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Aurum Mining PLC
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News Release

June 28th 2013

AURUM MINING PLC

("Aurum" or "the Company")

Preliminary Results for the year ended 31st March 2013

Aurum Mining plc (AIM: AUR), the Spanish focussed gold and tungsten explorer, is pleased to report its preliminary audited financial results for the year ended 31st March 2013.

Highlights:

- Continued progress made on each of the Company's three highly prospective gold projects in which the Company has a majority interest through its joint venture with Ormonde Mining plc
- Initial drilling campaign at the Cabeza de Caballo project is in progress
- Acquisition of the Morille tungsten project in Salamanca Province, North West Spain. Initial work carried out at Morille indicate it to be a project of significant potential merit
- The Board is cognisant of difficult prevailing market conditions and is looking at a range of options to fund its portfolio of projects
- Cash conservation and preservation are key objectives for the Company - a significant cost reduction programme has been implemented since the period end.
- General Meeting of the Company will take place on 12th September 2013.

Sean Finlay, Aurum's Chairman, said:

"During the period, Company has made continued and sustained progress across its portfolio of gold projects and we were delighted to complete the acquisition of the highly prospective Morille tungsten project.

Given the prevailing market conditions, the Board is looking at a range of options to fund each of the projects given that all four are worthy of further aggressive exploration work.

We remain both optimistic and excited about the Company's portfolio of assets and look forward to keeping the market updated on progress over the next period."

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Notes to Editors:

Aurum Mining is an AIM listed exploration and development company focused on its highly prospective portfolio of gold and tungsten assets in North West Spain.

Gold

Through its joint venture agreement with Ormonde Mining plc (AIM: ORM), Aurum currently has a 60% interest in the Pino de Oro project in Zamora Province and a 54% interest in the Peralonso and Cabeza projects in Salamanca Province.

Tungsten

Aurum's 100% owned Morille Tungsten project is located approximately 15km south west of Salamanca in North West Spain and covers an area of 5,796 hectares. The permit area is a 'brownfield' site with historical data indicating the production from the site of high quality tungsten concentrates from mineralisation grading up to 1% WO₃. This historic work will provide key information on where initial exploration targets are located.

Review of activities

The last twelve months have been a period of continued progress and activity for Aurum, and during this time substantial activity has taken place across its gold and tungsten portfolio with very encouraging exploration results achieved from each of the Company's four projects.

The Board believes that the Company has identified three new gold discoveries in North West Spain and the initial work carried out at the Company's 100% owned Morille tungsten project indicate that it is a project of significant merit. The Board feels that all four of the Company's projects have the capacity and capability to ensure that the Company delivers on its twin strategic objectives of transforming Aurum into an integrated mining company that delivers strong returns to Shareholders.

Going forward, the key challenge facing the Company is inevitably going to be making sustained progress in the difficult market environment that currently prevails, so the Board is adapting the strategy to give the Company the best chance of continued forward progress over the next period. The junior mining sector across the globe continues to suffer from a grave shortage of investment, and this lack of investment makes a strategy of organic growth extremely difficult to achieve. The

current malaise is highlighted by the fact that AIM mining fundraisings in May totalled only £8.65m, the lowest monthly total since September 2008. Furthermore, as of 31 May 2013, of the 164 mining companies listed on AIM over 70% had a market capitalisation of less than £25m, and the median value of these 164 companies was only £12m. These statistics, serve to highlight the large number of small companies chasing the same, very limited and decreasing pool of capital with the result that the junior mining sector finds itself in a state of near paralysis.

However frustrating it may be, and in spite of the strength of the Company's asset portfolio, the Board is acutely aware that, under current market conditions, it will be a real challenge for the Company to make sustainable and meaningful progress across its four separate projects concurrently. All four of the Company's projects merit aggressive exploration work and it is not guaranteed that the Company can raise this level of funds from conventional sources. Consequently the Board is taking steps to identify ways in which it can continue to provide the level of investment in its projects necessary to produce the newsflow and results which are the life blood of small companies. The Company is in discussions with a number of different parties about ways in which it can finance the proposed drilling programme at Morille and will continue to look at how it can find ways to finance both the gold and tungsten projects through strategic alliances or partnering arrangements.

