The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR")

Cora Gold Limited / EPIC: CORA.L / Market: AIM / Sector: Mining

20 May 2019

Cora Gold Limited ("Cora Gold", "Cora" or "the Company")
Final Results

Cora Gold Limited, the West African focused gold exploration company, is pleased to announce its final audited results for the year ended 31 December 2018.

Highlights

- Advanced strategy of defining the scale potential of the Sanankoro Gold Discovery, located in the Yanfolila Gold Belt ("Sanankoro")
- 8km of mineralised strike successfully delineated at Sanankoro with high gold grades reported in maiden drilling campaign
- Independent Exploration Target of between 30 and 50 million tonnes of gold ore at a grade of 1.0 and 1.3 g/t Au for Sanankoro estimated by SRK Consulting (UK) Limited, ("SRK")
- SRK's report confirmed that Sanankoro has the potential to delineate up to two million ounces to a vertical depth of 100m
    - Potential for significant upside remains at depth
- Wardell Armstrong International appointed to undertake preliminary metallurgical test work programme
    - Preliminary results, announced post period end, demonstrate potential for coarse ore gold recoveries of up to 97% achievable through cyanide leach extraction
- First reconnaissance drill programme completed at the highly prospective Tekeledougou Gold project

Dr Jonathan Forster, Cora's CEO commented, "In 2018 we successfully achieved our objective of determining the scale and potential of the Sanankoro Gold Discovery. The Exploration Target established by SRK of 1.0-2.0 Moz was a key milestone towards this as it confirmed Sanankoro's standalone potential. We were delighted to appoint Wardell Armstrong and their initial findings that, with minimal crushing, Cora can achieve excellent gold recoveries of potentially up to 97% and that a straightforward, cost-effective processing route can be utilised, is both encouraging and supportive of Sanankoro's economic potential.

"Work undertaken in 2018 has enabled the Company to continue to advance the Sanankoro Gold Discovery and we are looking forward to commencing a 6,000m drilling campaign with the objective of establishing a maiden gold oxide mineral resource estimate by Q4 2019 ahead of the delivery of a Scoping Study. Following our recent fundraise of £1.35 million, which was supported by existing shareholders and various board members, we are well funded to complete this work. I look forward to updating shareholders with our progress in the upcoming months."

Annual General Meeting

The Company hereby announces that its annual general meeting ("AGM") will be held at the offices of SP Angel Corporate Finance LLP, situated at Prince Frederick House, 35-39 Maddox Street London, W1S 2PP, on 11 June 2019 at 12.00 p.m.

The Company's Annual Report and Financial Statements for the year ended 31 December 2018, including the notice of AGM, will be posted to shareholders today and will be available thereafter on the Company's website http://www.coragold.com

** ENDS **

For further information, please visit http://www.coragold.com or contact:

Jon Forster	Cora Gold	+44 (0) 20 3239 0010
Ewan Leggat / Charlie Bouverat	SP Angel (Nomad & Broker)	+44 (0) 20 3470 0470
Gaby Jenner/Melissa Hancock	St Brides Partners (Financial PR)	+44 (0) 20 7236 1177

Chairman's Statement

I am pleased to present the Annual Report of Cora Gold Limited ('Cora Gold', 'Cora' or the 'Company' and together with its subsidiaries the 'Group') for the year ended 31 December 2018.

Cora Gold is a gold exploration company focused on two world class gold regions in Mali and Senegal in West Africa, known as the Kenieba Window (west Mali / east Senegal) and the Yanfolila Gold Belt (south Mali).

Cora Gold commenced exploration in 2014, with the majority of the permits having undergone little previous exploration. Cora Gold conducted sufficient work programmes across the various permits to enable it to review the prospectivity of each and reduce its land holding to the permits that subsequently formed the basis for an amalgamation of exploration permits with Hummingbird Resources plc (AIM: HUM; 'Hummingbird') in 2017. Subsequently on 9 October 2017 the Company's ordinary shares were admitted to trading on AIM with an implied market capitalisation on Admission of GBP£9.07 million.

In January 2018 the Company announced impressive gold grades in multiple drilling intersections from its initial drill programme at the Group's flagship Sanankoro project on the Yanfolila Gold Belt. In addition, during Q1 2018 the Company completed the first reconnaissance drill programme at the highly prospective Tekeledougou Gold Project in southern Mali. Work continued throughout 2018 across both Sanankoro and Tekeledougou plus a number of other permits in Cora Gold's portfolio.

