



Interim Report
2019



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Company Information

| | | |
|------------------------------------|--|---|
| Company Name | Cora Gold Limited | |
| Directors | Geoffrey McNamara | <i>Non-Executive Director and Chairman</i> |
| | Jonathan Forster | <i>Chief Executive Officer and Director</i> |
| | Ed Bowie | <i>Non-Executive Director</i> |
| | David Pelham | <i>Non-Executive Director</i> |
| | Paul Quirk | <i>Non-Executive Director</i> |
| Company Secretary | Craig Banfield | |
| Country of Incorporation | British Virgin Islands | |
| Registration Number | 1701265 | |
| Registered Agent and Office | <i>Registered Agent</i> CO Services (BVI) Ltd <i>Registered Office</i> Rodus Building Road Reef Marina P.O. Box 3093 Road Town Tortola VG1110 British Virgin Islands | |
| Nominated Adviser | SP Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London W1S 2PP United Kingdom | |
| Principal Legal Adviser | Mildwaters Consulting LLP Walton House 25 Bilton Road Rugby CV22 7AG United Kingdom | |
| Broker | SP Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London W1S 2PP United Kingdom | |
| Financial Public Relations | St Brides Partners Limited 51 Eastcheap London EC3M 1JP United Kingdom | |

| | |
|--|---|
| Independent Auditor | PKF Littlejohn LLP Statutory Auditor 1 Westferry Circus London E14 4HD United Kingdom |
| Registrar and Depositary | <p><i>Registrar</i> Computershare Investor Services (BVI) Limited Woodbourne Hall P.O. Box 3162 Road Town Tortola VG1110 British Virgin Islands</p> <p><i>Depositary</i> Computershare Investor Services PLC The Pavilions Bridgwater Road Bristol BS99 6ZZ United Kingdom</p> <p><i>Shareholder enquiries</i> website www.computershare.com/uk telephone +44 (0)370 702 0000 facsimile +44 (0)370 703 6101</p> |
| Stock Exchange Daily Official List (SEDOL) | BF012B2 |
| International Securities Identification Number (ISIN) | VGG2423W1077 |
| Exchange Price Information Code (EPIC) | CORA.L |
| Legal Entity Identifier (LEI) | 213800TW2N9JJYCUDD71 |
| Website | www.coragold.com |
| Twitter | @cora_gold |

**Consolidated Statement of Financial Position
as at 30 June 2019 and 2018,
and 31 December 2018**

All amounts stated in thousands of United States dollars

| | Note(s) | 30 June 2019 US\$'000 <i>Unaudited</i> | 30 June 2018 US\$'000 <i>Unaudited</i> | 31 December 2018 US\$'000 |
|-----------------------------|---------|---|---|---------------------------------|
| Non-current assets | | | | |
| Intangible assets | 3 | 10,965 | 9,288 | 9,814 |
| Current assets | | | | |
| Trade and other receivables | 4 | 24 | 28 | 104 |
| Cash and cash equivalents | 5 | 1,141 | 1,326 | 823 |
| | | 1,165 | 1,354 | 927 |
| Total assets | | 12,130 | 10,642 | 10,741 |
| Current liabilities | | | | |
| Trade and other payables | 6 | (225) | (345) | (192) |
| Total liabilities | | (225) | (345) | (192) |
| Net current assets | | 940 | 1,009 | 735 |
| Net assets | | 11,905 | 10,297 | 10,549 |
| Equity and reserves | | | | |
| Share capital | 7 | 10,368 | 7,951 | 8,617 |
| Retained earnings | | 1,537 | 2,346 | 1,932 |
| Total equity | | 11,905 | 10,297 | 10,549 |

The accompanying notes form an integral part of the Condensed Consolidated Financial Statements.

**Consolidated Statement of Comprehensive Income
for the six months ended 30 June 2019 and 2018,
and the year ended 31 December 2018**

All amounts stated in thousands of United States dollars (unless otherwise stated)

| | | Six months ended 30 June 2019 US\$'000 <i>Unaudited</i> | Six months ended 30 June 2018 US\$'000 <i>Unaudited</i> | Year ended 31 December 2018 US\$'000 |
|---|----------------|--|--|--|
| | <i>Note(s)</i> | | | |
| Overhead costs | | (397) | (419) | (837) |
| Loss before income tax | | (397) | (419) | (837) |
| Income tax | | - | - | - |
| Loss for the period | | (397) | (419) | (837) |
| Other comprehensive income | | - | - | - |
| Total comprehensive loss for the period | | (397) | (419) | (837) |
| Earnings per share from continuing operations attributable to owners of the parent | | | | |
| Basic earnings per share (United States dollar) | 2 | (0.0044) | (0.0076) | (0.0150) |
| Fully diluted earnings per share (United States dollar) | 2 | (0.0044) | (0.0076) | (0.0150) |

The accompanying notes form an integral part of the Condensed Consolidated Financial Statements.

