

29 July 2022

Hummingbird Resources plc / Ticker: HUM / Index: AIM / Sector: Mining

Hummingbird Resources plc  
("Hummingbird" or the "Company")

## H1 2022 Interim Results

Hummingbird Resources (AIM: HUM) announces its unaudited results for the six months ended 30 June 2022 ("the period"). The results can be found on the Company's website.

### Operational and financial updates for the period

- Sales of US\$66.3 million (H1 2021: US\$84.0 million) were generated from 35,668 ounces ("oz") of gold sold during the period at an average price of US\$1,859/oz (H1 2021: 46,809 oz sold at an average price of \$1,794/oz), with additional US\$4.1 million (H1 2021: US\$2.6 million) revenue generated from the sale of single mine origin ("SMO") gold
- Adjusted EBITDA of negative US\$9.3 million for the period (H1 2021: positive \$16.2 million)
- Pre-tax loss of US\$23.9 million for the period (H1 2021 loss of: US\$3.3 million)
- Net debt of US\$60.1 million (inc. gold inventory value of c.US\$4.3 million) (H1 2021: net cash of US\$12.4 million (inc. gold inventory value of ~US\$3.4 million))

### Operational and key Company updates for the period:

#### Updated Company Reserves and Resources<sup>1</sup>:

- Updated Company Reserves and Resources statements for each of the Company's three gold assets were released during the period (30 June 2022) as forecast
- Company Reserves increased materially to 4.13 million ounces ("Moz") of Au from 1.12Moz as reported in November 2021 and Resources increased 8% to 7.28Moz of Au from the previous statements
  - Yanfolila, Mali: Reserves and Resources total 719 thousand ounces ("koz"), an increase of 13koz (+2%) at 2.85 grams a tonne ("g/t")
  - Kouroussa, Guinea: Reserves and Resources total 647koz at 4.15 g/t, an increase of 238koz (+58%) and 1.20Moz at 3.02 g/t, an increase of 22koz (+2%) since the previous statements respectively
  - Dugbe, Liberia: A maiden Reserve of 2.76Moz and Resources of 4.0Moz was announced by our joint venture partners, Pasofino Gold Ltd ("Pasofino") during the period

#### Yanfolila, Mali:

- As recently announced in our Q2 2022 operational and trading update, following a low Q1 production quarter, operational results and trends improved during the period. Notably, Q2 2022 production increased 29% from Q1 2022 to 20,013 oz of gold (Q1 2022: 15,548 oz), with improved mining rates (+26%), processing plant throughput (+20%) and mill feed grade (+9%) achieved during the quarter

#### Kouroussa, Guinea:

- During the period, construction officially begun on the Company's second gold mine, Kouroussa, in Guinea in early January 2022 following the mobilisation of equipment and personnel in December 2021
- Advancement of construction to the important civil works phase of the build process occurred during the period, with the build remaining on time and on budget to meet the scheduled first gold pour by the end of Q2 2023

#### Dugbe, Liberia:

- The Dugbe feasibility study results were released during the period (13 June 2022) by our joint venture partners Pasofino showcasing a sizeable gold mining project of 2.76Moz of gold in Reserves (4.01Moz Resources) and

strong project economics including a pre-tax NPV<sub>5%</sub> of US\$690 million (US\$530 million post-tax), 26.35% IRR (23.6% post-tax), and a life of mine ("LOM") of 14 years, producing 200koz per annum in the first five years

- The Company is currently conducting a strategic review of its options to best realise the maximum value of Dugbe for all stakeholders

#### Outlook:

- As detailed in the recent Q2 2022 Operational and Trading update, the Company maintains its 2022 guidance of 87,000 - 97,000 oz of gold, forecasting improved H2 production versus H1 2022 levels, in line with our start of year guidance expectations and our current mine plan. Due to ongoing inflationary cost pressures, especially from fuel and consumables, the full year AISC guidance of US\$1,300 - US\$1,450 per oz will be re-assessed at the end of Q3 and a further update provided at that time