The Board is very grateful to the current major Shareholders who have continued to support the Company through the period and who were the backbone for the Company's successful fundraise in December 2012.

The key next steps for the Company will be to build on all the successful exploration work done on the gold projects to date, and to commence an aggressive drilling programme at Morille. Capital allocation and prioritisation across the projects will be a key factor for the Board to consider given the current uncertain market conditions.

Gold projects

As outlined above, the recent period has also been one of activity and progress on each of the three gold projects in which Aurum has a majority interest through its joint venture with Ormonde Mining plc ("Ormonde")., Aurum has a 60% interest in the Pino del Oro project in Zamora province ("Pino") and a 54% interest in the Peralonso and Cabeza de Caballo ("Cabeza") projects in Salamanca province.

Cabeza

At the time of the writing of the 'Review of Activities' for the Company's 2012 Annual report, very little work had been carried out at Cabeza and it therefore hardly received a mention. Since then, initial exploration work at Cabeza has indicated it to be an exploration target of great promise and the Board is extremely optimistic about its potential.

Soil geochemistry, prospecting, geophysics and trenching work carried on the project during the period have all indicated that the permit area has the potential to host a large, previously unrecognised, near surface gold system and a follow up drilling campaign is underway to follow up on the initial work.

The results from the initial trenching work at Cabeza also indicated the potential existence of not only large but also high grade mineralised structures at the permit area - highlights from this trenching work are set out below;

Trench CABTR006 encountered two main zones of veining and mineralization (19m and 30m wide respectively). Best intervals within the two mineralised zones included:

- First zone: 4 metres grading 8.17 grams per tonne ("g/t"), and 1 metre grading 14.0 g/t gold;
- Second zone: 1 metre grading 4.72 g/t, 11 metres grading 1.57 g/t and 5 metres grading 1.22 g/t gold. If zero gold grade is assigned to the intervals that were not sampled in this zone (total of 13 metres), then this gives an average grade of 0.97g/t gold over the 30 metre mineralised zone.

Trench CABTR006 was located approximately 90 metres south of Trench CABTR004 which returned a mineralised section 21 metres grading 3.71 g/t gold from a similar zone of quartz-sulphide veining.

These trenches were excavated on a gold-in-soil anomaly which has a strike length of some 800 metres (NNE/SSW) at 50 parts per billion gold. The soil anomaly was defined following prospecting which had defined high grade gold values from float material (loose blocks) in an area of very poor bedrock outcrop.

The trenching to date at Cabeza has identified steeply dipping zones of gold-bearing quartz veining within variably altered granites. In addition to the granite hosted mineralisation, CABTR006 has encountered gold in the surrounding metamorphosed sedimentary rocks.

The Board was also really pleased to see some very encouraging results from prospecting on the area covered by a permit application contiguous with the Cabeza permit. Results received from float samples collected along the inferred strike extension of gold-bearing structures already identified at Cabeza highlight that the mineralised structures identified by previous exploration work at Cabeza potentially extend beyond the boundaries of the existing permit areas and into areas covered by the new permit applications by the joint venture.

This prospecting work has identified intriguing follow up targets and provides real hope that the gold structures at Cabeza have significant scale. Float samples with gold values greater than 1g/t now occur over some 2.6km of strike length at Cabeza.

Significant findings from this prospecting work were as follows:

- Gold-bearing material was identified in several float samples located over an area 1.2 kilometres north of the main zone of gold discovered in initial trenching.
- Five of nine samples collected returned greater than 3g/t gold with a maximum value 4.92g/t gold.
- Two float samples collected some 800m northwest of the Cabeza trenching area returned values of 0.57 g/t and 43.5 g/t gold.
- Prospecting results support a developing theory that the original float samples on this prospect (8 of 13 samples returned values greater than 3g/t gold with maximum values of 45.3 g/t and 72.2 g/t gold) which are located some 400 metres northwest of the current trenching, may represent a separate gold structure with little or no soil geochemical expression.

Following on from these excellent trenching and prospecting results the joint venture commenced a drilling programme at the permit area in the Spring.

To date, four diamond holes have been drilled, over a total depth of 442 metres, to test for near-surface extensions to the gold mineralisation previously identified by the earlier exploration work.