In October 2018 Cora Gold announced that independent consultants SRK Consulting (UK) Limited ('SRK') had estimated an initial Exploration Target of between 30 and 50 million tonnes of gold ore at a grade of between 1.0 and 1.3 g/t Au for its Sanankoro Gold Discovery. SRK's report confirms the Company's internal expectation that Sanankoro has the potential to delineate 1.0-2.0 million ounces to a vertical depth of 100m. The depth of oxidation ranges from approximately 50m to in excess of 100m, suggesting significant upside remains at depth.

We are pleased that our strategy of first defining the scale potential of Sanankoro has been vindicated before reverting to more focused drilling to identify areas of higher-grade mineralisation, which might be suitable as 'starter pits' for any future standalone gold mine. In addition, large tonnages of oxide ore, which in many places is represented by soft saprolitic ore, might be anticipated to be amenable to low cost mining and processing which could also be beneficial for the early stages of mine development.

In January 2019 Cora Gold announced the appointment of Wardell Armstrong International ('WAI') as independent consultants to undertake a preliminary metallurgical test work programme designed to assess the amenability for cyanide leach extraction of gold from oxide mineralisation at the Company's Sanankoro Gold Discovery. The test work, which will consider both cyanide-in-leach ('CIL') and heap leach gold extraction methods, is being conducted at WAI's laboratory facilities in the United Kingdom and will use two composite samples that have been collected from core holes drilled at the Zone A and Selin prospect areas at Sanankoro. Results are expected during Q2 2019.

Meanwhile Cora Gold's field teams are continuing with work across a number of permits in the Group's three Project Areas, being the Sanankoro and Yanfolila Project Areas (both in the Yanfolila Gold Belt of southern Mali), and the Diangounte Project Area (in the prolific Kedougou-Kenieba Inlier gold belt of western Mali and eastern Senegal). These activities are all aimed at expediting future work programmes.

Given the momentum generated in 2018, we are very much looking forward to 2019, with a busy schedule of exploration programmes planned once again.

We look forward to being able to report back to you during the year on our developments.

Geoffrey McNamara
Independent Non-Executive Director and Chairman

20 May 2019

Financial Statements

Consolidated Statement of Financial Position
as at 31 December 2018
All amounts stated in thousands of United States dollars

	Note	2018 US$'000	2017 US$'000
Non-current assets			
Intangible assets	*9*	9,814	7,342
Current assets			
Trade and other receivables	*10*	104	124
Cash and cash equivalents	*11*	823	3,406
		927	3,530
Total assets		***10,741***	***10,872***
Current liabilities			
Trade and other payables	*12*	(192)	(171)
Total liabilities		***(192)***	***(171)***
Net current assets		**735**	**3,359**
Net assets		**10,549**	**10,701**
Equity and reserves			
Share capital	*14*	8,617	7,936
Retained earnings		1,932	2,765
Total equity		**10,549**	**10,701**

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2018
All amounts stated in thousands of United States dollars

	Note(s)	2018 US$'000	2017 US$'000
Overhead costs	*6*	(837)	(394)
Aborted transaction costs		-	(177)
Gain on business combination	*16*	-	2,105
Related party balances forgiven	*10, 12*	-	2,038
(Loss) / profit before income tax		**(837)**	**3,572**
Income tax	*7*	-	-
(Loss) / profit for the year		**(837)**	**3,572**
Other comprehensive income		-	-
Total comprehensive (loss) / income for the year		**(837)**	**3,572**
Earnings per share from continuing operations attributable to owners of the parent			
Basic earnings per share (United States dollar)	*8*	(0.0150)	0.1114
Fully diluted earnings per share (United States dollar)	*8*	(0.0150)	0.1114

Consolidated Statement of Changes in Equity
for 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 2017	**207**	**(807)**	**(600)**
Profit for the year	-	3,572	3,572
Total comprehensive income for the year	**-**	**3,572**	**3,572**
Issue of shares related to business combination	3,050	-	3,050
Proceeds from shares issued	5,168	-	5,168
Issue costs	(706)	-	(706)
Share based payments	217	-	217
Total transactions with owners, recognised directly in equity	**7,729**	**-**	**7,729**
As at 31 December 2017	**7,936**	**2,765**	**10,701**
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**

Consolidated Statement of Cash Flows

for the year ended 31 December 2017

All amounts stated in thousands of United States dollars

	Note(s)	2018 US$'000	2017 US$'000
Cash flows from operating activities			
(Loss) / profit for the year		(837)	3,572
Adjustments for:			
Share based payments		21	217
Gain on business combination	*16*	-	(2,105)
Related party balances forgiven	*10, 12*	-	(2,038)

