RNS Number : 8753P
FinnAust Mining PLC
26 August 2014

FinnAust Mining plc / EPIC: FAM / Market: AIM / Sector: Mining
26 August 2014

FinnAust Mining plc ("FinnAust" or the "Group")
Final Results

FinnAust Mining plc, the AIM listed exploration company with a portfolio of copper, zinc and nickel projects in Finland and Austria, announces its final results for the period ended 30 June 2014. Additionally, the Group's Annual General Meeting will be held at The Washington Mayfair Hotel, 5 Curzon Street, London, W1J 5HE on 22 October 2014 at 10:00 a.m. A notice convening the AGM, proxy form and Report and Accounts for the year ended 30 June 2014 will be posted to shareholders today and will also be available to download from the Group's website at www.finnaust.com.

Overview

- Successful acquisition of three high grade copper, zinc and nickel projects in Finland by way of a reverse-takeover from Western Areas Limited

- Immediate commencement of a 10,300m rolling drilling campaign focussed on identifying extensions from historical mines at each asset

- Discovery of a new high grade polymetallic ore lode at the Hammaslahti Project which encouragingly is relatively shallow and proximal to the historic pit and underground drives

- Upside potential demonstrated - Board believes that the main Hammaslahti mine structure hosts possibly four separate plunging lodes now open to the north of the old zinc pit with 5.6m at 3.2% Cu and down dip extensions to the south with 3.5m at 11.5% Cu, equating to a 1.8km strike

- Proven Board and management team with extensive experience in identifying and developing quality resource assets

- Solid cash position of £1.5 million and fully funded for rolling drill campaign

Alastair Clayton, Executive Director of FinnAust, said, "This has been a highly productive year for FinnAust during which we have transformed our future prospects through the acquisition of an excellent portfolio of high grade copper, zinc and nickel projects in Finland. Our fully funded drill programme has already identified a new mineralised area at the Hammaslahti Project and we believe that the follow up holes will extend the known mineralised zone to the south and north as we focus on targeting the high-grade portions to better define overall grade and tonnes. These assets have already been subject to significant investment by Western Areas, which previously owned the portfolio and invested further on our admission to AIM as FinnAust, and with two of the Western Areas management team having joined our Board, we benefit from their strength of understanding and commitment to the licences. I am confident that the year ahead will be characterised by growth as further drill results demonstrate the scale of the opportunity at Hammaslahti and our portfolio as a whole."

Chairman's Statement

FinnAust Mining Plc (formerly Centurion Resources Plc) ("FinnAust" or the "Group") is committed to the creation of shareholder value through exploration. In this vein the Group's focus during the period has centred on advancing our portfolio of high grade copper, zinc and nickel assets in Finland where three high priority projects have been identified: Hammaslahti, Outokumpu and Enonkoski (the "Projects"). Our prospective portfolio was acquired by way of a reverse-takeover of Finland Investments Plc (formerly FinnAust Mining Plc) in December 2013 from Western Areas Limited ("Western Areas") which controlled 84% and minority Finnish investors that controlled 16%. Western Areas is an ASX 200 company with a proven track record in acquiring and developing quality resource assets, and with Western Areas came the addition of highly experienced management personnel. Our strengthened Board immediately oversaw the implementation of a rolling 10,300m drilling campaign and this has already led to the discovery of a new potential high grade ore lode of copper ('Cu'), zinc ('Zn'), lead ('Pb'), silver ('Ag') and gold ('Au') mineralisation at the Hammaslahti Project. Our operations team's commitment to FinnAust's prospective portfolio, located in a premier mining district, as well as our defined development strategy, places FinnAust on the right path to realise value from its multi-asset portfolio.

The Projects cover approximately 4,710sq km and are located in a prolific geological belt in Southern Finland. Importantly, they are located in a prime exploration region where local operators, such as ASX listed Altona Mining Limited ("Altona"), have delivered positive results. Altona's nearby Kylylahti mine was recently the subject of a conditional offer of approximately US$100 million from Swedish mining company Boliden AB.

The exploration focus to date has largely centred on Hammaslahti, where the Group is looking to identify extensions to and structural repeats of the previously mined copper-gold-zinc ore body interpreted to be part of a re-mobilised volcanogenic massive sulphide ("VMS") type deposit. FinnAust considers both the wider area around the mine and the down plunge extensions of the known ore body to be under-explored and in some cases, untested. Consequently, the Group has to date drilled a total of 27 diamond drill holes for 5,870m on below pit targets as well as several regional geophysical targets between 500m and 800m north, east and south-east of the Hammaslahti open pits to improve our understanding of the mineralisation.

Importantly, results from recent drilling have highlighted that the main Hammaslahti mine structure hosts possibly four separate plunging lodes now open to the north of the old zinc pit with 5.6m at 3.2% Cu and down dip extensions to the south with 3.5m at 11.5% Cu. This equates to a strike length of approximately 1.8 km. We are encouraged by the fact that the mineralisation discovered is relatively shallow and proximal to the historic pit, underground drives and historical mine infrastructure.

At Outokumpu we conducted an on-ice drilling programme at Lake Juojärvi to test for Outokumpu-style massive copper and polymetalic mineralisation. The section of untested inferred Outukumpu geology under the lake is approximately 5km long. A total of four holes for 1,461m were completed in February 2014 across a drill traverse roughly equidistant from previously drilled traverses. A further hole located at the south-west end of the belt extending an existing drill traverse was also completed. Importantly, all four holes intercepted varying thicknesses of known Outokumpu geology; one drill hole intercepted approximately 50m of iron sulphides. Whilst not a discovery in itself, our geologists believe this may represent some kind of feeder structure or sulphidic "tail" that may be part of a larger multi metal system. Work on the significance of this or otherwise is continuing.

In addition, at Enonkoski, we have identified possible extensions and repeats of high-grade nickel-copper mineralisation at and near the historical Enonkoski mine, where a previous drill intercept returned 15m at 6.9% nickel and 2.0% copper. Target generation and the interpretation of new geochemical and geophysical data sets is well underway at this project and we will look to further advance this asset in due course as part of our 10,300m drill programme.

The Group also maintains an 80% interest in the Mitterberg Copper Project ("Mitterberg"), a previously producing tenure in the Mitterberg district of Salzburg, Austria, where approximately 120,000 tonnes copper was extracted between 1829 and ceased in 1977. The project, which is comprised of 47 licences over 33 sq km, sits in the Mitterberg district, which arguably contains the largest copper concentration in the Eastern Alps, and has an estimated exploration target of 11.0Mt to 11.7Mt with a grade range of 1.0% to 1.15% Cu. FinnAust will continue to seek the best possible way of realising value from Mitterberg, but the Group's primary focus is on advancing our Finnish portfolio.

Financial Review

The loss before taxation of the Group for the period ended 30 June 2014 amounted to £2,394,934 (30 June 2013: £400,786).

The Group's cash position at 30 June 2014 was £1,706,137 (30 June 2013: £101,551) and currently stands at approximately £1.5 million.

Outlook

FinnAust has transformed during the period, having acquired a suite of distinctive and highly prospective assets in Finland; a country rated the number one mining destination worldwide in the Fraser Institute Global Mining Survey Results 2012/2013. We are ideally located in a prolific geological belt, which includes the famous Outokumpu copper mine and other high-grade mines, and our three assets have already been subject to significant investment from their previous owners, providing us with an excellent base from which to commence our work. Our programme has already been highly productive, having led to the possible discovery of at least four separate plunging lodes at the Hammaslahti Project and with drilling on-going, we are excited to receive further results in the coming months, which we are confident will add value to our portfolio for the benefit of shareholders.

I would like to take this opportunity to thank our shareholders, advisers and management team for their support during this transitional time for the Group and look forward to the year ahead.