Due to difficulties relating to waterlogged ground and crop cultivation in the target area, the drill programme had to be curtailed on the completion of these initial four holes but conditions have now improved and the trenching work required to finalise the drill hole locations of the programme has now recommenced ahead of further drilling.

Results have now been received for these initial four holes and the main conclusions from these results are as follows:

- Wide gold-bearing intersections were identified in two of the first four holes drilled - best results were returned from hole CABDD002 with an interval of 24 metres grading 0.35 grams per tonne ("g/t") gold (from surface) and from CABD004 which intersected 18 metres grading 0.22g/t.
- All four holes encountered gold mineralisation within 100 metres of the surface.
- Narrower, higher grade, intersections include 3m at 0.66g/t in CABDD003 and 1.15m grading 1.06 g/t in CABD004.
- The mineralisation is associated with three distinct sets of quartz sulphide veining in a style consistent with an 'Intrusion-Related' gold mineralising system.

These are still very early days for the Cabeza drilling campaign and it is not possible to draw firm conclusions from the assay results received to date. The Board is encouraged to see these wide gold-bearing intersections albeit that they contain gold at a lower grade than hoped, and the key objective now is for the joint venture to identify where these wide mineralised zones carry higher grades of gold.

The Cabeza permit area is a large and highly prospective target with a number of high quality target areas for follow up work which the joint venture explore over the next period. The Board is extremely optimistic about Cabeza's potential.

Peralonso

During the period, considerable exploration has been carried out on the Peralonso gold project including the initial two drilling programmes on the permit area.

Results from both drilling programmes clearly demonstrate widespread near surface gold mineralisation on the Peralonso permit area. Further, prospecting work carried out during the period, approximately 1.2 kilometres ENE of the drilling area, along the inferred strike extensions, also produced very encouraging results raising the prospect that the structures identified to date at Peralonso may have significant scale.

Drilling tested the shallow depth extent of the gold mineralisation previously encountered in trenching within the area of an extensive gold-in-soil geochemical anomaly. The work carried out to date suggests that near surface gold mineralisation is hosted within multiple steeply-dipping altered zones within granites, characterised by quartz veining and breccias, which exhibit several phases of brecciation.

As mentioned, drilling results identified some wide mineralised structures in addition to some high grade sections. Best results include; 13.3m at 2.59 g/t, 10.1m at 3.39 g/t, 9.2m at 2.09 g/t, 18m at 0.70 g/t, 6m at 1.38 g/t (from surface) and 1.0m at 33.2 g/t.

The prospecting work, carried out 1.2 kilometres ENE of the area of drilling at Peralonso, also returned some excellent results - of a total of 23 float samples collected in this area, 13 samples returned grades greater than 3 g/t gold, with maximum values of 10.05 g/t and 13.5 g/t. To reiterate, this prospecting work was carried out along the inferred strike extensions of Peralonso and strongly suggests that the opportunity in this area may have significant scale.

As a direct result of this successful initial exploration, the joint venture has submitted a permit application for an area adjacent to the northern boundary of the Peralonso permit area (totalling some 43 square kilometres). This permit area is called "Alajar"

and the Company will keep the market updated with progress made on this application.

There are a number of clearly defined, highly prospective, targets now identified for follow up exploration work at Peralonso. The speed with which the Company can drill these target areas will inevitably depend on the availability of capital over the next period and the strength of the investment case between these targets and those on the Company's other projects.

Pino

Prior to the recent exploration work carried out at Cabeza and Peralonso, the main focus of the joint venture had been the 'El Facho' structure which falls within the Pino permit area in Zamora Province.

Research suggests that the El Facho structure is an example of a class of deposits known as "reduced intrusion related gold systems" ('RIRGS'). These deposits, which are characterised by arrays of gold bearing veins associated with upper levels of small granitic intrusions are becoming increasingly recognised for their potential to host commercially viable gold occurrences. Examples include Kinross Gold's large, low grade Fort Knox deposit in Alaska, which is currently producing around 360 koz of gold per year at a cash cost of US\$663/oz from a reserve estimated to contain 3.6m oz of gold. Apart from the Alaska/Yukon area of North America, other RIRGS type deposits are reported from the Tien Shan district of central Asia, the New England / Lachlan Belt of Eastern Australia and the Bolivian polymetallic belt of South America.