#### Environmental, social and governance ("ESG") updates during the period:

- **Covid-19:** The Company's ongoing strict on-site testing, quarantine procedures and overall hygiene protocols performed well during the period, especially during the outbreak of the Omicron COVID-19 variant earlier in the year in mitigating virus spread and any adverse health care issues for our employees. Further, during the period increasing on-site employee vaccinations took place
- **Yanfolila, Mali community livelihood and projects:** Extension of our current community and livelihood programmes took place during the period including: rehabilitating the 27 existing community water boreholes and adding four new water boreholes during the period; on target to add four market gardens to total 16 by the end of 2022, supporting c.1,050 mainly women with income and local food supply; training of 19 people during the period in beekeeping with c.300 litres of honey produced by the local communities in June 2022 for sale and local consumption; and on target to add an additional four poultry farms to take the total to eight by the end of 2022
- **Kouroussa, Guinea:** During the period, key ESG programmes and initiatives included: Land compensation payments finalised to local communities to allow for mine construction and future mining; ongoing community engagement as the construction progressed; formalising the initial community projects and livelihood initiatives which are being rolled out in H2 2022, including: water supply infrastructure; local community hospital infrastructure improvements and medical supplies; market gardens; and shea butter manufacturing training
  - Further at Kouroussa advancement in discussions and final negotiations for the mine sites power contract took place during the period, which we expect to be awarded soon. The power contract will include carbon emission reduction technologies to lower the overall carbon footprint of the mine including a +7Mwh solar plant and heat recover generator units at the processing plant
- **World Gold Council ("WGC") Responsible Gold Mining Principles ("RGMPs"):** The external assurance audit begun in Q2 for the year three WGC RGMPs requirements. A dedicated Hummingbird ESG team and external consultants are in place to achieve a positive assurance audit report outcome, expected in Q4 this year
- **Dugbe, Liberia:** During the period the Environmental and Social Impact Assessment ("ESIA") study was being completed, and is expected to be finalised by our joint venture partners, Pasofino in Q3 2022

#### Dan Betts, CEO of Hummingbird, commented:

*"Our first half of the year was a busy period as we focussed on our key deliverables. During the past six months we improved operational performance at Yanfolila, with our Q2 2022 production numbers improving 29% versus Q1 2022; began construction at Kouroussa, with a material amount of progress achieved during the period, including major civil work, operational readiness programmes, contracts and community engagement; released our updated Company Reserves and Resources statements, leading to a material uplift in our Company Reserves now totalling at 4.13Moz and Company Resources of 7.28Moz; and the release of a feasibility study on Dugbe by our joint venture partners Pasofino, showcasing a sizeable gold mining project in terms of reserves and resources as well as strong project economics.*

*Looking forward, we are committed to following this positive trend. We will continue improving the operational performance at Yanfolila; maintain the positive progress at Kouroussa in terms of timeframe, cost, and quality delivery towards first gold pour at the end of Q2 2023; and make a decision that is aligned with our stakeholders' best interests at Dugbe."*

Footnote 1 - All Company Reserves and Resources are shown on a 100% basis. Hummingbird will retain a controlling interest in Dugbe of 51%

**\*\*ENDS\*\***

**Notes to Editors:**

Hummingbird Resources plc (AIM: HUM) is a leading multi-asset, multi-jurisdiction gold production, development and exploration Company, member of the World Gold Council and founding member of Single Mine Origin ([www.singlemineorigin.com](http://www.singlemineorigin.com)). The Company currently has two core gold projects, the operational Yanfolila Gold Mine in Mali, and the Kouroussa Gold Mine in Guinea, which will more than double current gold production when production, scheduled for first gold pour end of Q2 2023. Further, the Company has a controlling interest in the Dugbe Gold Project in Liberia that is being developed by Pasofino Gold Limited through an earn-in agreement. The final feasibility results on Dugbe showcase 2.76Moz in Reserves and strong economics such as a 3.5-year capex payback period once in production, 14-year life of mine at a low AISC profile of US\$1,005/oz. Our vision is to continue to grow our asset base, producing profitable ounces, while central to all we do being our Environmental, Social & Governance ("ESG") policies and practices.