Daniel Lougher
Chairman
22 August 2014

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STATEMENTS OF FINANCIAL POSITION
As at 30 June 2014

		Consolidated		Company	
	Note	**30 June 2014 £**	30 June 2013 £	**30 June 2014 £**	28 February 2013 £
Non-Current Assets					
Property, plant and equipment	6	**16,322**	18,456	**1,145**	322
Intangible assets	7	**8,101,446**	7,190,919	**-**	-
Trade and other receivables	10	**20,069**	21,430	**-**	-
Investment in subsidiaries	8	**-**	-	**9,577,636**	616,482
Available for sale financial assets	9	**-**	-	**-**	375,000
		8,137,837	7,230,805	**9,578,781**	991,804
Current Assets					
Trade and other receivables	10	**100,952**	581,023	**77,093**	48,433
Cash and cash equivalents	11	**1,706,137**	101,551	**1,666,932**	491,827
		1,807,089	682,574	**1,744,025**	540,260
Total Assets		**9,944,926**	7,913,379	**11,322,806**	1,532,064
Current Liabilities					
Trade and other payables	12	**239,192**	233,850	**35,007**	279,676
Borrowings	13	**125,000**	-	**-**	-
		364,192	233,850	**35,007**	279,676
Total Liabilities		**364,192**	233,850	**35,007**	279,676
Net Assets		**9,580,734**	7,679,529	**11,287,799**	1,252,388
Equity attributable to owners of the Parent					
Share capital	14	**4,941,953**	141,180	**4,941,953**	459,953
Share premium	14	**14,188,311**	8,500,753	**14,188,311**	7,437,936
Deferred shares		**1,825,104**	-	**1,825,104**	1,825,104
Reverse acquisition reserve		**(8,071,001)**	-	**-**	-
Other reserves	16	**51,209**	(2,496)	**398,010**	779,970
Retained losses		**(3,354,842)**	(959,908)	**(10,065,579)**	(9,250,575)
Total Equity		**9,580,734**	7,679,529	**11,287,799**	1,252,388

CONSOLIDATED INCOME STATEMENT
For the year ended 30 June 2014

Continued operations	Note	**Year ended 30 June 2014 £**	Year ended 30 June 2013 £
Revenue		**-**	-
Cost of sales		**-**	-
Gross profit		**-**	-
Administrative expenses	23	**(1,196,222)**	(400,923)
Impairment of intangibles	7, 17	**(1,199,636)**	-
Operating Loss		**(2,395,858)**	(400,923)
Finance income	20	**924**	137
Loss Before Income Tax		**(2,394,934)**	(400,786)
Income tax expense	21	**-**	-
Loss for the Year		**(2,394,934)**	(400,786)
Loss attributable to Owners of the Parent		**(2,394,934)**	(400,786)
Basic and Diluted Earnings Per Share attributable to owners of the parent during the year (expressed in pence per share)	22	**(1.352) p**	(0.510) p

The Company has elected to take the exemption under Section 408 of the Companies Act 2006 from presenting the Parent Company Income Statement and Statement of Comprehensive Income.

				Attributable to owners of the parent				
	Note	**Share capital £**	**Share premium £**	**Deferred shares £**	**Reverse acquisition reserve £**	**Other reserves £**	**Retained losses £**	**Total equity £**
Balance as at 1 July 2012		**124,067**	**6,378,773**	**-**	**-**	**-**	**(559,122)**	**5,943,718**
Loss for the year		-	-	-	-	-	(400,786)	(400,786)
Other comprehensive income for the year								
Items that may be subsequently reclassified to profit or loss								
Currency translation differences		-	-	-	-	(2,496)	-	(2,496)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**(2,496)**	**(400,786)**	**(403,282)**
Proceeds from share issue	14	17,113	2,121,980	-	-	-	-	2,139,093
Total transactions with owners, recognised in equity		**17,113**	**2,121,980**	**-**	**-**	**-**	**-**	**2,139,093**
Balance as at 30 June 2013		**141,180**	**8,500,753**	**-**	**-**	**(2,496)**	**(959,908)**	**7,679,529**
Balance as at 1 July 2013		**141,180**	**8,500,753**	**-**	**-**	**(2,496)**	**(959,908)**	**7,679,529**
Loss for the year		-	-	-	-	-	(2,394,934)	(2,394,934)
Other comprehensive income								
Items that may be subsequently reclassified profit or loss								
Currency translation differences		-	-	-	-	(344,305)	-	(344,305)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**(344,305)**	**(2,394,934)**	**(2,739,239)**
Proceeds from share issue	14	4,482,000	6,823,000	-	-	-	-	11,305,000
Issue costs	14	-	(72,625)	-	-	-	-	(72,625)
Reverse acquisition		318,773	(1,062,817)	1,825,104	(8,071,001)	391,231	-	(6,598,710)
Issued options	15	-	-	-	-	6,779	-	6,779
Total transactions with owners, recognised in equity		**4,800,773**	**5,687,558**	**1,825,104**	**(8,071,001)**	**398,010**	**-**	**4,640,444**
Balance as at 30 June 2014		**4,941,953**	**14,188,311**	**1,825,104**	**(8,071,001)**	**51,209**	**(3,354,842)**	**9,580,734**

The loss for the Company for the 16-month period ended 30 June 2014 was £1,203,743 (year ended 28 February 2013: £497,183).

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 30 June 2014

	Year ended 30 June 2014 £	Year ended 30 June 2013 £
Loss for the year	**(2,394,934)**	(400,786)
Other Comprehensive Income:		
Items that may be subsequently reclassified to profit or loss		
Currency translation differences	**(344,305)**	(2,496)
Other comprehensive income for the year, net of tax	**(344,305)**	(2,496)
Total Comprehensive Income for the Year Attributable to Owners of the Parent	**(2,739,239)**	(403,282)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2014

		Attributable to equity shareholders					
	Note	Share capital £	Share premium £	Deferred shares £	Other reserves £	Retained losses £	Total equity £
Balance as at 1 March 2012		**104,315**	**6,197,225**	**1,825,104**	**764,945**	**(8,927,134)**	**(35,545)**
Loss for the year		-	-	-	-	(497,183)	(497,183)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**(497,183)**	**(497,183)**
Proceeds from share issues	14	343,638	1,318,546	-	-	-	1,662,184
Issue costs	14	-	(125,835)	-	71,657	-	(54,178)
Share based payments	15	12,000	48,000	-	-	-	60,000
Issued options	15	-	-	-	117,110	-	117,110
Expired options		-	-	-	(173,742)	173,742	-
Total transactions with owners, recognised in equity		**355,638**	**1,240,711**	**-**	**15,025**	**173,742**	**1,785,116**
Balance as at 28 February 2013		**459,953**	**7,437,936**	**1,825,104**	**779,970**	**(9,250,575)**	**1,252,388**
Balance as at 1 March 2013		**459,953**	**7,437,936**	**1,825,104**	**779,970**	**(9,250,575)**	**1,252,388**
Loss for the period		-	-	-	-	(1,203,743)	(1,203,743)
Total comprehensive income for the period		**-**	**-**	**-**	**-**	**(1,203,743)**	**(1,203,743)**
Proceeds from share issues	14	4,482,000	6,823,000	**-**	**-**	**-**	**11,305,000**
Issue costs	14	**-**	(72,625)	**-**	**-**	**-**	**(72,625)**
Issued options	15	**-**	**-**	**-**	**6,779**	**-**	**6,779**
Expired options		**-**	**-**	**-**	**(388,739)**	**388,739**	**-**
Total transactions with owners, recognised in equity		**4,482,000**	**6,750,375**	**-**	**(381,960)**	**388,739**	**11,239,154**
Balance as at 30 June 2014		**4,941,953**	**14,188,311**	**1,825,104**	**398,010**	**(10,065,579)**	**11,287,799**

STATEMENTS OF CASH FLOWS
For the periods ended 30 June 2014

	Note	Consolidated		Company	
		Year ended 30 June 2014	Year ended 30 June 2013	**16 month period ended 30 June 2014**	Year ended 28 February 2013
		£	£	**£**	£
Cash flows from operating activities					
Loss before taxation		**(2,394,934)**	(400,786)	**(1,203,743)**	(497,183)
Adjustments for:					
Depreciation	6	**2,729**	2,236	**842**	729
Impairment of intangibles	7, 17	**1,199,636**	-	**-**	-
Other gains or losses	9, 23	**(74,816)**	-	**(37,500)**	-
Finance income	20	**(924)**	(137)	**(1,120)**	(103)
Share based payments	15	**6,779**	-	**6,779**	177,110
Non-cash expenditure		**-**	1,582	**-**	12,184
Foreign exchange gains		**(582,450)**	-	**81,799**	(44,909)
Changes in working capital:					
Decrease/(increase) in trade and other receivables	10	**481,433**	250,605	**(28,660)**	(30,068)
Increase/(decrease) in trade and other payables	12	**5,338**	(630,249)	**(244,669)**	(57,727)
Net cash generated from operating activities		**(1,357,209)**	(776,749)	**(1,426,272)**	(439,967)
Cash flows from investing activities					
Finance income	20	**924**	137	**1,120**	103
Proceeds from sale of available for sale financial assets		**-**	-	**412,500**	-
Purchase of available for sale financial assets		**-**	-	**-**	(131,059)
Purchase of property, plant and equipment	6	**-**	-	**(1,665)**	-
Loans granted to subsidiary undertakings		**-**	-	**(1,342,953)**	-
Acquisition of subsidiary, net of cash acquired	17	**509,806**	-	**-**	(14,300)
Purchase of intangible assets	7	**(1,280,107)**	(2,275,786)	**-**	-
Net cash used in investing activities		**(769,377)**	(2,275,649)	**(930,998)**	(145,256)
Cash flows from financing activities					
Proceeds from issue of share capital	14	**3,605,000**	2,125,850	**3,605,000**	1,100,000
Transaction costs of share issue	14	**(72,625)**	-	**(72,625)**	(54,177)
Proceeds from borrowings	13	**324,816**	-	**-**	-
Repayment of borrowings	13	**(125,000)**	-	**-**	-
Net cash generated from financing activities		**3,732,191**	2,125,850	**3,532,375**	1,045,823
Net increase/(decrease) in cash and cash equivalents		**1,605,605**	(926,548)	**1,175,105**	460,600
Cash and cash equivalents at beginning of period		**101,551**	971,989	**491,827**	31,227
Exchange (loss)/gain on cash and cash equivalents		**(1,019)**	56,110	**-**	-
Cash and cash equivalents at end of period	11	**1,706,137**	101,551	**1,666,932**	491,827