The Iberian Peninsula is now also becoming recognised for its potential to host similar deposits, with the Salave and Rio Narcea deposits in Spain and the Penedona and Jales deposits in Portugal now recognised in the geological literature as further examples of this class of gold deposits. Aurum and Ormonde are therefore optimistic that their continuing exploration programme will lead to the discovery of another such deposit at the Pino permit area.

To date there have been 3,658 metres of drilling on the El Facho and assay results show intersections of mineable widths and grades. The assays indicate a main gold bearing structure over a strike length in excess of 600 metres which remains open both laterally and at depth.

As previously reported, despite the relatively limited work done on the structure to date, the potential of the El Facho was highlighted in the work done by the joint venture's external consultant, Aurum Exploration Services (the Irish based mineral

exploration advisers who are totally independent of Aurum), has estimated that the current resource at El Facho to be in the region of 122,000-145,000 ounces based on a 0.3 g/t cut off. This was an early stage resource estimation rather than being a resource that has been calculated in accordance with any internationally recognised standard but their findings highlight the significant potential of the structure even at this early stage of its development. It is also important to point out that the El Facho structure remains open in all directions.

During the period, the joint venture undertook follow up exploration work at Pino with the objective of identifying additional mineralised structures near to El Facho to enable an expansion of the potential resource on the Pino permit area. Of significant interest is that soil sampling work highlighted a major new gold target ("Manton de Roble") with two main anomalous zones identified 500m to the north of El Facho.

The target is potentially an extension or a repetition of the El Facho structure and, if looked at in conjunction with El Facho, could significantly bolster the size of the opportunity at Pino which is exactly what it was hoped this piece of work would achieve.

The results at Manton de Roble highlighted two distinct, strong gold geochemical anomalies.

Anomaly 1 trended North-East with a strike length of some 400m when contoured at 250ppb gold. In the main section of the anomaly, there were consecutive values of 651ppb, 1,185ppb, 937ppb, 487ppb and 622ppb from samples 20m apart.

Anomaly 2 trended North-North-East with a strike length of some 150m, contoured at 250ppb gold. In the main section of the anomaly, there were consecutive values of 780ppb, 430ppb and 537ppb gold from samples 20m apart. The strike extends to 1,200m when it is contoured at 100ppb.

Further exploration work will now be undertaken to determine the relationship between Manton de Roble and El Facho. The Board is pleased with these results, and is now even more hopeful that there could be a really sizeable opportunity at Pino.

Morille tungsten project

Following the completion of the acquisition of the Morille project in September 2012, the Company initially embarked on two major workstreams to ensure that the initial exploration work on the project could be utilised in the most efficient and effective way.

Given the considerable size of the Morille project (5,796 hectares) and its brownfield nature, the Board always knew that there would be a wealth of historic information available on the project that would assist the Company in putting together its initial exploration programme for the project. Some of this information took a considerable amount of time to identify and locate, but the Company has been highly encouraged by the quality of the historical information that has come to light. This information has provided the Company with invaluable pointers as to the optimal locations for the initial exploration work and how this opportunity should be approached.

By carrying out such a comprehensive upfront exercise, the Company has undoubtedly made significant time and cost savings due to the fact that the information gathered has alleviated the need to do some of the preliminary exploration work at Morille that might otherwise have been necessary. For example, the Company has now reviewed the 1986 work programme submitted to the Department of Mines by the historic mine operator of the Alegría mine, outlining proposed mining work that was never completed. By getting hold of this information the Company can effectively pick up from where the previous operators left off and this will alleviate the need for much of the initial grass roots exploration work that was forecast when the Company initially made the acquisition of Morille.

Initial sampling of the outcrop and dump material on the permit area has also corroborated information contained within the historical data and this has also enabled the Company to obtain a really good baseline understanding of the opportunity.

This data collection exercise and review of historical data has now been completed with the identification of initial drill hole locations and the compilation of a work programme that is most likely to yield successful results and positive newsflow. As outlined above, the Company has also progressed all the regulatory activity necessary to enable the commencement of work at the project and the initial work programme has been submitted to, and approved by the Mines Department of Salamanca.

