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FinnAust Mining PLC
30 March 2015

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FinnAust Mining plc ('FinnAust' or the 'Company')
Interim Results

FinnAust Mining plc, the AIM listed exploration company with a portfolio of copper, zinc and nickel projects in Finland and Austria, announces its interim results for the six months ended 31 December 2014.

Overview

- Exploring a suite of highly prospective copper, zinc and nickel projects in Finland acquired in December 2013
- Activity for the period has concentrated on the Company's three most advanced exploration projects;
    - Hammaslahti - Drilling continued around the previously operating Hammaslahti Mine where new, high-grade multi metal mineralisation was discovered in July 2014.
    - Kelkka (formally Enonkoski) - Newly modelled prospective intrusive bodies identified and drilling commenced in December 2014 where hole R306 identified remobilised nickel ('Ni') and copper ('Cu') sulphides of the type that was hosted at the nearby old Enonkoski mine.
    - Outokumpu - Geological review identified new possibilities in targeting extensions from historical Outokumpu Copper Mine, which produced 42Mt @ 3.1% Cu between 1908 and 1999.
- 80% interest in the prospective Mitterberg Copper Project - continue to seek the best way of maximising value;
- Strengthened cash position following £1.1 million placing in October 2014 to advance exploration, of which Western Areas contributed £0.25 million;
- Proven Board and management team with experience in identifying and developing resource assets.

Alastair Clayton, Executive Director of FinnAust, said, "Since completing the acquisition of high grade copper, zinc and nickel projects in Finland, we have rapidly implemented a high impact drill programme to identify extensions to the previously producing mines within our tenure. Importantly, the regional geology is receptive to high impact exploration with any one drill hole having the potential to be a game changer. Exploration work at Hammaslahti continues to return mineralisation in both new and existing lodes. The challenge is to identify the best portions of these lodes to create block models of mineralisation that could, in the future, form a resource and reserve. Exploration at the Kelkka Nickel Project has only recently begun but very encouraging mineralisation has been intersected and if high-grade ore bodies exist then we are confident our exploration team will locate them."

Chairman's Statement

As Chairman I am pleased to update you on what has been an extremely active period for the Company. Our strategy is focussed on discovering and developing high-margin, modest capex deposits to service Finnish and European demand for base metal concentrate. Considering the underexplored nature of the land which surrounds the historic high grade mines located within our project portfolio, I am confident that FinnAust is well positioned for further success. Furthermore, our investment case is strengthened by our strong cash position and the continued and active support received from our cornerstone investor, ASX 200 company Western Areas Limited.

Hammaslahti Copper Project

During the period we dedicated our resources to our continuous and aggressive drilling programme. Through this we were delighted to announce our first discovery at the Hammaslahti Copper Project, which we are now trying to grow through a structured drill campaign.

We commenced our 10,300 metres drilling campaign across all three of our 100% owned Hammaslahti Copper Projects. Early on in our campaign we made a breakthrough discovery with hole R325, which intercepted a new shallow, high-grade, multi copper lode with zinc ('Zn'), lead ('Pb'), silver ('Ag') and gold ('Au'). Additional drill holes were successful in growing our exciting discovery to a strike length of over 500m north to south and over 125m east to west. The Company's geologists believe this mineralisation is part of a relatively continuous north to south plunging lode system transitioning from shallow zinc and gold in the north to copper as it deepens in the south. They also believe this new lode sits en-echelon (slightly to the north and east) to the main Hammaslahti zinc lode, which was mined until 1986.

Grades received from the recent drilling included hole R331 which returned 3m @ 1.19% Cu, 0.39% Zn, 17.2 g/t Ag and 0.26 g/t Au from 350m downhole. This intercept was within a broader disseminated zone of 10.6m @ 0.50% Cu, 1.10% Zn, 9.7 g/t Ag and 0.1 g/t Au from 348.4m downhole. Significant zinc zones both above and below the main copper mineralisation were intercepted including 0.6m @ 5.14% Zn and 3.0m @ 2.26% Zn from 348m and 356m respectively. Importantly, our geologists have noted that the overall mineralised envelope (>0.3% Cu) intercepted in hole R331 is the broadest yet encountered as part of this discovery programme. We are also encouraged by the fact that the mineralisation discovered is relatively shallow and proximal to the historic pit and underground drives.

The Company continues to evaluate the results of the drilling campaigns at Hammaslahti, both to determine the overall potential commerciality of the mineralisation discovered to date and how that fits with the Company objectives of discovering high-quality resources that can weather the commodity cycles.