**Consolidated Statement of Changes in Equity
for the six months ended 30 June 2019 and 2018,
and the year ended 31 December 2018**

All amounts stated in thousands of United States dollars

| | Share capital US\$'000 | Retained earnings (deficit) US\$'000 | Total equity US\$'000 |
|--|------------------------------|---|-----------------------------|
| As at 1 January 2018 | 7,936 | 2,765 | 10,701 |
| Loss for the year | - | (837) | (837) |
| Total comprehensive loss for the year | - | (837) | (837) |
| Proceeds from shares issued | 694 | - | 694 |
| Issue costs | (30) | - | (30) |
| Settlement of costs and fees | 17 | - | 17 |
| Share based payments - share options | - | 4 | 4 |
| Total transactions with owners, recognised directly in equity | 681 | 4 | 685 |
| As at 31 December 2018 | 8,617 | 1,932 | 10,549 |
| <i>Unaudited</i> | | | |
| As at 1 January 2018 | 7,936 | 2,765 | 10,701 |
| Loss for the period | - | (419) | (419) |
| Total comprehensive loss for the period | - | (419) | (419) |
| Settlement of costs and fees | 15 | - | 15 |
| Total transactions with owners, recognised directly in equity | 15 | - | 15 |
| As at 30 June 2018 | 7,951 | 2,346 | 10,297 |

Continued ...

**Consolidated Statement of Changes in Equity
for the six months ended 30 June 2019 and 2018,
and the year ended 31 December 2018**

All amounts stated in thousands of United States dollars

... continued

| | Share capital US\$'000 | Retained earnings (deficit) US\$'000 | Total equity US\$'000 |
|--|------------------------------|---|-----------------------------|
| <i>Unaudited</i> | | | |
| As at 1 January 2019 | 8,617 | 1,932 | 10,549 |
| Loss for the period | - | (397) | (397) |
| Total comprehensive loss for the period | - | (397) | (397) |
| Proceeds from shares issued | 1,758 | - | 1,758 |
| Issue costs | (7) | - | (7) |
| Share based payments - share options | - | 2 | 2 |
| Total transactions with owners, recognised directly in equity | 1,751 | 2 | 1,753 |
| As at 30 June 2019 | 10,368 | 1,537 | 11,905 |

The accompanying notes form an integral part of the Condensed Consolidated Financial Statements.

Consolidated Statement of Cash Flows
for the six months ended 30 June 2019 and 2018,
and the year ended 31 December 2018

All amounts stated in thousands of United States dollars

| | | Six months ended 30 June 2019 US\$'000 <i>Unaudited</i> | Six months ended 30 June 2018 US\$'000 <i>Unaudited</i> | Year ended 31 December 2018 US\$'000 |
|---|----------------|--|--|---|
| | <i>Note(s)</i> | | | |
| Cash flows from operating activities | | | | |
| Loss for the period | | (397) | (419) | (837) |
| Adjustments for: | | | | |
| Share based payments | | 2 | 15 | 21 |
| Decrease in trade and other receivables | | 80 | 96 | 20 |
| Increase in trade and other payables | | 33 | 174 | 21 |
| Net cash used in operating activities | | (282) | (134) | (775) |
| Cash flows from investing activities | | | | |
| Additions to intangible assets | 3 | (1,151) | (1,946) | (2,472) |
| Net cash used in investing activities | | (1,151) | (1,946) | (2,472) |
| Cash flows from financing activities | | | | |
| Proceeds from shares issued | 7 | 1,758 | - | 694 |
| Issue costs | 7 | (7) | - | (30) |
| Net cash generated from financing activities | | 1,751 | - | 664 |
| Net increase / (decrease) in cash and cash equivalents | | 318 | (2,080) | (2,583) |
| Cash and cash equivalents at beginning of period | 5 | 823 | 3,406 | 3,406 |
| Cash and cash equivalents at end of period | 5 | 1,141 | 1,326 | 823 |

The accompanying notes form an integral part of the Condensed Consolidated Financial Statements.