The environmental baseline work has also been completed, and all licences have been satisfactorily transferred to reflect Aurum's ownership.

In summary, the Board believes that the project is now well enough established and understood to justify the commencement of work at Morille. However given the strength of the initial upfront work and the quality of data, the Board feels comfortable to bypass much of the initial exploration work originally scoped and to move directly to a comprehensive and aggressive drilling campaign at the site of the old Alegría mine. The review of all the historical data, has determined that this site provides the best initial exploration target.

Tungsten mineralisation in the form of scheelite was exploited at the Alegría mine from the 1940s until closure in 1985. Historic evidence indicates that as many as four relatively flat lying mineralised horizons were exploited within 100 metres of the surface and this was supported by drilling carried out during the late 1970s by the Spanish Geological Survey (IGME) which showed variable thicknesses of mineralisation of commercial grade at Alegría. Assay results unearthed from one of these drill holes contained a mineralised intersection of 11m at 0.21% WO₃ (from 22 metres), including 2.85m at 0.52% WO₃, and this area therefore represents a strong target for follow up.

It is interesting and important to note that the old Alegría mine is only one of about a dozen major historic workings on the permit area. Many of the other workings provide significant exploration opportunities that will be followed up in due course.

The Board considers a drilling campaign of some 8,000 - 10,000 metres at Alegría is appropriate as it believes that this is the optimal way to move the project forward in a meaningful way. A successful drilling campaign of this magnitude could result in this project being moved rapidly forward to development and the Board feels that this accelerated approach has to be best approach in this market. Assigning limited amounts of money for drilling would not be cost effective and would not make a material difference to the project. The Company is in preliminary discussions with a wide range of potential partners with regards the funding requirements for the drilling at Morille and will update the market on the outcome of these discussions in due course.

The Board is also looking at other ways of potentially moving the project forward in the short term - for example a review is being undertaken to see if cashflows could be generated through processing the dumps and tails of previous operations on the site. These funds could then be used to fund the drilling programme.

In conclusion, the Board is extremely optimistic about the potential of the Morille permit area and will look to progress the project as quickly as is commercially possible and securing sufficient funding to undertake this work is going to be a key first step in this process.

Key financials

For the twelve months to 31 March 2013, the Group reported a loss of £690k compared to a loss of £1,042k for the same period in 2012.

The loss for the current period includes £58k of written off project pre-acquisition costs.

Given the current market conditions, cash conservation and preservation are vitally important and the Board has implemented a cost restructuring exercise in order to ensure that the Group's existing financial resources are sufficient until further funding is secured.

In December 2012, the Company announced that it had raised gross proceeds £0.7m through a placing of its securities.

Corporate

The Company announced that Simon Beardsmore joined the Company on a full time basis from 1 April 2012.

In November 2012, the Company announced that it had appointed WH Ireland as the Company's NOMAD and broker.

In addition to the Shareholders, the Board would also like to thank the Company's advisers and consultants for their continued support during the period.

Outlook

Given the prevailing current market conditions, cash conservation and preservation are vitally important and the Board will manage the Company with these key objectives in mind.

The Board is optimistic that funding will be available to progress its projects during the next period, and, as mentioned, is looking at a number of different options to secure this funding.

The Company's asset portfolio in North West Spain is highly prospective and the Board is looking forward to updating the market on progress with the future exploration programme.

Sean Finlay

Chairman

Chris Eadie

Chief Executive Officer

27 June 2013

Simon Beardsmore, BSc (hons), ARSM, MIMMM, CEng, Technical Manager of Aurum Mining plc, and a qualified person as defined in the AIM Guidance Note for Mining, Oil and Gas Companies, June 2009, of the London Stock Exchange, has reviewed and approved the technical information contained in this report.