Major non-cash transactions

On 2 December 2013 the Company's shares were admitted to trading on AIM (the "Admission"). In connection with the Admission the Company issued the following:

- 154,000,000 new ordinary shares of 2 pence per share fully paid as consideration for the purchase of Finland Investments Plc (previously FinnAust Mining Plc); £3,080,000 (Note 14);
- 6,000,000 options to board and management valid for 3.5 years from the date of issue and exercisable at 15 pence per option (Note 15); and
- 6,000,000 options to board and management valid for 5.5 years from the date of issue and exercisable at 20 pence per option (Note 15).

At 30 June 2014 £82,310 of exploration and evaluation additions remained outstanding and unpaid**.**

NOTES TO THE FINANCIAL STATEMENTS
For the period ended 30 June 2014

1. General information

The principal activity of FinnAust Mining Plc (the "Company") and its subsidiaries (together the "Group") is the exploration and development of precious and base metals. The Company's shares are listed on the AIM market of the London Stock Exchange. The Company is incorporated and domiciled in England.

On 29 November 2013 Centurion Resources Plc changed its name to Finnaust Mining Plc.

The address of its registered office is 47 Charles Street, London, W1J 5EL.

2. Summary of Significant Accounting Policies

The principal Accounting Policies applied in the preparation of these Consolidated Financial Statements are set out below. These Policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1. Basis of Preparation of Financial Statements

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee ("IFRS IC") as adopted by the European Union, the Companies Act 2006 that applies to Companies reporting under IFRS and IFRS IC interpretations. The Consolidated Financial Statements have also been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

The Financial Statements are presented in Pound Sterling rounded to the nearest pound.

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 Consolidated Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

2.2. New and Amended Standards

(a) New and amended standards mandatory for the first time for the financial periods beginning on or after 1 March 2013

The financial statements have been drawn up on the basis of accounting standards, interpretations and amendments effective at the beginning of the accounting period. The following new standards, interpretations and amendments to published standards effective in the period have been adopted by the Group:

Standard	**Impact on initial application**	**Effective date**
IAS 12 (amendment)	Deferred tax: Recovery of underlying assets	1 January 2012*1
IAS 1 (amendment)	Presentation of items of other comprehensive income	1 July 2012*1
IFRS 13	Fair value measurement	1 January 2013
IAS 19 (amendment)	Employee benefits	1 January 2013
IFRIC 20	Stripping costs in the production phase of surface mine	1 January 2013
IFRS 1 (amendment)	Government loans	1 January 2013
IFRS 7 (amendment)	Disclosures: Offsetting financial assets and financial liabilities	1 January 2013
IFRS 1 (amendment) (annual improvements 2009-2011)	First time adoption of International Financial Reporting Standards: Severe hyperinflation and removal of fixed dates for first time adopters	1 January 2013
IAS 1 (amendment) (annual improvements 2009-2011)	Presentation of financial statements	1 January 2013
IAS 16 (amendment) (annual improvements 2009-2011)	Property, plant and equipment	1 January 2013
IAS 32 (amendment) (annual improvements 2009-2011)	Financial instruments - presentation	1 January 2013
IAS 34 (amendment) (annual improvements 2009-2011)	Interim financial reporting	1 January 2013

*1 Effective date 1 January 2013 for the EU

The above pronouncements have been adopted for the first time this period and have not resulted in any material changes in the financial statements other than additional disclosures to the financial statements.

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

Standard	Impact on initial application	Effective date
IAS 19 (amendment)	Defined benefit plans: employee contributions	1 July 2014*[1]
IAS 27	Separate financial statements	1 January 2014
IAS 27 (amendment)	Separate financial statements - Investment entities	1 January 2014
IAS 28	Investments in associates and joint ventures	1 January 2014
IAS 32 (amendment)	Offsetting financial assets and financial liabilities	1 January 2014
IAS 36 (amendment)	Impairment of assets - Recoverable amount disclosures for non-financial assets	1 January 2014
IAS 39 (amendment)	Novation of derivatives and continuation of hedge accounting	1 January 2014
IAS 39, IFRS 7 and IFRS 9 (amendment November 2013)	Hedge accounting	No mandatory effective date*[1]
IFRS 7 and 9 (amendment December 2011)	Mandatory effective date and transition disclosures	No mandatory effective date*[1]
IFRS 9	Financial instruments	No mandatory effective date*[1]
IFRS 10	Consolidated financial statements	1 January 2014
IFRS 10 (amendment)	Consolidated financial statements - Investment entities	1 January 2014
IFRS 10 (amendment)	Consolidated financial statements - transition guidance	1 January 2014
IFRS 11	Joint arrangements	1 January 2014
IFRS 11 (amendment)	Joint arrangements - transition guidance	1 January 2014
IFRS 12	Disclosure of interests in other entities	1 January 2014
IFRS 12 (amendment)	Disclosure of interests in other entities - Investment entities	1 January 2014
IFRS 12 (amendment)	Disclosure of interests in other entities - transition guidance	1 January 2014
IFRIC 21	Levies	1 January 2014
IAS 16 and IAS 38 (Amendments)	Clarification of acceptable methods of depreciation and amortization	1 January 2016*[1]
IFRS 11 (Amendment)	Accounting for acquisition of interests in joint operations	1 January 2016*[1]
IFRS 14	Regulatory deferral accounts	1 January 2016*[1]
IFRS 15	Revenue from contracts with customers	1 January 2017*[1]
IFRS 2 (amendment) (annual improvements 2010-2012)	Share-based payment - Definition of 'vesting condition'	1 July 2014*[1]

IFRS 3 (amendment) (annual improvements 2010-2012)	Business combinations - Accounting for contingent consideration in a business combination	1 July 2014*[1]
IFRS 8 (amendment) (annual improvements 2010-2012)	Operating segments - Aggregation of operating segments and Reconciliation of the total of the reportable segments' assets to the entity's assets	1 July 2014*[1]
IFRS 13 (amendment) (annual improvements 2010-2012)	Fair value measurement - Short-term receivables and payables	1 July 2014*[1]
IAS 16 (amendment) (annual improvements 2010-2012)	Property, plant and equipment - Revaluation method - proportionate restatement of accumulated depreciation	1 July 2014*[1]
IAS 24 (amendment) (annual improvements 2010-2012)	Related party disclosures - Key management personnel	1 July 2014*[1]
IAS 38 (amendment) (annual improvements 2010-2012)	Intangible assets - Revaluation method - proportionate restatement of accumulated amortization	1 July 2014*[1]
IFRS 1 (amendment) (annual improvements 2011-2013)	First time adoption of International Financial Reporting Standards - Meaning of effective IFRSs	1 July 2014*[1]
IFRS 3 (amendment) (annual improvements 2011-2013)	Business Combinations - Scope of exception for joint ventures	1 July 2014*[1]
IFRS 13 (amendment) (annual improvements 2011-2013)	Fair value measurement - Scope of paragraph 52 (portfolio exception)	1 July 2014*[1]
IAS 40 (amendment) (annual improvements 2011-2013)	Investment property - Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property	1 July 2014*[1]
IAS 16 and IAS 41 (Amendments)	Property, plant and equipment and Agriculture: Bearer Plants	1 January 2016*[1]

*[1] Not yet endorsed by the EU

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.

2.3. Basis of Consolidation

The Group Financial Statements consolidate the Financial Statements of FinnAust Mining Plc and the audited management accounts of all of its subsidiary undertakings made up to 30 June 2014.

Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Group obtains and exercises control through voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Investments in subsidiaries are accounted for at cost less impairment within the parent company financial statements.

The acquisition by FinnAust Mining Plc of Finland Investments Plc has been accounted for under reverse acquisition accounting. Although the Consolidated Financial Statements have been prepared in the name of the legal parent, FinnAust Mining Plc, they are in substance a continuation of the financial statements of the legal subsidiary, Finland Investments Plc. The results of FinnAust Mining Plc are included in the Consolidated Statement of Comprehensive Income from the effective date of acquisition of Finland Investments Plc. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All significant intercompany transactions and balances between Group enterprises are eliminated on consolidation.