Decrease / (increase) in trade and other receivables		20	(121)
Increase in trade and other payables		21	171
Net cash used in operating activities		***(775)***	***(304)***
Cash flows from investing activities			
Additions to intangible assets	*9*	(2,472)	(752)
Net cash used in investing activities		***(2,472)***	***(752)***
Cash flows from financing activities			
Proceeds from shares issued	*14*	694	5,168
Issue costs	*14*	(30)	(706)
Net cash generated from financing activities		***664***	***4,462***
Net (decrease) / increase in cash and cash equivalents		**(2,583)**	**3,406**
Cash and cash equivalents at beginning of year	*11*	**3,406**	**-**
Cash and cash equivalents at end of year	*11*	**823**	**3,406**

Notes to the Financial Statements
for 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.

2. Accounting policies

The principal accounting policies applied in the preparation of financial statements are set out below (‘Accounting Policies’ or ‘Policies’). These Policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1. Basis of preparation

The consolidated financial statements of Cora Gold Limited have been prepared in accordance with International Financial Reporting Standards (‘IFRS’) and IFRS Interpretations Committee (‘IFRS IC’) as adopted by the European Union. The consolidated financial statements have been prepared under the historical cost convention.

The financial statements are presented in United States dollar (currency symbol: USD or US$), rounded to the nearest thousand, which is the Group's functional and presentational currency.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

(a) New and amended standards mandatory for the first time for the financial period beginning 1 January 2018

A number of new standards and amendments to standards and interpretations are effective for the financial period beginning on or after 1 January 2018 and have been applied in preparing these financial statements. The adoption of these standards and amendments did not have any impact on the financial position or performance of the Group.

- Annual improvements to IFRSs 2014-2016 Cycle
- Amendments to IFRS 2: Classification and Measurement of Share-based Payment Transactions
- IFRS 9: Financial Instruments
- IFRS 15: Revenue from Contracts with Customers

There are no other new standards and amendments to standards and interpretations effective for the financial period beginning on or after 1 January 2018 that are material to the Group and therefore not applied in preparing these financial statements.

(b) New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are listed below. The Group intends to adopt these standards, if applicable, when they become effective.

Standard	**Impact on initial application**	**Effective date**
IFRS 3 (Amendments)	Business Combinations	* To be determined
IFRS 16	Leases	1 January 2019
IFRIC 23	Uncertainty over Income Tax Treatments	1 January 2019
IAS 28 (Amendments)	Long-term Interests in Associates and Joint Ventures	1 January 2019
Annual Improvements	2015-2017 Cycle	1 January 2019
IAS 1 and IAS 8 (Amendments)	Definition of Material	* To be determined

* Subject to EU endorsement

The Group is evaluating the impact of the new and amended standards above. The directors believe that these new and amended standards are not expected to have a material impact on the Group's results or shareholders' funds.

2.2. Basis of consolidation

The consolidated financial statements incorporate those of the Company and its subsidiary undertakings for all periods presented.

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the

Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

Acquisition-related costs are expensed as incurred unless they result from the issuance of shares, in which case they are offset against the premium on those shares within equity.

Where necessary, adjustments are made to the financial information of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All intercompany transactions and balances between Group entities are eliminated on consolidation.

In late 2013 the shareholders of KG Congo Ltd (registered in the Republic of Mauritius) and the Company conditionally agreed to merge their business interests in the Republic of Congo (Brazzaville) and the Republic of Mali respectively. On 30 April 2014 the merger was formally completed by way of a share exchange such that immediately post-completion the Company became a wholly owned subsidiary of Kola Gold Limited ('Kola Gold').

During 2016 Kola Gold and Hummingbird Resources plc (AIM: HUM) ('Hummingbird') entered into a Memorandum of Understanding with a view to amalgamating certain of Hummingbird's non-core gold exploration permits in Mali together with a number of Kola Gold's permits in West Africa.

On 2 February 2017 Kola Gold, Hummingbird and Glenwick plc (AIM: GWIK; delisted 6 March 2017) ('Glenwick') entered into a non-binding heads of terms wherein Glenwick provisionally agreed to acquire 100% of the shares of the Company (the 'Reverse Takeover').

On 21 March 2017 the Kola Gold group was split in two with:

- Kola Gold continuing to hold permits in the Republic of Congo (Brazzaville); and
- the Company continuing to hold permits in Mali and Senegal in West Africa.