CONSOLIDATED INCOME STATEMENT

year ended 31 march 2013

	2013	2012
	£'000	£'000
Aborted transaction costs	-	(286)
Project pre-acquisition costs	(58)	-
Other administrative expenses	(641)	(760)
Operating loss	(699)	(1,046)
Finance income	9	4
Loss for the year before taxation	(690)	(1,042)
Taxation	-	-
Loss for the year after taxation	(690)	(1,042)
Loss attributable to the equity shareholders of the parent company	(690)	(1,042)
Loss per share expressed in pence per share		
Basic and Diluted	(0.55)p	(0.91)p

CONSOLIDATED statement of COMPREHENSIVE INCOME

year ended 31 march 2013

	2013	2012
	£'000	£'000
Loss after taxation for the financial year	(690)	(1,042)
Exchange translation differences on consolidation of Group entities	-	-
Other comprehensive income	-	-
Total comprehensive expense attributable to the equity shareholders of the parent company	(690)	(1,042)

CONSOLIDATED AND COMPANY statement of financial position

as at 31 march 2013

Company number: 05059457	Notes	Group		Company	
		2013 £'000	2012 £'000	2013 £'000	2012 £'000
Assets					
Non-current assets					
Intangible assets		1,000	-	740	-
Investments		-	-	2	-
Property, plant and equipment		-	1	-	1
Amounts owed by subsidiaries		-	-	282	-
Total non-current assets		1,000	1	1,024	1
Current assets					
Receivables		57	492	33	492
Cash and cash equivalents		698	1,317	694	1,317
Total current assets		755	1,809	727	1,809
Total assets		1,755	1,810	1,751	1,810
Liabilities					
Current liabilities					
Trade and other payables		99	121	95	121
Total current liabilities		99	121	95	121
Total liabilities		99	121	95	121
Net assets		1,656	1,689	1,656	1,689
Capital and reserves attributable to the equity holders of the company					
Share capital		1,413	1,182	1,413	1,182
Share premium		11,585	11,172	11,585	11,172
Merger reserve		-	-	-	-
Retained deficit		(11,342)	(10,665)	(11,342)	(10,665)
Total Equity		1,656	1,689	1,656	1,689

CONSOLIDATED statement of Changes in equity

year ended 31 march 2013

	Share capital	Share premium	Merger reserve	Retained deficit	Total Equity
	£'000	£'000	£'000	£'000	£'000
At 1 April 2011	515	9,905	3,021	(12,757)	684
Total comprehensive expense for the year	-	-	-	(1,042)	(1,042)
Transfer of reserve	-	-	(3,021)	3,021	-
Share based payments	-	-	-	113	113
Issue of shares net of issue costs (see note 16)	667	1,267	-	-	1,934
At 31 March 2012	1,182	11,172	-	(10,665)	1,689

Total comprehensive expense for the year	-	-	-	(690)	(690)
Share based payments	-	-	-	13	13
Issue of shares net of issue costs (see note 16)	231	413	-	-	644
At 31 March 2013	1,413	11,585	-	(11,342)	1,656

Company statement of Changes in equity

year ended 31 march 2013

	Share capital	Share premium	Merger reserve	Retained deficit	Total Equity
	£'000	£'000	£'000	£'000	£'000
At 1 April 2011	515	9,905	3,021	(12,757)	684
Total comprehensive expense for the year	-	-	-	(1,042)	(1,042)
Transfer of reserve	-	-	(3,021)	3,021	-
Share based payments	-	-	-	113	113
Issue of shares net of issue costs (see note 16)	667	1,267	-	-	1,934
At 31 March 2012	1,182	11,172	-	(10,665)	1,689

Total comprehensive expense for the year	-	-	-	(690)	(690)
Share based payments	-	-	-	13	13
Issue of shares net of issue costs (see note 16)	231	413	-	-	644
At 31 March 2013	1,413	11,585	-	(11,342)	1,656

Company statement of Changes in equity (continued)

year ended 31 march 2013

The following describes the nature and purpose of each reserve within owners' equity for both the Company and the Group.

Reserve	Description and purpose
Share capital	Amounts subscribed for share capital at nominal value
Share premium	Amounts subscribed for share capital in excess of nominal value.
Merger reserve	Merger relief reserve for amount in excess of nominal value on issue of shares in relation to business combinations.
Retained deficit	Cumulative net gains and losses recognised in the income statement less distributions made.

The Company has taken advantage of the exemption provided under Section 408 of the Companies Act 2006 not to publish its individual income statement, statement of comprehensive income and related notes. The Company's loss for the year was £690,000 (2012: loss of £1,042,000).

