (used in) operating activities</b>	<u>(37,828)</u>	<u>(63,599)</u>
<b>Cash flows from investing activities</b>		
Payments for deferred exploration expenditure	(7,518)	(26,168)
<b>Net cash used in investing activities</b>	<u>(7,518)</u>	<u>(26,168)</u>
<b>Cash flows from financing activities</b>		
Proceeds from the issue of shares	22,000	50,000
Proceeds from borrowings	23,000	40,540
<b>Net cash generated from financing activities</b>	<u>45,000</u>	<u>90,540</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(346)	773
Cash and cash equivalents at beginning of year	562	(211)
<b>Cash and cash equivalents at end of year</b>	<u>216</u>	<u>562</u>

During 2013, loans of £175,437 (2012: £94,750) were repaid by the issue of shares, directors' fees and associated costs, totalling £513,034 accrued but not paid were waived, cost accruals and provisions totalling £79,654 were released, capital accruals and provisions of £79,779 were released, and at the year end £18,000 (2012: £40,000) remained unpaid from the issue of shares.

## **NOTES**

### **1. Basis of preparation**

The financial information set out in this announcement does not comprise the Group's statutory accounts for the year ended 30 November 2013 or 30 November 2012. The financial information has been extracted from the statutory accounts of the Company for the year ended 30 November 2013 and 30 November 2012. The auditors reported on those accounts; their report was unqualified and did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006. The auditor's report for the year ended 30 November 2012 did include emphasis of matter paragraphs relating to (a) the ability of the Group and Company to continue as a going concern and (b) the uncertainty as to whether the Group can raise sufficient funds to continue to develop the Group's exploration assets. The auditor's report for the year ended 30 November 2013 did include emphasis of matter paragraphs relating to uncertainty as to whether (a) the Group can raise sufficient funds to continue to develop the Group's exploration assets; (b) the Mauritania permit will be renewed beyond May 2015; and (c) the value of the parent company's investment in its subsidiaries is supported by exploration activities.

### **2. Going Concern**

Further to the fund raising completed after the year end, after making enquiries, the directors have a reasonable expectation that the Group has adequate resources to meet its current committed expenditure and recurring outgoings for the foreseeable future, although the funding is not sufficient to continue to develop the Group's exploration assets. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

### **3. Continuation of exploration activities**

To continue to develop the Group's exploration assets, with a carrying value of £605,956 and support the Company's value of the investment in subsidiaries supported by those assets, with a carrying value of £1,614,713, the Group is dependent on securing further funds to continue exploration activities. Under current market conditions, the directors consider that there is a material uncertainty, which may cast significant doubt over the ability of the Company to raise sufficient funds to continue to develop the Group's exploration assets.

If it is not possible to raise sufficient funds, the carrying value of the exploration assets of the Group and the investment of the Company in its subsidiaries are likely to be impaired.

Additionally, the Group's Mauritania license expires in May 2015 and continued development of this license is dependent on the renewal or extension of the license. There is a material uncertainty over whether the license will be renewed or extended. If this license cannot be renewed or extended beyond May 2015, the carrying value of this exploration asset of £556,293, will become impaired.

### **4. Taxation**

No charge for corporation tax for the period has been made due to the expected tax losses available.

### **5. Earnings per share**

Basic earnings per share is calculated by dividing the profit attributed to ordinary shareholders of £497,680 (2012: £204,869 loss) by the weighted average number of shares of 162,876,894 (2012: 131,782,465) in issue during the year. The diluted earnings per share calculation is identical to that used for basic earnings per share as warrants are "out of the money" and not considered dilutive.

### **6. Report and accounts**

The statutory accounts for the year ended 30 November 2012 have been delivered to the Registrar of Companies, whereas those for the year ended 30 November 2013 will be sent to shareholders of the Company in due course and will be delivered to the Registrar of Companies following the Company's Annual General Meeting, which will be held on 30 May 2014. The report and accounts will also be made available on the Company's web site: [www.albamineralresources.com](http://www.albamineralresources.com)

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