Kelkka Nickel-Copper Project

The Kelkka Nickel-Copper Project, which is 80km south east of the Hammaslahti Copper Project, includes the Enonkoski Nickel-Copper mine area. The Enonkoski mine was discovered in 1969, although the high grade Ni-Cu ore was only found in 1980. Outokumpu Oy commenced mining in 1984 with a total of 6.7 million tons of ore @ 0.78% Ni and 0.22% Cu being mined. Ore was also processed from the satellite mines Hälvälä and Telkkälä bringing the total production to 7.3 million tonnes @ 0.83% Ni and 0.23% Cu over ten years. This equates to a total of 524,000 tonnes of nickel and copper concentrate, containing 47,800 tonnes Ni and 14,300 tonnes Cu. After closure of the mine it was estimated that approximately 1.1 million tonnes of low grade ore was left behind in the mine.

During the mine operation only a few targets were explored near the mine. Also, it is still unclear how thoroughly extensions of the sulphide zones in the mine were explored with regards to the depth and strike. Following the October 2014 placing the Company commenced drilling at Kelkka whilst continuing its drill programme at Hammaslahti. The objective is to locate high grade Ni-Cu sulphides near the contact of the mafic and differentiated gabbro intrusions near the historic Enonkoski mine. In order to achieve this, bottom of till geochemistry, outcrop observations and geological maps and various geophysical data sets have been used to rank the targets. The five highest ranking targets were selected for further assessment including compilation of existing drilling data and detailed geophysical modelling. Two of these five targets are associated with the Kelkka intrusion and the Company has begun testing these initial targets.

Hole R306, drilled at the Laukunlampi target, just north west of Kelkka, intersected an interval of remobilised Ni-Cu sulphides comprising 1.5m @ 0.68% Ni and 0.31% Cu from 61.5m. The presence of remobilised and disseminated fracture filled nickel and copper sulphide veins, veinlets and blebs is very encouraging and importantly indicates the Laukunlampi intrusive body is capable of hosting nickel and copper mineralisation of the type we are seeking. Drill testing of this target is continuing with a shallow three hole programme to be completed imminently.

Outokumpu

The Company holds significant ground adjacent to and along strike from the historic Outokumpu Copper Mine and existing Kylylahtii Copper mine. Data from a multi-year collaborative research into the mineralisation and potential of the Outokumpu district by various Finnish Government research bodies and other companies is drawing to a conclusion and we expect preliminary data to be available soon. We see this data suite as key to driving our exploration planning within our significant tenure position over the Outokumpu Belt.

Other Projects

Whilst we are currently focussed on advancing our Finnish portfolio, we will continue to seek the best possible way of maximising value from the Mitterberg Copper Project in Austria.

Financials

For the 6 month period ended 31 December 2014, the Company is reporting a pre-tax loss of £375,609 (six months ended 31 December 2013: £1,470,577). The Group's net cash balances as at 31 December 2014 were £1,806,785 (six months ended 31 December 2013: £3,234,579). The Group's cash position currently stands at £1.25 million.

Outlook

With a defined, high impact exploration and development strategy in place and a portfolio of highly prospective projects located in close proximity to major historic and current deposits, I believe we are ideally placed for 2015 as the only highly active exploration company in Southern Finland.

Finally, I would like to take this opportunity to thank management and shareholders for their support, and I look forward to building upon FinnAust's position as a leading exploration company.

Daniel Lougher
Chairman
27 March 2015

For further information, please visit www.finnaust.com or contact:

Alastair Clayton	FinnAust Mining plc	+ 44 (0) 20 3326 1729
Ewan Leggat	Nominated Adviser and Broker SP Angel Corporate Finance LLP	+44 (0) 20 3470 0470
Katy Birkin	SP Angel Corporate Finance LLP	+44 (0) 20 3470 0470
Elisabeth Cowell	St Brides Partners Limited	+44 (0) 20 7236 1177
Charlotte Heap	St Brides Partners Limited	+44 (0) 20 7236 1177

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	6 months to 31 December 2014 Unaudited £	6 months to 31 December 2013 Unaudited £
Continuing operations			
Revenue		-	-
Administration expenses		(311,812)	(583,808)
Impairment of goodwill	5	-	(886,805)
Foreign exchange		(65,185)	-
Other gains		1,058	-
Operating Loss		(375,939)	(1,470,613)
Finance income		531	36
Impairments		-	-
Finance Costs		(201)	-
Loss Before Taxation		(375,609)	(1,470,577)
Corporate tax expense		-	-
Loss for the period from continuing operations attributable to equity owners of the parent		(375,609)	(1,470,577)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Currency translation differences		(91,323)	(25,114)
Total comprehensive income for the period attributable to equity owners of the parent		(466,932)	(1,495,691)
Loss per share from continuing operations attributable to the equity owners of the parent			
Basic and diluted (pence per share)	7	(0.143)	(2.269)