This re-organisation was completed by an in specie distribution of all the shares in the Company held by Kola Gold to the shareholders of Kola Gold.

On 28 April 2017 the amalgamation of certain of Hummingbird's non-core gold exploration permits in Mali together with a number of the Company's permits in Mali and Senegal was completed (the 'business combination') and as a result the Company acquired:

- a 100% shareholding in Hummingbird Exploration Mali SARL (registered in the Republic of Mali; on 3 July 2017 Hummingbird Exploration Mali SARL was renamed Cora Exploration Mali SARL); and
- a 95% shareholding in Sankarani Ressources SARL (registered in the Republic of Mali).

On 17 July 2017 the Company, Hummingbird and Glenwick mutually agreed to cancel the Reverse Takeover and, therefore, terminate the aforementioned non-binding heads of terms.

As at 31 December 2018 and 2017 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); and
- 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).

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

In addition as at 31 December 2018 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.

2.3. Interest in jointly controlled entities

Joint venture arrangements that involve the establishment of a separate entity in which each venturer has joint control are referred to as jointly controlled entities. The results and assets and liabilities of jointly controlled entities are included in these financial statements for the period using the equity method of accounting.

2.4. Going concern

The financial statements have been prepared on a going concern basis. The directors have prepared cash flow forecasts for the period ending 31 December 2019. The forecasts include the costs of progressing the Group's projects and the corporate and operational overheads of the Group. The forecasts demonstrate that the Group has sufficient cash resources available to allow it to continue as a going concern and meet its contracted and committed liabilities as they fall due. Additional funds will however be required in order to undertake all planned exploration and evaluation activities during the going concern period. The directors are confident in the ability of the Group to raise additional funding when required from the issue of equity or the sale of assets. Any delays in the timing and / or quantum of raising additional funds can be accommodated by deferring discretionary exploration and evaluation expenditure.

The directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.5. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors that makes strategic decisions.

2.6. Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in United States dollar, rounded to the nearest thousand, which is the Company's and Group's functional currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where such items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

2.7. Investments

Investments in subsidiary companies are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the impairment is identified in the Company accounts. These investments are consolidated in the Group consolidated accounts.

2.8. Intangible assets

The Group has adopted the provisions of IFRS 6 Exploration for and Evaluation of Mineral Resources.

The Group capitalises expenditure as project costs, categorised as intangible assets, when it determines that those costs will be successful in finding specific mineral resources. Expenditure included in the initial measurement of project costs and which are classified as intangible assets relate to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production. Project costs are recorded and held at cost. An annual review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise and carry forward project costs in relation to that area of interest. Accumulated capitalised project costs in relation to (i) an expired permit, (ii) an abandoned area of interest and / or (iii) a joint venture over an area of interest which is now ceased, will be written off in full as an impairment to profit or loss in the year in which (i) the permit expired, (ii) the area of interest was abandoned and / or (iii) the joint venture ceased.

Exploration and evaluation costs are assessed for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed it recoverable amount.

2.9. Financial assets

Classification

The Group's financial assets consist of loans and receivables. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date. These are classified as non-current assets. The Group's loans and receivables comprise trade and other current assets and cash and cash equivalents at the year-end.

Recognition and measurement

Regular purchases and sales of financial assets are recognised on the trade date – the date on which the Group commits to purchasing or selling the asset. Financial assets are initially measured at fair value plus transaction costs. Financial assets are de-recognised when the rights to receive cash flows from the assets have expired or have been transferred, and the Group has transferred substantially all of the risks and rewards of ownership.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset, or a group of financial assets, is impaired. A financial asset, or a group of financial assets, is impaired and impairment losses are incurred, only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets (a 'loss event'), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset, or group of financial assets, that can be reliably estimated.

The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal repayments;
- the Group, for economic or legal reasons relating to the borrower's financial difficulty, granting to the borrower a concession that the lender would not otherwise consider;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation.

The Group first assesses whether objective evidence of impairment exists.

The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred), discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the loss is recognised in profit or loss.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

2.10. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand, and are subject to an insignificant risk of changes in value.

2.11. Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.12. Reserves

Retained earnings / (deficit) – the retained earnings / (deficit) reserve includes all current and prior periods retained profit and losses.

2.13. Financial liabilities

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

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

Other financial liabilities are initially measured at fair value. They are subsequently measured at amortised cost using the effective interest method.

Financial liabilities are de-recognised when the Group's contractual obligations expire or are discharged or cancelled.