The following accounting treatment has been applied in respect of the reverse acquisition:

- The assets and liabilities of the legal subsidiary, Finland Investments Plc, are recognised and measured in the Consolidated Financial Statements at their pre-combination carrying amounts, without restatement to fair value;
- The equity structure appearing in the Consolidated Financial Statements reflects the equity structure of the legal parent, FinnAust Mining Plc, including the equity instruments issued to effect the business combination;
- Comparative numbers presented in the Consolidated Financial Statements are those reported in the financial statements of the legal subsidiary, Finland Investments Plc; and
- The cost of acquisition is measured as the fair value of the assets acquired, equity instruments issued and liabilities incurred or

assumed at the date of exchange.

2.4. Going Concern

The Group's business activities together with the factors likely to affect its future development, performance and position are set out in the Chairman's Report on pages 3 and 4. In addition, Note 3 to the Consolidated Financial Statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposure to market, credit and liquidity risk.

The Consolidated Financial Statements have been prepared on a going concern basis. Although the Group's assets are not generating revenues and an operating loss has been reported, the Directors believe that the Group has sufficient funds to undertake its operating activities over the next 12 months including any additional payment required in relation to its current exploration projects. The Group has financial resources which, the Directors believe, will be sufficient to fund the Group's committed expenditure both operationally and on various exploration projects for this time period. However, in order to complete other exploration work over the life of existing projects and as additional projects are identified additional funding will be required. The amount of funding is unforeseen at the point of approval of these Financial Statements and the Group will be required to raise additional funds either via an issue of equity or through the issuance of debt. The Directors are confident that funds will be forthcoming if and when they are required. Should additional funding not be forthcoming the Directors have agreed, if circumstances require, to defer payment of their fees until such time as adequate funding is received.

The Directors have a reasonable expectation that the Group and Company 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 Group and Company 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. No revenue is currently being generated.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

2.6. Foreign Currencies

(a) Functional and presentation currency

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The functional currency of the UK parent entity and UK subsidiary is Pound Sterling and the functional currency of the Finnish and Austrian subsidiaries is Euros. The Financial Statements are presented in Pound Sterling, rounded to the nearest pound, which is the Company's functional and Group's presentation currency.

(b) 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 the income statement.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each year end date presented are translated at the closing rate at the date of the Statement of Financial Position;
- income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future are taken to other comprehensive income. When a foreign operation is sold, such exchange differences are recognised in the Income Statement as part of the gain or loss on sale.

2.7. Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in the fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually, or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs to sell. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Exploration and evaluation assets
The Group recognises expenditure as exploration and evaluation assets when it determines that those assets will be successful in finding specific mineral resources. Expenditure included in the initial measurement of exploration and evaluation assets 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.

Exploration and evaluation assets are recorded and held at cost.

Exploration and evaluation assets are not subject to amortisation, but are assessed annually for impairment. The assessment is carried out by allocating exploration and evaluation assets to cash generating units, which are based on specific projects or geographical areas.

Whenever the exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to the income statement.

2.8. Investments in subsidiaries
Investments in Group undertakings are stated at cost, which is the fair value of the consideration paid, less any impairment provision.

2.9. Property, Plant and Equipment

Property, Plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on all property, plant and equipment to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight line basis at the following annual rates:

Office Equipment - 20% straight line
Machinery and Equipment - 10% straight line

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains' in the income statement.

2.10. Impairment of non-financial assets

Assets that have an indefinite useful life, for example, intangible assets not ready to use, and goodwill, are not subject to amortisation and are tested annually for impairment. Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.11. Financial Assets

(a) Classification

The Group classifies its financial assets in the following categories: loans and receivables and available-for-sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

(i) 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 end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the Statement of Financial Position.

(ii) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period.

(b) Recognition and measurement

Financial assets are initially recognised at fair value plus transaction costs. Financial assets are derecognised 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. Available-for-sale financial assets are subsequently carried at fair value unless the Group is precluded from doing so as, in the case of unlisted equity securities, the range of reasonable fair value estimates is significant and the probabilities of the various estimates cannot be reasonably assessed. In such circumstances available-for-sale financial assets are held at cost and reviewed annually for impairment. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Changes in the fair value of monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income. When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the Income Statement as "gains and losses from investment securities."

Interest on available-for-sale securities calculated using the effective interest method is recognised in the Income Statement as part of other income. Dividends on available-for-sale equity instruments are recognised in the Income Statement as part of other income when the Group's right to receive payments is established.

(c) 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 asset (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 disappearance of an active market for that financial asset because of financial difficulties;
- observable data indicating that there is a measureable decrease in the estimated future cash flows from a portfolio of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the portfolio; or
- for assets classified as available-for-sale, a significant or prolonged decline in fair value of the security below its cost.

For loans and receivables, the amount of the impairment 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 the Income Statement.

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 the Income Statement.

For assets classified as available-for-sale, the Group assesses at each reporting period whether there is objective evidence that a financial asset is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below it cost is one example that the asset is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss on the financial previously recognised in profit or loss, is removed from equity and recognised in profit or loss. Impairment losses recognised in profit or loss on equity instruments are not reversed through profit or loss. If, in a subsequent period, the fair value of a debt instrument classified as available-for-sale increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through the Income Statement.

2.12. Financial Liabilities

Financial liabilities comprise trade and other payables and borrowings in the Statement of Financial Performance, and are held at amortised cost.

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.

Borrowings in the statement of financial position are also classified as financial liabilities and are held at amortised cost. Borrowings are classified as current liabilities if repayment is due within one year or less. If not, they are presented as non-current liabilities.

2.13. Cash and Cash Equivalents

Cash and cash equivalents comprise cash at bank and in hand.

2.14. Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defersettlement of the liability in cash for at least 12 months after the end of the reporting period.

2.15. Share capital and share premium

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 provided there is sufficient premium available. Should sufficient premium not be available placing costs are recognised in the Income Statement.

Deferred shares are classified as equity. Deferred shares have no rights to receive dividends, or to attend or vote at general meetings of the Company and are only entitled to a return of capital after payment to holders of new ordinary shares of £100,000 per each share held.

2.16. Share Based Payments

The Group operates a number of equity-settled, share-based schemes, under which the entity receives services from employees or third party suppliers as consideration for equity instruments (options and warrants) of the Group. The fair value of the third party suppliers' services received in exchange for the grant of the options is recognised as an expense in the Income Statement or charged to equity depending on the nature of the service provided. The value of the employee services received is expensed in the Income Statement and its value is determined by reference to the fair value of the options granted:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions (for example, profitability or sales growth targets, or remaining an employee of the entity over a specified time period); and
- including the impact of any non-vesting conditions (for example, the requirement for employees to save).

Non-market vesting conditions are included in assumptions about the number of options that are expected to vest. The total expense or charge is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Income Statement or equity as appropriate, with a corresponding adjustment to a separate reserve in equity.

When the options are exercised, the Group issues new shares. The proceeds received, net of any directly attributable transaction costs, are credited to share capital (nominal value) and share premium when the options are exercised.

2.17. Taxation

Current tax is the tax currently payable based on the taxable profit for the year. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or recognised in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is calculated at the tax rates (and laws) that have been enacted or substantively enacted by the Statement of Financial Position date in the respective countries where the tax liability is realised and settled.

Deferred tax is recognised for using the liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets (including those arising from investments in subsidiaries), are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be used.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is calculated at the tax rates (and laws) that have been enacted or substantively enacted by the statement of financial position date and are expected to apply to the period when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are not discounted.

2.18. Operating leases

Leases of assets under which a significant amount of the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are charged to the income statement on a straight-line basis over the period of the respective leases.

2.19. Finance income

Interest income, relating to cash and cash equivalents, is recognised on a time proportion basis, taking into account the principal amounts outstanding and the interest rates applicable.

Interest income in relation to interest earned on available for sale financial assets is recognised in the Income Statement on an effective interest basis.

2.20. Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due.

3. Financial Risk Management

3.1. Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (foreign currency risk, price risk and interest rate 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. None of these risks are hedged.

Risk management is carried out by the London based management team under policies approved by the Board of Directors.

Market Risk

(a) Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Euro and the British Pound. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group negotiates all material contracts for activities in relation to its subsidiaries in either British Pounds or Euros. The Group does not hedge against the risks of fluctuations in exchange rates. The volume of transactions is not deemed sufficient to enter into forward contracts. The Group has not sensitised the figures for fluctuations in foreign exchange rates 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 exchange rates on the Group's financial operations and initiate suitable risk management measures where necessary.