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	31 December 2014 Unaudited £	30 June 2014 Audited £
Non-Current Assets			
Property, plant and equipment		14,772	16,322
Intangible assets	5	8,569,678	8,101,446
Trade and other receivables		-	20,069
Investment in subsidiaries		-	-
Available for sale financial assets		-	-
		8,584,450	8,137,837
Current Assets			

Trade and other receivables		69,318	100,952
Cash and cash equivalents		1,806,785	1,706,137
		1,876,103	1,807,089
Total Assets		10,460,553	9,944,926
Current Liabilities			
Trade and other payables		220,256	239,192
Borrowings	6	62,500	125,000
		282,756	364,192
Total Liabilities		282,756	364,192
Net Assets		10,177,797	9,580,734
Capital and Reserves Attributable to Equity Holders of the Company			
Share capital	8	5,919,731	4,941,953
Share premium	8	14,274,528	14,188,311
Deferred shares		1,825,104	1,825,104
Reverse acquisition reserve		(8,071,001)	(8,071,001)
Other reserves		(40,114)	51,209
Retained losses		(3,730,451)	(3,354,842)
Total Equity		10,177,797	9,580,734

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to Owners of the Parent						
	Share capital £	**Share Premium £**	**Deferred shares £**	**Reverse acquisition reserve £**	**Other reserves £**	**Retained losses £**	**Total equity £**
As at 1 July 2013	**141,180**	**8,500,753**	**-**	**-**	**(2,486)**	**(946,229)**	**7,693,218**
Loss for the period	-	-	-	-	-	(1,470,577)	(1,470,577)
Other comprehensive income							
Currency translation differences	-	-	-	-	(25,114)	-	(25,114)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(25,114)**	**(1,470,577)**	**(1,495,691)**
Issue of ordinary shares	4,482,000	6,823,000	-	-	-	-	11,305,000
Currency translation differences	-	(72,625)	-	-	-	-	(72,625)
Reverse acquisition	318,773	(1,062,817)	1,825,104	(8,071,001)	391,231	-	(6,598,710)
Options issued	-	-	-	-	6,779	-	6,779
Total contributions by and distributions to owners of the Parent recognised directly in equity	**4,800,773**	**5,687,558**	**1,825,104**	**(8,071,001)**	**398,010**	**-**	**4,640,444**
As at 31 December 2013	**4,941,953**	**14,188,311**	**1,825,104**	**(8,071,001)**	**370,410**	**(2,416,806)**	**10,837,971**

	Attributable to Owners of the Parent						
	Share capital £	**Share Premium £**	**Deferred shares £**	**Reverse acquisition reserve £**	**Other reserves £**	**Retained losses £**	**Total equity £**
As at 1 July 2014	**4,941,953**	**14,188,311**	**1,825,104**	**(8,071,001)**	**51,209**	**(3,354,842)**	**9,580,734**
Loss for the period	-	-	-	-	-	(375,609)	(375,609)
Other comprehensive income							
Currency translation differences	-	-	-	-	(91,323)	-	(91,323)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(91,323)**	**(375,609)**	**(466,932)**
Issue of ordinary shares	977,778	122,222	-	-	-	-	1,100,000
Issue costs	-	(36,005)	-	-	-	-	(36,005)

Total contributions by and distributions to owners of the Parent recognised directly in equity	**977,778**	**86,217**	**-**	**-**	**-**	**-**	**1,063,995**
As at 31 December 2014	**5,919,731**	**14,274,528**	**1,825,104**	**(8,071,001)**	**(40,114)**	**(3,730,451)**	**10,177,797**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	31 December 2014 Unaudited £	**31 December 2013 Unaudited £**
Cash flows from operating activities		
Loss before taxation	(375,609)	(1,470,577)
Adjustments for:		
Net finance (income)/expense	(529)	-
Depreciation	1,226	1,222
Impairment of goodwill	-	886,805
Non-cash expenditure	-	-
Foreign exchange differences	43,133	(141,521)
(Increase)/decrease in trade and other receivables	51,535	(161,476)
(Decrease)/increase in trade and other payables	(18,767)	210,835
Net cash used in operations	(299,011)	(674,712)
Cash flows from investing activities		
Interest received	529	36
Acquisition of subsidiary, net of cash acquired	-	509,806
Purchase of intangible assets	(602,042)	(578,439)
Net cash generated from investing activities	(601,513)	(68,597)
Cash flows from financing activities		
Proceeds received from issue of shares	1,100,000	3,605,000
Cost of issue	(36,005)	(72,625)
Proceeds from borrowings	(62,500)	324,816
Net cash generated from financing activities	1,001,495	3,857,191
Net increase in cash and cash equivalents	100,971	3,113,882
Cash and cash equivalents at beginning of period	1,706,137	122,981
Exchange (losses)/gains on cash and cash equivalents	(323)	(2,284)
Cash and cash equivalents at end of period	1,806,785	3,234,579