**For further information please visit [www.hummingbirdresources.co.uk](http://www.hummingbirdresources.co.uk) or contact:**

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# Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2022

		Unaudited 6 months ended 30 June 2022 \$'000	Unaudited 6 months ended 30 June 2021 \$'000	Audited Year ended 31 December 2021 \$'000
<b>Continuing operations</b>	<b>Notes</b>			
<b>Revenue</b>		<b>70,443</b>	<b>86,559</b>	<b>162,777</b>
Production costs		(64,865)	(56,014)	(113,606)
Amortisation and depreciation		(16,945)	(20,325)	(38,317)
Royalties and taxes		(2,447)	(3,383)	(6,297)
<b>Cost of sales</b>		<b>(84,257)</b>	<b>(79,722)</b>	<b>(158,220)</b>
<b>Gross (loss)/profit</b>		<b>(13,814)</b>	<b>6,837</b>	<b>4,557</b>
Share based payments		(2,069)	(1,036)	(1,459)
Other administrative expenses		(5,853)	(4,139)	(10,263)
<b>Operating (loss)/profit</b>		<b>(21,736)</b>	<b>1,662</b>	<b>(7,165)</b>
Finance income		4,679	760	4,071
Finance expense		(5,589)	(2,619)	(6,003)
Share of joint venture loss		-	-	(46)
Reversals in impairment of financial assets		87	42	108
Losses on financial assets measured at fair value		(1,369)	(3,102)	(3,134)
<b>Loss before tax</b>		<b>(23,928)</b>	<b>(3,257)</b>	<b>(12,169)</b>
Tax	5	3,106	(840)	1,617
<b>Loss for the period/year</b>		<b>(20,822)</b>	<b>(4,097)</b>	<b>(10,552)</b>
<b>Attributable to:</b>				
Equity holders of the parent		(18,378)	(4,704)	(10,908)
Non-controlling interests		(2,444)	607	356
<b>Loss for the period/year</b>		<b>(20,822)</b>	<b>(4,097)</b>	<b>(10,552)</b>
<b>Loss per share (attributable to equity holders of the parent)</b>				
Basic (\$ cents)	6	(4.67)	(1.32)	(2.78)
Diluted (\$ cents)	6	(4.67)	(1.32)	(2.78)

# Consolidated Statement of Financial Position

As at 30 June 2022

		Unaudited 30 June 2022 \$'000	Unaudited 30 June 2021 \$'000	Audited 31 December 2021 \$'000
	Notes			
<b>Assets</b>				
<b>Non-current assets</b>				
Intangible exploration and evaluation assets		92,252	82,062	91,287
Intangible assets software		182	156	235
Property, plant and equipment		164,264	143,803	144,591
Right of use assets		30,358	39,552	35,986
Investments in associates and joint ventures		129	175	129
Financial assets at fair value through profit or loss		1,899	2,279	3,530
Deferred tax assets		7,638	684	3,868
		296,722	268,711	279,626
<b>Current assets</b>				
Inventory		13,158	16,117	13,148
Trade and other receivables		37,091	18,520	25,152
Unrestricted cash and cash equivalents		-	4,558	32,571
Restricted cash and cash equivalents		3,887	4,379	4,168
		54,136	43,574	75,039
<b>Total assets</b>		<b>350,858</b>	<b>312,285</b>	<b>354,665</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Borrowings		63,180	-	61,812
Lease liabilities		14,936	25,897	20,962
Deferred consideration		4,159	5,599	4,627
Other financial liabilities		9,298	6,836	9,092
Provisions		22,405	16,157	21,644
		113,978	54,489	118,137
<b>Current liabilities</b>				
Bank overdraft		5,171	-	-
Trade and other payables		49,357	50,558	33,708
Lease liabilities		13,496	12,822	13,496
Other financial liabilities		15,000	15,000	15,000
Provisions		-	-	611
		83,024	78,380	62,815
<b>Total liabilities</b>		<b>197,002</b>	<b>132,869</b>	<b>180,952</b>
<b>Net assets</b>		<b>153,856</b>	<b>179,416</b>	<b>173,713</b>
<b>Equity</b>				
Share capital	7	5,827	5,344	5,814
Share premium		17,425	488	17,425
Shares to be issued		-	17,407	-
Retained earnings		122,916	145,794	140,342
<b>Equity attributable to equity holders of the parent</b>		<b>146,168</b>	<b>169,033</b>	<b>163,581</b>
<b>Non-controlling interest</b>		<b>7,688</b>	<b>10,383</b>	<b>10,132</b>
<b>Total equity</b>		<b>153,856</b>	<b>179,416</b>	<b>173,713</b>