(b) Price risk

The Company was exposed to equity securities price risk because of investments held by the Company, classified as available-for-sale financial assets. These assets were disposed of during the period hence there is no exposure to the Company or the Group at the period end.

The Group is not exposed to commodity price risk. The Directors will revisit the appropriateness of this policy should the Group's operations change in size or nature.

(c) Interest rate risk

As the Group's borrowings are non-interest bearing it is not exposed to interest rate risk on financial liabilities. The Group's interest rate risk arises from its cash held on short-term deposit, which is not significant.

Credit Risk

Credit risk arises from cash and cash equivalents as well as outstanding receivables. Management does not expect any losses from non-performance of these receivables. The amount of exposure to any individual counter party is subject to a limit, which is assessed by the Board.

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

Liquidity Risk

In keeping with similar sized mineral exploration groups, the Group's continued future operations depend on the ability to raise sufficient working capital through the issue of equity share capital. The Directors are confident that adequate funding will be forthcoming with which to finance operations. Controls over expenditure are carefully managed.

Financial liabilities are all due within one year.

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. In order to maintain or adjust the capital structure, the Group may adjust the issue of shares or sell assets to reduce debts.

At 30 June 2014 the Group had borrowings of £125,000 (30 June 2013: £nil) and defines capital based on the total equity of the Company. The Group monitors its level of cash resources available against future planned exploration and evaluation activities and may issue new shares in order to raise further funds from time to time.

Given the Group's level of debt versus its cash at bank and cash equivalents, the gearing ratio is immaterial.

3.3. Fair Value Estimation

The table below analyses financial instruments carried at fair value, by valuation method. The level at which a financial instrument can be defined is as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Company's financial assets that are measured at fair value. The Company does not have any financial liabilities measured at fair value.

The Group has no such available for sale financial assets.

	2014		2013	
	Level 3	**Total**	**Level 3**	**Total**
Assets	**£**	**£**	**£**	**£**
Available-for-sale financial assets	-	-	375,000	375,000
Total assets	-	-	375,000	375,000

As the available-for-sale asset is non-quoted and the inputs to calculate the above value are not based on observable market data, the instrument is included in Level 3.

The following table presents the changes in Level 3 instruments for the periods ended:

	30 June 2014	**28 February 2013**
	£	**£**
Opening balance	375,000	-
Additions into Level 3	-	375,000

Disposals from Level 3	(375,000)	-
Total assets	-	375,000

4. Critical Accounting Estimates and Judgements

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.

Items subject to such estimates and assumptions, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial years, include but are not limited to:

Impairment of intangible assets - exploration and evaluation costs
Exploration and evaluation costs have a carrying value at 30 June 2014 of £8,101,446 (2013: £7,190,919). Such assets have an indefinite useful life as the Group has a right to renew exploration licences and the asset is only amortised once extraction of the resource commences. Management tests for impairment annually whether exploration projects have future economic value in accordance with the accounting policy stated in Note 2.7. Each exploration project is subject to an annual review by either a consultant or senior company geologist to determine if the exploration results returned during the year 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 supply and demand outlook. In the event that a project does not represent an economic exploration target and results indicate there is no additional upside a decision will be made to discontinue exploration; an impairment charge will then be recognised in the Income Statement. The Directors have reviewed the estimated value of each project prepared by management and have concluded that an adjustment of £312,831 is required and provided against the exploration assets.

Impairment of prepayments
Prepayments have a carrying value at 30 June 2014 of £30,275 (30 June 2013: £558,271). During the period £541,177 of prepayments carried by previous management in relation to an ultimately unsuccessful London Stock Exchange Listing in 2012 were impaired on the basis that they no longer represent a

future benefit to the Group.

Estimated impairment of goodwill
Goodwill has a carrying value of £nil (2013: £nil). The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2.7 to the Consolidated Financial Statements.

Management has concluded that goodwill does not reflect an increase in the Group's assets and therefore have impaired goodwill in full. See Note 7 to the Consolidated Financial Statements.

Write-off of trade & other payables and borrowings
During the period ended 30 June 2014 management wrote-off £36,433 (30 June 2013: £nil) in trade & other payables and £74,816 (30 June 2013: £nil) in borrowings on the basis that these amounts no longer represent a legal financial obligation by the Group.

Share based payment transactions
The Group has made awards of options and warrants over its unissued share capital to certain Directors as part of their remuneration package. Certain warrants have also been issued to shareholders as part of their subscription for shares and suppliers for various services received.

The valuation of these options and warrants involves making a number of critical estimates relating to price volatility, future dividend yields, expected life of the options and forfeiture rates. These assumptions have been described in more detail in Note 15.

Available-for-sale financial assets
Available-for-sale financial assets of the Company have a carrying value at 30 June 2014 of £nil (28 February 2013: £375,000). These were disposed of during the period ended 30 June 2014 prior to the date of the reverse acquisition.

The fair value of financial instruments that are not traded in an active market (for example un-listed equity securities) is determined, where possible, by using valuation techniques. The Group follows the guidance of IAS 39 to determine when an available-for-sale equity investment is impaired. This determination requires significant judgement. In making this judgement, the Group evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost; and the financial health of the short-term business outlook for the investee, including factors such as industry and sector performance and operational and financing cash flow.

Management has concluded that there is no impairment charge necessary to the carrying value of available-for-sale financial assets on the basis that all available-for-sale financial assets have been disposed during the period.

5. Segment Information

Management has determined the operating segments based on reports reviewed by the Board of Directors that are used to make strategic decisions. During the year the Group had interests in three geographical segments; the United Kingdom, Austria, and Finland. Activities in the UK are mainly administrative in nature whilst the activities in Austria and Finland relate to exploration and evaluation work.

The Group had no turnover during the year.

	Austria	**Finland**	**UK**	**Total**
2014	**£**	**£**	**£**	**£**
Administrative expenses	(16,336)	(829,161)	(350,725)	(1,196,222)
Impairment of intangibles	-	(312,831)	(886,805)	(1,199,636)
Loss from operations per reportable segment	(16,336)	(1,141,992)	(1,237,530)	(2,395,858)
Additions to non-current assets	578,891	331,636	1,145	911,672
Reportable segment assets	579,652	7,620,104	1,745,170	9,944,926
Reportable segment liabilities	840	328,345	35,007	364,192

	Austria	**Finland**	**UK**	**Total**
2013	**£**	**£**	**£**	**£**
Administrative expenses	-	(400,923)	-	(400,923)
Loss from operations per reportable segment	-	(400,923)	-	(400,923)
Additions to non-current assets	-	2,103,496	-	2,103,496
Reportable segment assets	-	7,913,379	-	7,913,379
Reportable segment liabilities	-	233,850	-	233,850

6. Property, Plant and Equipment

Group

	Machinery & equipment £	Office equipment £	**Total** £
Cost			
As at 1 July 2012	**16,890**	**7,242**	**24,132**
Disposals	(2,948)	-	(2,948)
Exchange differences	869	451	1,320
As at 30 June 2013	**14,811**	**7,693**	**22,504**
As at 1 July 2013	**14,811**	**7,693**	**22,504**
Acquired through reverse acquisition	-	3,124	3,124
Exchange differences	(530)	(283)	(813)
As at 30 June 2014	**14,281**	**10,534**	**24,815**
Depreciation			
As at 1 July 2012	**4,632**	**205**	**4,837**
Charge for the year	1,467	769	2,236
Disposals	(2,948)	-	(2,948)
Exchange differences	(94)	(11)	(105)
As at 30 June 2013	**3,085**	**963**	**4,048**
As at 1 July 2013	**3,085**	**963**	**4,048**
Acquired through reverse acquisition	-	1,459	1,459
Charge for the year	1,387	1,342	2,729
Exchange differences	196	61	257

As at 30 June 2014	**4,668**	**3,825**	**8,493**
Net book value as at 30 June 2013	**11,726**	**6,730**	**18,456**
Net book value as at 30 June 2014	**9,613**	**6,709**	**16,322**

Depreciation expense of £2,729 (30 June 2013: £2,236) for the Group has been charged in administration expenses.

Company	Office equipment £
Cost	
As at 1 March 2012	**1,459**
Disposals	-
As at 28 February 2013	**1,459**
As at 1 March 2013	**1,459**
Additions	1,665
As at 30 June 2014	**3,124**
Depreciation	
As at 1 March 2012	**408**
Charge for the year	729
As at 28 February 2013	**1,137**
As at 1 March 2013	**1,137**
Charge for the year	842
As at 30 June 2014	**1,979**
Net book value as at 28 February 2013	**322**
Net book value as at 30 June 2014	**1,145**

Depreciation expense of £842 (28 February 2013: £729) for the Company has been charged in administration expenses.