**Notes to the Condensed Consolidated Financial Statements
for the six months ended 30 June 2019 and 2018,
and the year ended 31 December 2018**

All tabulated amounts stated in thousands of United States dollars (unless otherwise stated)

1. General information

The principal activity of Cora Gold Limited (the 'Company') and its subsidiaries (together the 'Group') is the exploration and development of mineral projects, with a primary focus in West Africa. The Company is incorporated and domiciled in the British Virgin Islands. The address of its registered office is Rodus Building, Road Reef Marina, P.O. Box 3093, Road Town, Tortola, VG1110, British Virgin Islands.

The condensed consolidated interim financial statements of the Group for the six months ended 30 June 2019 comprise the results of the Group and have been prepared in accordance with AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 'Interim Financial Reporting' in preparing these interim financial statements.

The condensed consolidated interim financial statements for the period 1 January to 30 June 2019 are unaudited. In the opinion of the directors the condensed consolidated interim financial statements for the period present fairly the financial position, and results from operations and cash flows for the period in conformity with generally accepted accounting principles consistently applied. The condensed consolidated interim financial statements incorporate unaudited comparative figures for the interim period 1 January to 30 June 2018 and extracts from the financial statements for the year ended 31 December 2018.

The interim report has not been audited or reviewed by the Company's auditor.

The key risks and uncertainties and critical accounting estimates remain unchanged from 31 December 2018 and the accounting policies adopted are consistent with those used in the preparation of its financial statements for the year ended 31 December 2018.

As at 30 June 2019 and 31 December 2018 the Company held:

- a 100% shareholding in Cora Gold Mali SARL (registered in the Republic of Mali; the address of its registered office is Rue 224 Porte 1279, Hippodrome 1, BP 2788, Bamako, Republic of Mali);
- a 100% shareholding in Cora Exploration Mali SARL (the address of its registered office is Rue 224 Porte 1279, Hippodrome 1, BP 2788, Bamako, Republic of Mali);
- a 95% shareholding in Sankarani Ressources SARL (the address of its registered office is Rue 841 Porte 202, Faladie SEMA, BP 366, Bamako, Republic of Mali); and
- Cora Resources Mali SARL (registered in the Republic of Mali; the address of its registered office is Rue 841 Porte 202, Faladie SEMA, BP 366, Bamako, Republic of Mali) was a wholly owned subsidiary of Sankarani Ressources SARL.

The remaining 5% of Sankarani Ressources SARL can be purchased from a third party for US\$1,000,000.

2. Earnings per share

The calculation of the basic and fully diluted earnings per share attributable to the equity shareholders is based on the following data:

| | Six months ended 30 June 2019 US\$'000 <i>Unaudited</i> | Six months ended 30 June 2018 US\$'000 <i>Unaudited</i> | Year ended 31 December 2018 US\$'000 |
|--|--|--|--|
| Net loss attributable to equity shareholders | (397) | (419) | (837) |
| Weighted average number of shares for the purpose of basic earnings per share (000's) | 89,673 | 55,020 | 55,802 |
| Weighted average number of shares for the purpose of fully diluted earnings per share (000's) | 89,673 | 55,020 | 55,802 |
| Basic earnings per share (United States dollar) | (0.0044) | (0.0076) | (0.0150) |
| Fully diluted earnings per share (United States dollar) | (0.0044) | (0.0076) | (0.0150) |

As at 30 June 2019 and 2018, and 31 December 2018 the Company's issued and outstanding capital structure comprised a number of ordinary shares, warrants and share options (see Note 7).

3. Intangible assets

Intangible assets relate to exploration and evaluation project costs capitalised as at 30 June 2019 and 2018, and 31 December 2018, less impairment.

| | Six months ended 30 June 2019 US\$'000 <i>Unaudited</i> | Six months ended 30 June 2018 US\$'000 <i>Unaudited</i> | Year ended 31 December 2018 US\$'000 |
|------------------|--|--|--|
| As at 1 January | 9,814 | 7,342 | 7,342 |
| Additions | 1,151 | 1,946 | 2,472 |
| As at period end | 10,965 | 9,288 | 9,814 |