# Consolidated Statement of Cash Flows

For the six months ended 30 June 2022

	Unaudited 6 months ended 30 June 2022 \$'000	Unaudited 6 months ended 30 June 2021 \$'000	Audited Year ended 31 December 2021 \$'000
<b>Operating activities</b>			
Loss before tax	(23,928)	(3,257)	(12,169)
Adjustments for:			
Amortisation and depreciation	11,332	14,090	26,286
Amortisation and depreciation – right of use assets	5,627	6,348	12,197
Share based payments	2,232	1,098	1,372
Finance income	(4,679)	(760)	(4,071)
Finance expense	5,589	2,619	6,003
Share of joint venture loss	-	-	46
Reversals in impairment of financial assets	(87)	(42)	(108)
Losses on financial assets and liabilities measured at fair value	1,369	3,102	3,134
<b>Operating cash flows before movements in working capital</b>	<b>(2,545)</b>	23,198	32,690
(Increase)/decrease in inventories	(11)	4,235	7,204
Increase in receivables	(11,938)	(6,346)	(10,978)
Increase/(decrease) in payables	11,883	11,657	(3,795)
	(2,611)	32,744	25,121
Taxation paid	(680)	(1,475)	(2,418)
<b>Net cash (used in)/generated from operating activities</b>	<b>(3,291)</b>	31,269	22,703
<b>Investing activities</b>			
Purchases of exploration and evaluation assets	(1,109)	(5,618)	(9,992)
Purchases of property, plant and equipment	(30,747)	(7,599)	(22,295)
Pasofino funding	2,827	6,308	10,141
Pasofino funding utilisation	(2,827)	(7,178)	(10,946)
Sale and purchase of shares in other companies	-	2,538	2,538
Interest received	2	-	-
<b>Net cash used in investing activities</b>	<b>(31,854)</b>	(11,549)	(30,554)
<b>Financing activities</b>			
Exercise of share options and warrants	13	-	-
Lease principal payments	(6,027)	(6,657)	(13,201)
Lease interest payments	(715)	(356)	(819)
Loan interest paid	-	(255)	(721)
Loans repaid	-	(13,278)	(13,278)
Loan drawdown	7,520	-	66,365
Commission and other fees paid	(2,890)	(341)	(5,413)
<b>Net cash (used in)/generated from financing activities</b>	<b>(2,099)</b>	(20,887)	32,933
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(37,244)</b>	(1,167)	25,082
Effect of foreign exchange rate changes	(779)	(964)	589
<b>Cash and cash equivalents at beginning of period/year</b>	36,739	11,068	11,068
<b>Cash and cash equivalents at end of period/year</b>	<b>(1,284)</b>	8,937	36,739