7. Intangible Assets

Intangible assets comprise exploration and evaluation costs and goodwill. Exploration and evaluation assets are all internally generated.

	Group	
Exploration & Evaluation Assets - Cost and Net Book Value	**30 June 2014 £**	30 June 2013 £
As at 1 July	**7,190,919**	5,085,212
Additions	**1,280,107**	2,105,707
Acquired through reverse acquisition (at fair value)	**571,703**	-
Exchange differences	**(628,452)**	-
Impairments	**(312,831)**	-
As at 30 June	**8,101,446**	7,190,919

Exploration projects in Finland and Austria are at an early stage of development and no JORC (Joint Ore Reserves Committee) or non-JORC compliant resource estimates are available to enable value in use calculations to be prepared. The Directors therefore undertook an assessment of the following areas and circumstances that could indicate the existence of impairment:

• The Group's right to explore in an area has expired, or will expire in the near future without renewal;

- No further exploration or evaluation is planned or budgeted for;
- A decision has been taken by the Board to discontinue exploration and evaluation in an area due to the absence of a commercial level of reserves; and
- Sufficient data exists to indicate that the book value will not be fully recovered from future development and production.

Following their assessment the Directors concluded that an impairment charge of £312,831 was necessary at the end of the period in respect of certain Finnish exploration licences that were not renewed during the period and which have therefore been fully impaired, and treated as an exceptional item. For more information see Note 4.

	Group	
	30 June 2014	30 June 2013
Goodwill - Cost and Net Book Value	**£**	£
As at 1 July	**-**	-
Acquired through business combinations	**886,805**	-
Impairment losses	**(886,805)**	-
As at 30 June	**-**	-

The Directors do not consider goodwill reflects an increase in the Group's assets and therefore have impaired goodwill in full, which is considered to be an exceptional item. For more information see Note 17.

8. Investments in Subsidiary Undertakings

	Company	
	30 June 2014	28 February 2013
	£	£
Shares in Group Undertakings		
At beginning of period	**2**	1
Additions in period (Note 17)	**7,700,000**	1
At end of period	**7,700,002**	2
Loans to Group undertakings	**1,877,634**	**616,480**
Total	**9,577,636**	**616,482**

Investments in Group undertakings are stated at cost, which is the fair value of the consideration paid, less any impairment provision.

Principal subsidiaries
Group and Company:

Name of subsidiary	**Country of incorporation**	**Proportion of ordinary shares held by parent (%)**	**Proportion of ordinary shares held by the Group (%)**	**Nature of business**
Centurion Mining Limited	United Kingdom	100%	100%	Dormant

Centurion Universal Limited	United Kingdom	100%	100%	Holding
Centurion Resources GmbH	Austria		100%	Exploration
Finland Investments Plc	United Kingdom	100%	100%	Holding
FinnAust Mining Management Oy	Finland		100%	Exploration
FinnAust Mining Northern Oy	Finland		100%	Exploration
FinnAust Mining Southern Oy	Finland		100%	Exploration

All subsidiary undertakings are included in the consolidation.

The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

9. Available-for-Sale Financial Assets

	Company	
	30 June 2014	28 February 2013
	£	£
At beginning of period	**375,000**	-
Additions	**-**	**375,000**
Disposals	**(375,000)**	**-**
At end of period	**-**	**375,000**
Less: non-current portion	**-**	**(375,000)**
Current portion	**-**	**-**

During the previous period the Company acquired a 10% investment in North Mining D.O.O ("North Mining") for £375,000. North Mining is a Montenegrin base metals exploration company and wholly owned subsidiary of ASX listed Balamara Resources Limited ("Balamara"). On 2 July 2013 the Company exercised its option under the terms of the investment agreement to have Balamara repurchase the Company's 10% investment in North Mining at a 10% premium to the original purchase price.

10. Trade and Other Receivables

	Group		**Company**	
	30 June 2014	30 June 2013	**30 June 2014**	28 February 2013
Current portion	**£**	£	**£**	£
Prepayments	**30,275**	558,271	**25,101**	3,453
VAT receivable	**30,752**	2,125	**12,067**	44,980
Other receivables	**39,925**	20,627	**39,925**	-
Total current portion	**100,952**	581,023	**77,093**	48,433
Non-current portion				
Other receivables	**20,069**	21,430	**-**	-
Total non-current portion	**20,069**	21,430	**-**	-
Total	**121,021**	602,453	**77,093**	48,433

The fair value of all receivables is the same as their carrying values stated above.

Non-current receivables relate to security deposits held against service accounts and do not have a defined due date, they are receivable upon closure of the respective accounts.

At 30 June 2014 all trade and other receivables were fully performing.

The carrying amounts of the Group and Company's trade and other receivables are denominated in the following currencies:

	Group		**Company**	
	30 June 2014	30 June 2013	**30 June 2014**	28 February 2013
	£	£	**£**	£
UK Pounds	**77,093**	-	**77,093**	48,433
Euros	**43,928**	602,453	**-**	-
	121,021	602,453	**77,093**	48,433

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

11. Cash and Cash Equivalents

	Group		**Company**	
	30 June 2014	30 June 2013	**30 June 2014**	28 February 2013
	£	£	**£**	£
Cash at bank and in hand	**1,706,137**	101,551	**1,666,932**	491,827

All of the Group and Company's cash at bank is held with institutions with an AA- credit rating.

12. Trade and Other Payables

	Group		**Company**	
	30 June 2014	30 June 2013	**30 June 2014**	28 February 2013
	£	£	**£**	£
Trade payables	**68,850**	77,545	**1,562**	9,262
Other creditors	**-**	-	**2**	1
Accrued expenses	**170,342**	156,305	**33,443**	270,413
	239,192	233,850	**35,007**	279,676

Trade payables include amounts due of £25,802 and accrued expenses £56,508 in relation to exploration and evaluation activities.

13. Borrowings

Group

Current	30 June 2014 £	30 June 2013 £
Unsecured borrowings at amortised cost		
Non-interest bearing loan	**125,000**	-
	125,000	-

Non-interest bearing loans arose during the period as unsecured cash advances to the Group from the ultimate controlling party Western Areas Limited ("Western Areas") as disclosed in Note 26. The agreed facility was £250,000, denominated in Pound Sterling, for which further funds were advanced totalling £74,816.This additional funding was subsequently forgiven by Western Areas. The balance of the non-interest bearing loan is repayable upon demand by Western Areas.

There are no undrawn borrowings as at the year end.

The fair value of the borrowings as at the year end equates to its carrying value above.

14. Share capital and premium

Company

Issued and fully paid	Number of shares	Ordinary shares £	Share premium £	Total £
As at 1 March 2012	**52,157,401**	**104,315**	**6,197,225**	**6,301,540**
Issue of new shares - 13 August 2012	4,400,000	8,800	35,200	44,000
Issue of new shares - 12 November 2012 (1)	173,419,296	346,838	1,205,511	1,552,349
At 28 February 2013	**229,976,697**	**459,953**	**7,437,936**	**7,897,889**
Issue of new shares - 2 July 2013	20,000,000	40,000	160,000	200,000
Share consolidation - 29 November 2013	(224,979,027)	-	-	-
Issue of new shares - 2 December 2013 (2)	222,100,000	4,442,000	6,590,375	11,032,375
As at 30 June 2014	**247,097,670**	**4,941,953**	**14,188,311**	**19,130,264**

Group

Issued and fully paid	Number of shares	Ordinary shares £	Share premium £	Total £
As at 1 July 2012	**72,500,000**	**124,101**	**6,378,773**	**6,502,874**
Issue of new shares - 25 July 2012	3,320,000	5,646	704,497	710,143
Issue of new shares - 23 October 2012	1,740,000	2,978	369,224	372,202
Issue of new shares - 2 December 2012	1,200,000	2,054	254,638	256,692
Issue of new shares - 25 January 2013	380,000	650	80,635	81,285
Issue of new shares - 13 March 2013	1,120,000	1,917	237,662	239,579
Issue of new shares - 12 April 2013	1,120,000	1,917	237,662	239,579
Issue of new shares - 24 May 2013	1,120,000	1,917	237,662	239,579
At 30 June 2013	**82,500,000**	**141,180**	**8,500,753**	**8,641,933**
Reverse acquisition - 2 December 2013	(57,502,330)	358,773	(902,817)	(544,044)

Issue of new shares - 2 December 2013 (2)	222,100,000	4,442,000	6,590,375	11,032,375
As at 30 June 2014	**247,097,670**	**4,941,953**	**14,188,311**	**19,130,264**

(1) Includes issue costs of £125,835
(2) Includes issue costs of £72,625

On 29 November 2013 the shareholders approved the consolidation of the Company's equity whereby each existing ordinary share of 0.2p was converted into new ordinary shares of 2p each on the basis of one new ordinary share for every existing ten ordinary shares.