2.14. Provisions

The Group provides for the costs of restoring a site where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a site-by-site basis and are calculated based on the present value of estimated future costs. All provisions are discounted to their present value.

2.15. Taxation

Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. Current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

2.16. Share based payments

Equity-settled share based payments with employees and others providing services are measured at the fair value of the equity instruments at the grant date. Fair value is measured by use of an appropriate pricing model. The Company has adopted the Black-Scholes Model for this purpose.

Equity-settled share based payment transactions with other parties are measured at the fair value of the goods and services, except where the fair value cannot be estimated reliably in which case they are valued at the fair value of the equity instrument granted.

2.17. Exceptional items

Items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Group. They are items that are material, either because of their size or nature, or that are non-recurring. The aborted transaction costs, gain on business combination and gain on related party balances forgiven have been categorised as exceptional items.

3. Financial risk management

3.1. Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the management team under policies approved by the board of directors.

(i) Market risk

The Group is exposed to market risk, primarily relating to interest rate, foreign exchange and commodity prices. The Group does not hedge against market risks as the exposure is not deemed sufficient to enter into forward contracts. The Group has not sensitised the figures for fluctuations in interest rates, foreign exchange or commodity prices as the directors are of the opinion that these fluctuations would not have a significant impact on the financial statements of the Group at the present time. The directors will continue to assess the effect of movements in market risks on the Group's financial operations and initiate suitable risk management measures where necessary.

(ii) Credit risk

Credit risk arises from cash and cash equivalents as well as outstanding receivables. To manage this risk, the Group periodically assesses the financial reliability of customers and counterparties.

The amount of exposure to any individual counterparty is subject to a limit, which is assessed by the board of directors.

The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk.

(iii) Liquidity risk

Cash flow and working capital forecasting is performed for all entities in the Group for regular reporting to the board of directors. The directors monitor these reports and forecasts to ensure the Group has sufficient cash to meet its operational needs.

3.2. Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, in order to enable the Group to continue its exploration and evaluation activities, and to maintain an optimal capital structure to reduce the cost of capital.

The Group defines capital based on the total equity of the Company. The Group monitors its level of cash resources available against future planned operational activities and may issue new shares in order to raise further funds from time to time.

4. Judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with IFRSs requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Actual results may vary from the estimates used to produce these financial statements.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant items subject to such estimates and assumptions include, but are not limited to:

(i) Intangible assets (see Note 9)

An annual review is undertaken of each area of interest to determine the appropriateness of continuing to capitalise and carry forward project costs in relation to that area of interest. Accumulated capitalised project costs in relation to (i) an expired permit, (ii) an abandoned area of interest and / or (iii) a joint venture over an area of interest which is now ceased, will be written off in full as an impairment to the statement of income in the year in which (i) the permit expired, (ii) the area of interest was abandoned and / or (iii) the joint venture ceased.

Each exploration project is subject to review by a senior Group geologist to determine if the exploration results returned to date warrant further exploration expenditure and have the potential to result in an economic discovery. This review takes into consideration long-term metal prices, anticipated resource volumes and grades, permitting and infrastructure. The directors have reviewed each project with reference to these criteria and do not consider any impairment necessary.

5. Segmental analysis

The Group operates principally in the UK and West Africa, with operations managed on a project by project basis. Activities in the UK are administrative in nature whilst the activities in West Africa relate to exploration and evaluation.

An analysis of the Group's overhead costs, and reportable segment assets and liabilities is as follows:

	UK US$'000	Africa US$'000	Total US$'000
Year ended 31 December 2017			
Overhead costs	358	36	394
Loss from operations per reportable segment	358	36	394
As at 31 December 2017			
Reportable segment assets	3,495	7,377	10,872
Reportable segment liabilities	(171)	-	(171)
Year ended 31 December 2018			
Overhead costs	800	37	837
Loss from operations per reportable segment	800	37	837
As at 31 December 2018			
Reportable segment assets	844	9,897	10,741
Reportable segment liabilities	(45)	(147)	(192)

6. Expenses by nature

	2018	2017

	US$'000	US$'000
Consultants	4	-
Employees' and directors' remuneration (see below)	361	81
General administration	56	38
Travel	37	36
Legal and professional	164	170
Investor relations and conferences	135	102
Auditor's remuneration (see below)	32	34
Share based payments - share options	4	-
Foreign exchange loss / (gain)	44	(67)
Overhead costs	837	394

Employees' and directors' remuneration

The average monthly number of employees and directors was as follows:

	2018	2017
Non-executive directors	4	4
Employees	30	10
Total average number of employees and directors	34	14

Employees' and directors' remuneration comprised:

	2018 US$'000	2017 US$'000
Non-executive directors' fees	88	22
Wages and salaries	808	234
Social security costs	103	38
Total employees' and directors' remuneration	999	294
Capitalised to project costs (intangible assets)	(638)	(213)
Employees' and directors' remuneration expensed	361	81

Auditor's remuneration

Expenditures relating to the Company's auditor, PKF Littlejohn LLP, in respect of both audit and non-audit services were as follows:

	2018 US$'000	2017 US$'000
Audit fees: audit of the Group and Company's financial statements	32	34
Non-audit fees in relation to the Company's Admission to trade on AIM	-	61

	32	95
Capitalised to share capital (issue costs)	-	(61)
Auditor's remuneration expensed	32	34

7. Income tax

No current or deferred tax arose in either year.

The tax on the Group's (loss) / profit before tax differs from the theoretical amount that would arise as follows:

	2018 US$'000	2017 US$'000
(Loss) / profit before tax	(837)	3,572
Tax at standard rate of 19% (2017: 19.25%)	(159)	688
Effects of:		
Non-taxable income	-	(797)
Expenses not deductible for tax	-	34
Losses carried forward not recognised as a deferred tax asset	159	75
Income tax	-	-

8. 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:

	2018 US$'000	2017 US$'000
Net (loss) / profit attributable to equity shareholders	(837)	3,572
Weighted average number of shares for the purpose of basic earnings per share (000's)	55,802	32,083
Weighted average number of shares for the purpose of fully diluted earnings per share (000's)	55,802	32,083
Basic earnings per share (United States dollar)	(0.0150)	0.1114
Fully diluted earnings per share (United States dollar)	(0.0150)	0.1114

As at 31 December 2018 the Company's issued and outstanding capital structure comprised a number of ordinary shares, warrants and share options (see Note 14). As at 31 December 2017 the Company's issued and outstanding capital structure comprised a number of ordinary shares and warrants (see Note 14).

On 15 September 2017 each share in issue was sub-divided into 300 ordinary shares. The earnings per share has been consistently calculated based on the weighted average number of shares in issue in 2017 multiplied by the sub-division ratio.

9. Intangible assets

Intangible assets relate to exploration and evaluation project costs capitalised as at 31 December 2018 and 2017, less impairment.

	2018 US$'000	2017 US$'000
As at 1 January	7,342	1,435
Acquisition of subsidiaries (see Note 16)	-	5,210
Additions	2,472	697
Impairment	-	-
As at 31 December	9,814	7,342

Additions to project costs during the years ended 31 December 2018 and 2017 were in the following geographical areas:

	2018 US$'000	2017 US$'000
Mali	2,442	5,907
Senegal	30	-
Additions to projects costs	2,472	5,907

Project costs capitalised as at 31 December 2018 and 2017 related to the following geographical areas:

	2018 US$'000	2017 US$'000
Mali	9,784	7,342
Senegal	30	-
Project costs as at 31 December	9,814	7,342

10. Trade and other receivables

	2018 US$'000	2017 US$'000
Other receivables	80	95
Prepayments	24	29
	104	124

Following the re-organisation of the Kola Gold group on 21 March 2017, in accordance with an agreement dated 15 September 2017 between the Company, Kola Gold and KG Congo Ltd balances, being amounts loaned to Cora Gold from Kola Gold (US$2,098,436) and amounts loaned from Cora Gold to KG Congo Ltd (US$60,546), were forgiven. The net amount of US$2,037,890 was recognised under the heading 'Related party balances forgiven' in the consolidated statement of comprehensive income for the year ended 31 December 2017.

11. Cash and cash equivalents

Cash and cash equivalents held as at 31 December 2018 and 2017 were in the following currencies:

	2018 US$'000	2017 US$'000
British pound sterling (GBP£)	806	3,371
Euro (EUR€)	13	-
CFA Franc (XOF)	3	35
United States dollar (US$)	1	-
	823	3,406

12. Trade and other payables

	2018 US$'000	2017 US$'000
Trade payables	62	47
Other taxes	62	61
Accruals	68	63
	192	171

Following the re-organisation of the Kola Gold group on 21 March 2017, in accordance with an agreement dated 15 September 2017 between the Company, Kola Gold and KG Congo Ltd balances, being amounts loaned to Cora Gold from Kola Gold (US$2,098,436) and amounts loaned from Cora Gold to KG Congo Ltd (US$60,546), were forgiven. The net amount of US$2,037,890 was recognised under the heading 'Related party balances forgiven' in the consolidated statement of comprehensive income for the year ended 31 December 2017.