CONSOLIDATED AND COMPANY STATEMENTS of cash flows

year ended 31 march 2013

	Group		Company	
	2013	2012	2013	2012
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Loss for the year before tax	(690)	(1,042)	(690)	(1,042)
Adjustments for:				
Depreciation of property, plant and equipment	1	2	1	2
Finance income	(9)	(4)	(9)	(4)
Impairment losses	-	-	75	6
Share based payments	13	113	13	113
Exchange differences	8	-	8	-
Cash flow from operating activities before changes in working capital	(677)	(931)	(602)	(925)
Decrease in other receivables	-	4	24	4
(Decrease) / increase in trade and other payables	(22)	9	(26)	9
Net cash flow used in operating activities	(699)	(918)	(604)	(912)
Investing activities				
Ormonde joint venture payments	(305)	(435)	(305)	(435)
Purchase of tungsten permits	(260)	-	-	
Increase in loans to subsidiaries	-	-	(357)	(6)
Investment in subsidiaries	-	-	(2)	-
Interest income	1	4	1	4
Net cash flow used in investing activities	(564)	(431)	(663)	(437)

Financing activities				
Proceeds from issue of share capital	694	2,000	694	2,000
Expenses paid in connection with share issues	(50)	(66)	(50)	(66)
Net cash flow from/(used in) financing activities	644	1,934	644	1,934
Net (decrease) / increase in cash and cash equivalents	(619)	585	(623)	585
Cash and cash equivalents at the beginning of the year	1,317	732	1,317	732
Effect of exchange rate changes on cash and cash equivalents	-	-	-	-
Cash and cash equivalents at the end of the year	698	1,317	694	1,317

NOTES

1. Basis of preparation

The financial information set out above, which was approved by the Board on 27 June 2013, has been compiled in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), but does not contain sufficient information to comply with IFRS. The Company expects to distribute its full financial statements that comply with IFRS shortly. The financial statements have been prepared on the historic cost basis.

The financial information set out above does not constitute the Company's statutory accounts for the year ended 31 March 2013 but is extracted from those accounts. The Company's statutory accounts for the year ended 31 March 2013 will be filed with the Registrar of Companies following the Company's annual general meeting. The independent auditors' report on those accounts was unqualified although an emphasis of matter was included in the accounts to draw attention to going concern. The financial statements have been prepared on a going concern basis. The Board

feel, after reviewing the Group's operations, financial position and short and long term cash flow forecasts, there is a reasonable expectation that the Group has or has access to adequate resources to continue in operational existence and meet its financial obligations as they fall due. However the Board note that in order to continue to progress the development of the assets and meet its future operational overhead further funding will be required.

No statement was included under section 498(2) or (3) of the Companies Act 2006. The Company's statutory accounts for the year ended 31 March 2012 have been filed with the Registrar of Companies. The independent auditors' report on those accounts was unqualified, did not draw attention to any matters by way of emphasis without qualifying those accounts and did not contain any statement under section 498(2) or (3) of the Companies Act 2006.

2. loss per share

Basic loss per share is calculated by dividing the loss attributable to the ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

For diluted loss per share, the weighted average number of shares in issue is adjusted to assume conversion of all the dilutive potential ordinary shares.

In 2013 and 2012 diluted loss per share has not been calculated as the Company is loss making.

At the reporting date there were 4,450,000 (2012: 3,950,000) potentially dilutive ordinary shares. Dilutive potential ordinary shares include share options and warrants.

	2013	2012
	£'000	£'000
Net loss attributable to equity holders of the parent:		
From continuing operations	(690)	(1,042)
From total operations	(690)	(1,042)

	2013	2012
	Number	Number
Weighted average number of shares:		
Weighted average number of shares	125,086,829	113,905,803

Annual Report & Financial Statements and AGM Notice

The Company is pleased to announce that in accordance with AIM Rules 20 and 26, the Annual Report and Financial Statements for the year ended 31 March 2013 and the Notice of Annual General Meeting will be posted to shareholders shortly and will be available on the Company's website www.aurummining.net. The Annual General Meeting will be held at 12 noon on 12 September 2013 at the offices of the Company's solicitors, Lawrence Graham LLP, 4 More London Riverside, London SE1 2AU.

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