On 2 December 2013 the Company raised £3,405,000 via the issue and allotment of 68,100,000 new ordinary shares of 2 pence each fully paid at a price of 5 pence per share. On the same date the Company issued 154,000,000 new ordinary shares of 2 pence each fully paid at 5 pence per share as consideration for a business acquisition, being £7,700,000.

15. Share Based Payments

Share options and warrants outstanding and exercisable at the end of the period have the following expiry dates and exercise prices:

			Options & Warrants	
Grant Date	Expiry Date	Exercise price in £ per share	**30 June 2014**	28 February 2013
31 March 2010	31 March 2013	18.00	**-**	52,746
31 March 2010	31 March 2013	20.00	**-**	9,906
12 November 2012	12 November 2015	0.67	**1,681,930**	1,681,930
29 November 2013	29 May 2017	0.15	**6,000,000**	-
12 November 2012	12 November 2017	0.10	**3,684,366**	3,684,366
29 November 2013	29 May 2019	0.20	**6,000,000**	-
			17,366,296	5,428,948

The Company and Group have no legal or constructive obligation to settle or repurchase the options or warrants in cash.

The fair value of the share options and warrants was determined using the Black Scholes valuation model. The parameters used are detailed below:

	2013 Options	2013 Options	2012 Options & Warrants	2012 Warrants
Granted on:	29/11/2013	29/11/2013	12/11/2012	12/11/2012
Life (years)	3.5 years	5.5 years	5 years	3 years
Share price (pence per share)	5.7p	5.7p	1.13p	1.13p
Risk free rate	2.25%	2.25%	2.25%	2.25%
Expected volatility	26.41%	26.41%	29.74%	29.74%
Expected dividend yield	-	-	-	-

Marketability discount	20%	20%	20%	20%
Total fair value (£000)	3	4	117	72

The expected volatility for the 2012 options & warrants was based on historical share price volatility of similar AIM listed entities for the 6 months prior to the date of granting. This was considered to be the most reasonable measure of expected volatility, given the relatively brief trading history of the Company available.

The expected volatility of the 2013 options is based on historical volatility for the six months prior to the date of granting.

The risk free rate of return is based on zero yield government bonds for a term consistent with the option life.

A reconciliation of options and warrants granted over the period to 30 June 2014 is shown below:

	2014		2013	
	Number	**Weighted average exercise price (£)**	Number	Weighted average exercise price (£)
Outstanding as at period start	**54,289,480**	**0.0300**	**26,521,652**	**0.0920**
Expired	(626,524)	1.8316	(25,895,128)	0.0499
Adjustment for share consolidation	(48,296,660)	-	-	-
Granted	12,000,000	0.1750	53,662,956	0.0090
Outstanding as at period end	**17,366,296**	**0.1237**	**54,289,480**	**0.0300**
Exercisable at period end	**17,366,296**	**0.1237**	**54,289,480**	**0.0300**

	2014				2013			
Range of exercise prices (£)	**Weighted average exercise price (£)**	**Number of shares**	**Weighted average remaining life expected (years)**	**Weighted average remaining life contracted (years)**	Weighted average exercise price (£)	Number of shares	Weighted average remaining life expected (years)	Weighted average remaining life contracted (years)
0 - 0.05	**0.00900**	**5,366,296**	**3.37**	**3.37**	0.0090	53,662,956	4.71	4.71
0.05 - 2.00	**0.1750**	**12,000,000**	**3.92**	**3.92**	1.8316	626,524	0.08	0.08

No options or warrants were exercised during the period. The total fair value has resulted in a charge to the Income Statement for the period ended 30 June 2014 of £6,779 (2013: £117,110) and a charge to Share Premium of £nil (2013: £71,658).

16. Other Reserves

	Group				
	Merger reserve £	Foreign currency translation reserve £	Redemption reserve £	Share option reserve £	Total £
At 1 July 2012	**-**	**-**	**-**	**-**	**-**
Currency translation differences	-	(2,496)	-	-	(2,496)
At 30 June 2013	**-**	**(2,496)**	**-**	**-**	**(2,496)**
Reverse acquisition	166,000	-	36,463	188,768	391,231
Options granted (Note 15)	-	-	-	6,779	6,779
Currency translation differences	-	(344,305)	-	-	(344,305)
At 30 June 2014	**166,000**	**(346,801)**	**36,463**	**195,547**	**51,209**

	Company			
	Merger reserve £	Redemption reserve £	Share option reserve £	Total £
At 1 March 2012	**166,000**	**36,463**	**562,482**	**764,945**
Options expired	-	-	(173,742)	(173,742)
Options granted	-	-	188,767	188,767
At 28 February 2013	**166,000**	**36,463**	**577,507**	**779,970**
Options expired	-	-	(388,739)	(388,739)
Options granted (Note 15)	-	-	6,779	6,779
At 30 June 2014	**166,000**	**36,463**	**195,547**	**398,010**

17. Business Combination

On 2 December 2013 the Group acquired 100% of the share capital of Finland Investments Plc (previously FinnAust Mining Plc and the "Legal Subsidiary") for £7,700,000. Through this acquisition the Group acquired the wholly owned subsidiaries of the Legal Subsidiary, the subsidiaries hold licences in Finland for the exploration and evaluation of precious and base metals. As a result of the acquisition the Group will be able to conduct exploration and evaluation work on the various exploration project sites.

The acquisition has been treated as a reverse acquisition and hence accounted for in accordance with IFRS 3 (Revised), as set out in the accounting policies. The following table summaries the consideration paid for FinnAust Mining Plc (previously Centurion Resources Plc and the 'Legal Parent') through the reverse acquisition and the amounts of the assets acquired and liabilities assumed on the acquisition date.

In accordance with IFRS 3 (Revised), goodwill under a reverse acquisition is calculated on the net assets of the legal parent. The goodwill of £886,805 arising from the acquisition is attributable to the value of the parent company being an AIM listed entity to the Legal Subsidiary.

Consideration at 2 December 2013	**£**
Equity instruments in issue (249,976,697 ordinary shares 0.57p each)	1,424,867
Total consideration	**1,424,867**

Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents (Note 11)	509,806
Property, plant & equipment (Note 6)	1,665
Trade and other receivables (Note 10)	673,963
Trade and other payables (Note 12)	(647,372)
Total identified net assets	**538,062**
Goodwill	**886,805**

The Directors do not consider goodwill reflects an increase in the Group's assets and therefore have impaired the goodwill in full.

In a reverse acquisition the acquisition date fair value of the consideration transferred by the Legal Subsidiary is based on the number of equity instruments that the Legal Subsidiary would have had to issue to the owners of the Legal Parent to give the owners of the Legal Parent the same percentage of equity interests that results from the reverse acquisition. However, in the absence of a reliable valuation of the Legal Subsidiary, the cost of the combination was calculated using the fair value of all the pre-acquisition issued equity instruments of the Legal Parent as at the date of the acquisition. The fair value was based on the published price of the Legal Parent shares on 29 November 2013 immediately prior to the acquisition.

Acquisition related costs of £570,422 were recognised in the Legal Parent's Income Statement. These costs were incurred prior to the date of the acquisition and have therefore been eliminated on consolidation along with other pre-acquisition losses in the Legal Parent in accordance with the requirements of IFRS 3 (Revised) as outlined in the accounting policies.

The fair values of the recognised amounts of identifiable assets acquired and liabilities assumed equate to their carrying values as stated above.

The Legal Parent did not contribute any revenue to the Group since the acquisition on 2 December 2013. The Consolidated Income Statement includes an operating loss of £1,236,648 in the period since acquisition, which is attributable to the Legal Parent. Had the Legal Parent been consolidated from 1 July 2013, the Consolidated Income Statement would show revenue of £nil and a loss of £2,515,568.

18. Employee benefit expense

	Group	
	Year ended 30 June 2014	**Year ended 30 June 2013**
Staff costs (excluding Directors)	**£**	**£**
Salaries and wages	**328,411**	400,464

Social security costs	**58,577**	67,946
Retirement benefit costs	**10,773**	10,824
	397,761	479,234

The average monthly number of employees for the Group during the year was 6 (30 June 2013: 8). These were all employed in exploration & evaluation related roles.

Of the above Group staff costs, £213,168 (30 June 2013: £334,359) has been capitalised in accordance with IFRS 6 as exploratory related costs and are shown as an intangible addition in the year.