13. Financial instruments

	2018 US$'000	2017 US$'000
Loans and receivables		
Trade and other receivables	80	95
Cash and cash equivalents	823	3,406
	903	3,501

	2018 US$'000	2017 US$'000
Financial liabilities at amortised cost		
Trade and other payables	130	110
	130	110

14. Share capital

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

As at 31 December 2016 the Company's issued and outstanding capital structure comprised 50,000 no par value shares and there were no other securities on issue and outstanding.

On 28 April 2017 as a result of the business combination (see Note 2.2) 50,000 shares in the Company were issued to Trochilidae Resources Ltd, a subsidiary of Hummingbird, in consideration for an aggregate price of US$3,050,000.

On 30 May 2017 the Company closed a non-brokered private placement of 7,937 shares at a price of US$61 per share for total gross proceeds of US$484,157. Certain directors of the Company participated in this placement.

On 17 July 2017 in full and final settlement of costs totalling US$176,750 incurred by Glenwick in connection with the cancelled Reverse Takeover (see Note 2.2) the Company issued 2,897 shares to Glenwick at a price of US$61 per share.

On 31 August 2017 the Company:

- closed a non-brokered private placement of 2,014 shares at a price of US$61 per share for total gross proceeds of US$122,854. Certain directors of the Company participated in this placement; and
- issued 491 shares at a price of US$61 per share to Hummingbird in full and final settlement of an invoice for US$30,000 from Hummingbird in relation to accounting and administration costs incurred during 2017 in relation to the business combination.

On 15 September 2017 each share was sub-divided into 300 ordinary shares such that immediately post this sub-division the Company's issued and outstanding capital structure comprised 34,001,700 ordinary shares.

In October 2017 the Company:

- closed a placing and subscription for 20,928,240 ordinary shares at a price of 16.5 pence (British pound sterling) per share for total gross proceeds of GBP£3,453,160. Certain directors of the Company participated in this subscription;
- issued 45,454 ordinary shares at a price of 16.5 pence per share to St Brides Partners Limited in full and final settlement of an initial float fee of GBP£7,500, being one-half of a total initial float fee of GBP£15,000, for public relations consultancy services; and
- issued warrants to brokers of the Placing 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 and 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 (see Note 19).

The fair value of share options has been calculated using the Black-Scholes Model, the inputs into which were as follows:

- strike price 16.5 pence;
- share price 12.25 pence;
- volatility 9.1%;
- expiry date 18 December 2022;
- risk free rate 1.5%; and
- dividend yield 0.0%.

The cost of share based payments relating to share options has been recognised in the consolidated statement of comprehensive income and in retained earnings.

As at 31 December 2018 the Company's issued and outstanding capital structure comprised:

- 66,040,294 ordinary shares;
- warrants to subscribe for 320,575 ordinary shares at a price of 16.5 pence per share expiring 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 and expiring on 18 December 2022.

Movements in capital during the years ended 31 December 2018 and 2017 were as follows:

	Number of shares (restated)	Number of warrants	Number of share options	Proceeds US$'000
As at 1 January 2017	15,000,000	-	-	207
Business combination	15,000,000	-	-	3,050
Non-brokered private placements	2,985,300	-	-	607
Aborted transaction costs	869,100	-	-	177
Settlement of costs and fees	192,754	-	-	40
Placing and subscription	20,928,240	-	-	4,561
Issued to brokers of the placing	-	320,575	-	-
Issue costs	-	-	-	(706)
As at 31 December 2017	54,975,394	320,575	-	7,936
Settlement of costs and fees	80,000	-	-	17
Granting of share options	-	-	2,550,000	-
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

15. Ultimate controlling party

The Company does not have an ultimate controlling party.

As at 31 December 2018 the Company's largest shareholder was Hummingbird which held 18,610,127 ordinary shares (including shares held by Hummingbird's subsidiary, Trochilidae Resources Ltd) (being 28.18% of the total number of ordinary shares in issue and outstanding).

16. Business combination

On 28 April 2017 the Group acquired 100% of the share capital of Cora Exploration Mali SARL and 95% of the share capital of Sankarani Ressources SARL. 50,000 shares in the Company were issued to Trochilidae Resources Ltd, a subsidiary of Hummingbird, in consideration for an aggregate price of US$3,050,000. In addition the Group acquired the right to purchase the remaining 5% of Sankarani Ressources SARL from a third party for US$1,000,000. The primary reason for the business combination was to increase the asset base of the Group.