Additions to project costs during the six months ended 30 June 2019 and 2018, and the year ended 31 December 2018 were in the following geographical areas:

| | Six months ended 30 June 2019 US\$'000 <i>Unaudited</i> | Six months ended 30 June 2018 US\$'000 <i>Unaudited</i> | Year ended 31 December 2018 US\$'000 |
|----------------------------|--|--|--|
| Mali | 1,140 | 1,942 | 2,442 |
| Senegal | 11 | 4 | 30 |
| | <hr/> | <hr/> | <hr/> |
| Additions to project costs | 1,151 | 1,946 | 2,472 |
| | <hr/> | <hr/> | <hr/> |

Project costs capitalised as at 30 June 2019 and 2018, 31 December 2018 related to the following geographical areas:

| | 30 June 2019 US\$'000 <i>Unaudited</i> | 30 June 2018 US\$'000 <i>Unaudited</i> | 31 December 2018 US\$'000 |
|------------------|---|---|---------------------------------|
| Mali | 10,924 | 9,284 | 9,784 |
| Senegal | 41 | 4 | 30 |
| | <hr/> | <hr/> | <hr/> |
| As at period end | 10,965 | 9,288 | 9,814 |
| | <hr/> | <hr/> | <hr/> |

4. Trade and other receivables

| | 30 June 2019 US\$'000 <i>Unaudited</i> | 30 June 2018 US\$'000 <i>Unaudited</i> | 31 December 2018 US\$'000 |
|-------------------|---|---|---------------------------------|
| Other receivables | - | - | 80 |
| Prepayments | 24 | 28 | 24 |
| | <hr/> | <hr/> | <hr/> |
| | 24 | 28 | 104 |
| | <hr/> | <hr/> | <hr/> |

5. Cash and cash equivalents

Cash and cash equivalents held as at 30 June 2019 and 2018, and 31 December 2018 were in the following currencies:

| | 30 June 2019 US\$'000 <i>Unaudited</i> | 30 June 2018 US\$'000 <i>Unaudited</i> | 31 December 2018 US\$'000 |
|-------------------------------|---|---|---------------------------------|
| British pound sterling (GBP£) | 1,076 | 1,037 | 806 |
| Euro (EUR€) | 12 | 132 | 13 |
| CFA Franc (XOF) | 41 | 61 | 3 |
| United States dollar (US\$) | 12 | 96 | 1 |
| | <hr/> 1,141 <hr/> | <hr/> 1,326 <hr/> | <hr/> 823 <hr/> |

6. Trade and other payables

| | 30 June 2019 US\$'000 <i>Unaudited</i> | 30 June 2018 US\$'000 <i>Unaudited</i> | 31 December 2018 US\$'000 |
|----------------|---|---|---------------------------------|
| Trade payables | 37 | 104 | 62 |
| Other taxes | 62 | 61 | 62 |
| Accruals | 126 | 180 | 68 |
| | <hr/> 225 <hr/> | <hr/> 345 <hr/> | <hr/> 192 <hr/> |

7. Share capital

The Company is authorised to issue an unlimited number of no par value shares of a single class.

As at 31 December 2017 the Company's issued and outstanding capital structure comprised:

- 54,975,394 ordinary shares; and
- warrants to subscribe for 320,575 ordinary shares at a price of 16.5 pence per ordinary share expiring on 9 October 2020.

At the Company's annual general meeting held on 12 June 2018:

- it was approved by the shareholders that the Company issue 80,000 ordinary shares at a price of 16 pence per share to S3 Consortium Pty Ltd for a total gross value of GBP£12,800 as part of a service agreement dated 30 October 2017 with S3 Consortium Pty Ltd to assist with the Company's digital marketing strategy; and
- it was approved by the shareholders that on 18 December 2017 the board of directors adopted and approved a share option plan, and granted and approved share options over 2,550,000 ordinary shares in the capital of the Company exercisable at 16.5 pence per ordinary share expiring on 18 December 2022. 25% of such share options vested on 12 June 2018 and a further 25% shall vest on each of 12 December 2018, 12 June 2019 and 12 December 2019.

In November 2018 share options over 325,000 ordinary shares in the capital of the Company exercisable at 16.5 pence per ordinary share and expiring on 18 December 2022 were cancelled following termination of a contract with a service provider.

On 6 December 2018 the Company closed a placing and subscription for 10,984,900 ordinary shares at

a price of 5 pence (British pound sterling) per share for total gross proceeds of GBP£549,245. Certain directors of the Company participated in this subscription.