19. Directors' Remuneration

	Directors' Fees		**Options Issued**	
	16 month period ended 30 June 2014	**Year ended 28 February 2013**	**16 month period ended 30 June 2014**	**Year ended 28 February 2013**
Company	**£**	**£**	**£**	**£**
Executive Directors				
Alastair Clayton	**133,867**	11,045	**3,954**	31,785
Non-executive Directors				
Greg Kuenzel	**38,500**	24,000	**1,695**	19,071
Daniel Lougher	**-**	-	**-**	-
Graham Marshall	**-**	-	**-**	-
Peter Landau	**-**	7,200	**-**	23,839
Robert Hyndes	**-**	24,000	**-**	12,714
Nicholas Lee	**-**	6,000	**-**	-
Anthony Roberts	**-**	16,000	**-**	12,714
	172,367	88,245	**5,649**	100,123

No pension benefits are provided for any Director.

20. Finance Income

	Group	
	Year ended 30 June 2014	**Year ended 30 June 2013**
	£	**£**
Interest received from cash and cash equivalents	**924**	137
Finance Income	**924**	137

21. Income Tax Expense

No charge to taxation arises due to the losses incurred.

Group

Income tax expense	Year ended 30 June 2014 £	Year ended 30 June 2013 £
Analysis of tax charge		
Current tax charge for the year	-	-
Deferred tax charge/(credit) for the year	-	-
Income tax expense	-	-

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to the profits of the consolidated entities as follows:

	Group	
	Year ended 30 June 2014 £	**Year ended 30 June 2013 £**
Loss before tax	**(2,394,394)**	(400,786)
Tax at the applicable rate of 20.55% (2013: 23.00%)	**(492,048)**	(92,181)
Effects of:		
Expenditure not deductible for tax purposes	**1,609**	1,365
Depreciation in excess of/(less than) capital allowances	**(823)**	-
Impairment of intangibles	**246,525**	-
Net tax effect of losses carried forward	**244,737**	90,816
Foreign tax payable	**-**	-
Tax charge	**-**	-

Due to changes in UK tax legislation the applicable tax rate has changed from 23% to 21% with effect from 1 April 2013. The weighted average applicable tax rate of 20.55% (2013: 23.00%) used is a combination of the 21% standard rate of corporation tax in the UK, 20% Finnish corporation tax and 25% Austrian corporation tax.

The Group has a deferred income tax asset of approximately £1,197,832 (2013: £953,095) due to tax losses available to carry forward against future taxable profits. The Company has tax losses of approximately £3,229,934 (2013: £2,039,000) available to carry forward against future taxable profits. No deferred tax asset has been recognised on accumulated tax losses because of uncertainty over the timing of future taxable profits against which the losses may be offset.

22. Earnings per Share

Group

The calculation of the total basic earnings per share of (1.352) pence (30 June 2013: (0.510) pence) is based on the loss attributable to equity holders of the parent company of £2,394,394 (30 June 2013: £400,786) and on the weighted average number of ordinary shares of 177,178,360 (30 June 2013: 78,550,575) in issue during the period.

Company

The calculation of the total basic earnings per share of (0.997) pence (28 February 2013: (0.467) pence) is based on the loss attributable to equity holders of the company of £1,203,743 (28 February 2013: £497,183) and on the weighted average number of ordinary shares of 120,720,668 (28 February 2013: 106,356,588) in issue during the period.

In accordance with IAS 33, basic and diluted earnings per share are identical for both the Group and Company as the effect of the exercise of share options would be to decrease the earnings per share. Details of share options that could potentially dilute earnings per share in future periods are set out in Note 15.

23. Expenses by nature

	Group Year ended 30 June 2014 £	**Year ended 30 June 2013 £**
Directors' fees	40,915	-
Employee salaries	184,593	144,875
AIM related costs (including Public Relations)	109,729	-
Establishment expenses	22,377	-
Auditor remuneration	16,000	16,228
Auditor fees for other services	1,000	8,079
Travel & subsistence	23,804	5,713
Professional & consultancy fees	311,880	224,589
(Gain) / loss on foreign exchange	-	394
Depreciation	2,729	2,236
Share based payments	6,779	-
Operating lease charges	9,916	-
Write-off trade & other payables and borrowings	(111,249)	-
Impairment of prepayments	541,177	-
Other expenses	36,572	(1,191)
Total administrative expenses	**1,196,222**	**400,923**

The above Directors' fees are exclusive of £65,053 (30 June 2013: £nil) which has been capitalised in accordance with IFRS 6 as exploratory related costs and are shown as an intangible addition in the year.

Write-off of trade & other payables and impairment of prepayments pertain to newly acquired Finland Investments Plc. Write-off of trade & other payables consist of:

- £74,816 write-down of loan from ultimate controlling entity; and
- £36,433 write-off of historical trade creditors that have been confirmed as no longer due by previous management.

Written off prepayments were carried by the previous management and relate to costs incurred in an attempted but ultimately unsuccessful London Stock

Exchange listing in 2012.

Services provided by the Company's auditor and its associates

During the year, the Group (including overseas subsidiaries) obtained the following services from the Company's auditors and its associates:

	Group Year ended 30 June 2014 £	Year ended 30 June 2013 £
Fees payable to the Company's auditor and its associates for the audit of the Parent Company and Consolidated Financial Statements	**16,000**	16,228
Fees payable to the Company's auditor for tax compliance & other services	**1,000**	8,079

24. Commitments

(a) Royalty agreements

As part of the contractual arrangement with Thames Mining Limited ("Thames Mining") the Group has agreed to pay a royalty on revenue from mineral sales arising from mines developed by Centurion Resources GmbH and covered by the Mitterberg Copper Exploration Licences (the "Licences") acquired by the Company. Under the terms of the Royalty Agreement between Thames Mining and the Company, the Group shall pay a 2 per cent royalty on revenue from all mineral sales less permitted deductions generated from revenue in connection with the Licences. The royalty agreement includes a right of first refusal granted in favour of Thames Mining whereby it is given the opportunity to buy back the Licences in the event that it is proposed to be sold by the Company.

(b) Operating lease commitments

The Group leases office premises under a non-cancellable operating lease agreement. The lease was on an initial fixed term of two years automatically renewable at the end of the lease period for a further two year fixed term, which occurred on 1 February 2013. The lease expenditure charged to the Income Statement during the year is disclosed in Note 23.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	Group 30 June 2014 £	**30 June 2013 £**
Not later than one year	4,500	-
Total lease commitment	**4,500**	**-**

25. Related Party Transactions

Loans to Group undertakings

Amounts receivable as a result of loans granted to subsidiary undertakings are as follows:

	Company	
	30 June 2014	28 February 2013
	£	£
Centurion Universal Limited	14,300	14,300
Centurion Resources GmbH	595,694	602,180
Finland Investments Plc	155,868	-
FinnAust Mining Southern Oy	1,111,577	-
Centurion Mining Limited	195	-
At 30 June (Note 8)	**1,877,634**	**616,480**

Loans granted to subsidiaries have increased during the period due to additional loans being granted to the subsidiaries, and foreign exchange losses charged to the Income Statement of £81,799, given that no loans were repaid during the period.

These amounts are unsecured, interest free and repayable in Euros when sufficient cash resources are available in the subsidiaries.

All intra Group transactions are eliminated on consolidation.

Transactions with ultimate controlling party

Western Areas Limited ("Western Areas"), the ultimate controlling party of FinnAust Mining Plc as disclosed in Note 26 and a company of which Daniel Lougher is a director, was paid £86,285 for exploration costs and related expenditure (2013: £291,577) during the period. A further £6,818 (2013: £60,281) has been accrued at period-end. No balance, other than this accrual, was outstanding at the period-end.

Western Areas granted loans to the Group during the period totalling £324,816, of which the Group repaid £125,000 and Western Areas forgave £74,816. The balance payable to Western Areas as at 30 June 2014 was £125,000 (30 June 2013: £nil).

Other Transactions

Heytesbury Corporate LLP, a limited liability partnership of which Gregory Kuenzel is a partner, was paid a fee of £54,400 (2013: £nil) for the provision of corporate management and consulting services to FinnAust Mining Plc. No balance was outstanding at the period-end.

Furthermore, on 29 November 2013 the Company issued the following options to Heytesbury Corporate LLP:

- 1,500,000 options valid for 3.5 years from the date of issue and exercisable at 15 pence per option; and
- 1,500,000 options valid for 5.5 years from the date of issue and exercisable at 20 pence per option.

Noricum Gold Limited, a company of which Greg Kuenzel is a Director, was paid a fee of £12,990 (2013: £7,272) for management consulting services provided to and exploration costs incurred on behalf of FinnAust Mining Plc. No balance was outstanding at the period-end (2013: £7,272).

26. Ultimate Controlling Party

The ultimate controlling party is Western Areas Limited, a company incorporated and registered in Australia, by virtue of its 67.79% holding.

27. Events after the Reporting Date

There have been no events after the reporting date of a material nature.

****ENDS****