As part of the business combination the following intra group balances were assigned to the Company from Hummingbird:

- from Cora Exploration Mali SARL, being CFA Franc 4,394,468,854 (currency symbol XOF; equivalent to US$7,654,982); and
- from Sankarani Ressources SARL, being CFA Franc 1,388,262,844 (currency symbol XOF; equivalent to US$2,418,296).

The following table summarises the consideration paid for Cora Exploration Mali SARL and Sankarani Ressources SARL and the fair values of the assets and liabilities assumed at the acquisition date:

	US$'000
Total consideration	
Shares issued	3,050
	3,050

Recognised amounts of assets acquired and liabilities assumed	
Intangible assets - exploration and evaluation project costs	5,210
Trade and other payables	(55)
Total identifiable net assets	5,155
Total consideration	**(3,050)**
Gain on business combination	**2,105**

The business combination had no impact on the consolidated statement of comprehensive income other than the gain arising on business combination. The business combination resulted in a gain due to the value of the total identifiable net assets being greater than the value of the consideration paid.

17. 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.

The Operational Review section of the Strategic Report contains details of potential net smelter royalty obligations by project area, together with options 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.

18. Capital commitments

On 13 December 2018 the Group entered into a drilling contract with Target Drilling SARL for a total of 3,250 metres of drilling at the Sanankoro Gold Discovery (Sanankoro Permit, Sanankoro Project Area in southern Mali) for a total contract value of approximately EUR€100,000 plus ancillary costs. As at 31 December 2018 under the terms of the contract the Group had incurred expenditure of EUR€20,452 for a total of 203.2 metres of drilling. This drilling contract was fully satisfied in early 2019.

19. Related party transactions

During the year ended 31 December 2018:

- in relation to the services of Geoffrey McNamara, Independent Non-Executive Director and Chairman of the Company, fees totalling GBP£24,000 were paid to Tanamera Resources Pte Ltd ('Tanamera'), a company wholly owned by Geoffrey McNamara;
- in accordance with a Relationship Agreement dated 3 October 2017, in relation to the services of Robert Monro, Non-Executive Director of the Company, fees totalling GBP£14,000 were paid to Hummingbird; and
- 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. The following directors of the Company participated in this subscription:
  - Key Ventures Holding Ltd, the sole shareholder of which is First Island Trust Company Limited as Trustee of The Sunnega Trust of which Paul Quirk (Non-Executive Director) is a beneficiary, subscribed for 780,000 ordinary shares for total gross proceeds of GBP£39,000;
  - Tanamera, a company wholly owned by Geoffrey McNamara (Independent Non-Executive Director and Chairman), subscribed for 780,000 ordinary shares for total gross proceeds of GBP£39,000; and
  - Jonathan Forster, Chief Executive Officer and Director, subscribed for 100,000 ordinary shares for total gross proceeds of GBP£5,000.

During the year ended 31 December 2017:

- in relation to the services of Geoffrey McNamara fees totalling GBP£6,000 were paid to

Tanamera;

- in accordance with a Relationship Agreement dated 3 October 2017, in relation to the services of Robert Monro:
  - fees totalling GBP£3,500 were paid to Hummingbird; and
  - share options over 275,000 ordinary shares in the capital of the Company exercisable at 16.5 pence per ordinary share and expiring on 18 December 2022 were awarded to Hummingbird;
- Craig Banfield, the Company's Chief Financial Officer and Company Secretary, received retainer fees from the Company totalling GBP£35,625 in respect of the period to 30 September 2017. With effect from the date of the Company's Admission to trade on AIM, being 9 October 2017, Craig Banfield's remuneration as Chief Financial Officer of the Company has been determined in accordance with his Service Agreement. Immediately prior to Admission on AIM the Group had no employees. In addition prior to Admission to trade on AIM, during the year ended 31 December 2017 the Company's subsidiary Cora Gold Mali SARL advanced sums to Craig Banfield totalling EUR€80,000 in order for him to settle costs and fees of UK-related suppliers and creditors for and on behalf of the Group. All such advanced sums have been fully accounted for and as at 31 December 2017 the balance of advanced sums held by Craig Banfield was EUR€nil.

20. Events after the balance sheet date

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. Immediately upon closing of this fundraise the total number of ordinary shares on issue was 101,105,139 and the Company's largest shareholder was 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 on issue and outstanding).