NOTES TO THE INTERIM FINANCIAL STATEMENTS

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 ('AIM'). The Company is incorporated and domiciled in the UK.

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

2. Basis of Preparation

The condensed interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 30 June 2014, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union.

Statutory financial statements for the period ended 30 June 2014 were approved by the Board of Directors on 22 August 2014 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

The 2014 interim financial report of the Company is not re quired to be audited but has been reviewed by the Company's auditor, PKF Littlejohn LLP, although no independent review report is required to be included in this Interim financial report.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Company to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements for the period ended 31 December 2014.

Risks and uncertainties

The Board continuously assesses and monitors the key risks of the business. The key risks that could affect the Company's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Company's 2014 Annual Report and Financial Statements, a copy of which is available on the Company's website: www.finnaust.com. The key financial risks are liquidity risk, credit risk, interest rate risk and fair value estimation.

Critical accounting estimates

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 3 of the Company's 2014 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period except for the following:

3. Accounting Policies

Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 30 June 2014, except for the impact of the adoption of the Standards and interpretations described in para 3.1 below and the following which has been adopted for the first time as the Group had borrowings in this reporting period:

3.1 Changes in accounting policy and disclosures

(a) New and amended standards mandatory for the first time for the financial year beginning 1 July 2014

Standard	**Impact on initial application**	**Effective date**
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
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

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 annual 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 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]
IAS 27 (Amendment 2014)	Equity method in separate financial statements	1 January 2016*[1]

IAS 39, IFRS 7 and IFRS 9 (amendment November 2013)	Hedge accounting	1 January 2018
IFRS 9	Financial instruments	1 January 2018*[1]
IFRS 7 and 9 (amendment December 2011)	Mandatory effective date and transition disclosures	1 January 2018

*1 Effective date 1 January 2014 for 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.

4. Dividends

No dividend has been declared or paid by the Company during the six months ended 31 December 2014 (six months ended 31 December 2013: nil).

5. Intangible Assets

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

Cost and Net Book Value	**Goodwill**	**Exploration & evaluation assets £**	**Total £**
Balance as at 1 July 2014	-	8,101,446	8,101,446
Additions	-	602,042	602,042
Acquired through business combination	-	-	-
Impairment losses	-	-	-
Exchange rate movements	-	(133,810)	(133,810)
As at period end	-	8,569,678	8,569,678

6. Borrowings

Current	**31 December 2014 £**
Unsecured borrowings at amortised cost	
Non-interest bearing loan	62,500
	62,500

Non-interest bearing loans relate to unsecured cash advances to the Group from its majority shareholder Western Areas Limited. During the period the Group made repayments of £62,500.

7. Loss per Share

The calculation of loss per share is based on a retained loss of £375,609 for the six months ended 31 December 2013 (six months ended 31 December 2013: £1,470,577) and the weighted average number of shares in issue in the period ended 31 December 2014 of 262,508,298 (six months ended 31 December 2013: 64,819,952).

No diluted earnings per share is presented for the six months ended 31 December 2014 or six months ended 31 December 2013 as the effect on the exercise of share options would be to decrease the loss per share.

8. Issued Capital

On 29 October 2014 the Company raised £1,100,000 via the issue and allotment of 48,888,890 new ordinary shares of 2 pence each fully paid at a price of 2.25 pence per share.

On 1 December 2014 options that were issued to directors and management as part of the AIM admission in December 2013 were re-priced to reflect the fact that the placing price at the time of the AIM re-admission ended up being 50% lower than anticipated. Options exercisable at 15p were re-priced to 7.5p and options exercisable at 20p were re-priced to 10p. The exercise periods and number of share options were not amended.

9. Approval of interim financial statements

The Condensed interim financial statements were approved by the Board of Directors on 27 March 2015.

****ENDS****