On 30 April 2019 the Company closed a placing and subscription for 35,064,845 ordinary shares at a price of 3.85 pence (British pound sterling) per share for total gross proceeds of GBP£1,349,996.53. Certain directors of the Company participated in this subscription.

As at 30 June 2019 the Company's issued and outstanding capital structure comprised:

- 101,105,139 ordinary shares;
- warrants to subscribe for 320,575 ordinary shares at a price of 16.5 pence per ordinary share expiring on 9 October 2020; and
- share options over 2,225,000 ordinary shares in the capital of the Company exercisable at 16.5 pence per ordinary share expiring on 18 December 2022.

Movements in capital during the six months ended 30 June 2019 and 2018, and the year ended 31 December 2018 were as follows:

| | Number of shares | Number of warrants | Number of share options | Proceeds US\$'000 |
|-------------------------------------|---------------------|-----------------------|----------------------------|----------------------|
| As at 1 January 2018 | 54,975,394 | 320,575 | - | 7,936 |
| Settlement of costs and fees | 80,000 | - | - | 17 |
| Granting of share options | - | - | 2,550,000 | - |
| As at 30 June 2018 <i>Unaudited</i> | 55,055,394 | 320,575 | 2,550,000 | 7,953 |
| Cancellation of share options | - | - | (325,000) | - |
| Placing and subscription | 10,984,900 | - | - | 694 |
| Issue costs | - | - | - | (30) |
| As at 31 December 2018 | 66,040,294 | 320,575 | 2,225,000 | 8,617 |
| <i>Unaudited</i> | | | | |
| Placing and subscription | 35,064,845 | - | - | 1,758 |
| Issue costs | - | - | - | (7) |
| As at 30 June 2019 <i>Unaudited</i> | 101,105,139 | 320,575 | 2,225,000 | 10,368 |

8. Ultimate controlling party

The Company does not have an ultimate controlling party.

As at 30 June 2019 the Company's largest shareholder was Hummingbird Resources plc (AIM: HUM) ('Hummingbird') which held 18,610,127 ordinary shares (including shares held by Hummingbird's subsidiary, Trochilidae Resources Ltd), being 18.41% of the total number of ordinary shares in issue and outstanding.

9. Contingent liabilities

The Group subsidiaries Cora Gold Exploration Mali SARL and Sankarani Ressources SARL may be subject to potential tax liabilities of approximately US\$92,500.

A number of the Company's project areas have potential net smelter royalty obligations, together with options for the Company to buy out the royalty. At the current stage of development, it is not considered that the outcome of these contingent liabilities can be considered probable or reasonably estimable and hence no provision has been recognised in the financial statements.

10. Capital commitments

In April 2019 the Group entered into a drilling contract with Target Drilling SARL for a total of 6,600 metres of drilling at the Sanankoro Gold Discovery (Sanankoro Permit, Sanankoro Project Area in southern Mali) for a total contract value of approximately EUR€232,000 plus ancillary costs. As at 30 June 2019 under the terms of the contract the Group had received invoices for a total of 6,042 metres of drilling for a total cost of EUR€219,843 including ancillary costs. This drilling contract was fully satisfied in July 2019, when 6,623 metres had been drilled for a total contract value of EUR€323,741 including ancillary costs.

11. Events after the balance sheet date

On 5 September 2019 the Company announced that it has conditionally raised GBP£1,955,000.04 (before expenses) through a subscription and placing of 27,928,572 new ordinary shares of no par value at a price of 7 pence (British pound sterling) per share (the 'Fundraising Shares') (collectively the 'Fundraising'). The Fundraising is conditional on the passing of the necessary resolutions at a general meeting of the shareholders of the Company (the 'General Meeting') and admission of the Fundraising Shares to trading on AIM ('Admission'). Each Fundraising Share has a warrant attached to subscribe for one new ordinary share at a price of 10 pence (British pound sterling) per share for a period of 12 months from the date of Admission. On Admission the Company will also issue warrants to a broker of the placing to subscribe for 2,142,857 new ordinary shares at a price of 10 pence (British pound sterling) per share for a period of 12 months from the date of Admission.

The General Meeting will be held at 12 p.m. on 27 September 2019 at the offices of Turner Pope Investments (TPI) Limited at 8 Frederick's Place, London, EC2R 8AB, United Kingdom.

12. Approval of condensed consolidated interim financial statements

The condensed consolidated interim financial statements were approved and authorised for issue by the board of directors of Cora Gold Limited on 12 September 2019.



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