# Consolidated Statement of Changes in Equity

For the six months ended 30 June 2022

	Share capital \$'000	Share premiu m \$'000	Shares to be issued \$'000	Retained earnings \$'000	Total equity attributabl e to the parent \$'000	Non- controllin g interest \$'000	Total \$'000
<b>As at 1 January 2021</b>	5,344	488	17,407	150,246	173,485	9,776	183,261
(Loss)/profit for the period	-	-	-	(4,704)	(4,704)	607	(4,097)
Total comprehensive income for the period	-	-	-	(4,704)	(4,704)	607	(4,097)
Share based payments	-	-	-	252	252	-	252
<b>As at 30 June 2021 (Unaudited)</b>	5,344	488	17,407	145,794	169,033	10,383	179,416
<b>As at 1 January 2021</b>	5,344	488	17,407	150,246	173,485	9,776	183,261
(Loss)/profit for the year	-	-	-	(10,908)	(10,908)	356	(10,552)
<b>Total comprehensive income for the year</b>	-	-	-	(10,908)	(10,908)	356	(10,552)
<i>Transactions with owners in their capacity as owners:</i>							
Shares to be issued as consideration in asset purchase	470	16,937	(17,407)	-	-	-	-
<b>Total transactions with owners in their capacity as owners</b>	470	16,937	(17,407)	-	-	-	-
Share based payments	-	-	-	1,004	1,004	-	1,004
<b>As at 31 December 2021 (Audited)</b>	5,814	17,425	-	140,342	163,581	10,132	173,713
<b>As at 1 January 2022</b>	5,814	17,425	-	140,342	163,581	10,132	173,713
<i>Comprehensive (loss)/income for the period:</i>							
Loss for the period	-	-	-	(18,378)	(18,378)	(2,444)	(20,822)
Total comprehensive (loss)/income for the period	-	-	-	(18,378)	(18,378)	(2,444)	(20,822)
Share based payments	13	-	-	952	965	-	965
<b>As at 30 June 2022 (Unaudited)</b>	5,827	17,425	-	122,916	146,168	7,688	153,856

## 1. General information

Hummingbird Resources PLC is a public limited company with securities traded on the AIM market of the London Stock Exchange. It is incorporated and domiciled in the United Kingdom and has a registered office at 49-63 Spencer Street, Hockley, Birmingham, West Midlands, B18 6DE.

The nature of the Group's operations and its principal activities are the exploration, evaluation, development, and operating of mineral projects, principally gold, focused currently in West Africa.

## 2. Adoption of new and revised standards

The interim financial statements have been drawn up based on accounting policies consistent with those applied in the financial statements for the year ended 31 December 2021. There were several accounting standards updates effective 1 January 2022, which did not have any material impact on the financial statements of the Group.

IFRS 3 – Business Combinations (Amendments)	effective 1 January 2022	Reference to the Conceptual Framework
IAS 16 – Property, Plant and Equipment (Amendments)	effective 1 January 2022	Proceeds before Intended Use
IAS 37 – Provisions, Contingent Liabilities and Contingent Assets (Onerous Contracts)	effective 1 January 2022	Cost of Fulfilling a Contract

The following Standards and Interpretations which have not been applied in the financial statements were in issue but not yet effective.

IFRS 17	effective 1 January 2023	Insurance contracts
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## 3. Significant accounting policies

### Basis of preparation

The consolidated interim financial information has been properly prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006, which is expected to be applied in the Group's financial statements for the year ended 31 December 2022.

The consolidated interim financial information for the period 1 January 2022 to 30 June 2022 is unaudited, does not include all the information required for full financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2021. In the opinion of the Directors the consolidated interim financial information for the period represents fairly the financial position, results from operation and cash flows for the period in conformity with generally accepted accounting principles consistently applied. The consolidated interim financial information incorporates comparative figures for the interim period 1 January 2021 to 30 June 2021 and the audited financial year to 31 December 2021. As permitted, the Group has chosen not to adopt IAS34 'Interim Financial Reporting'.

The annual financial statements of Hummingbird Resources plc are prepared in accordance with UK adopted International Accounting Standards. The Group's consolidated annual financial statements for the year ended 31 December 2021, have been filed with the Registrar of Companies and are available on the Company's website [www.hummingbirdresources.co.uk](http://www.hummingbirdresources.co.uk). The auditor's report on those financial statements though unqualified contained an emphasis of matter paragraph in respect of risks surrounding the going concern assumption of the Company at that date.

On 30 June 2022, the Group had cash and cash equivalents of negative \$1.3 million and total borrowings of \$63.2 million. As of June 30, 2022, the Company had a working capital deficiency (current assets less current liabilities) of \$28.9 million. The current liabilities include Anglo Pacific royalty liability of \$15 million which, although current due to the nature of the agreement, is not expected to be paid soon.

### Going concern

The Group has prepared cash flow forecasts based on estimates of key variables including production, gold price, operating costs, capital expenditure through to December 2023 that supports the conclusion of the Directors that they expect sufficient funding should be available to meet the Group's anticipated cash flow requirements to this date.

These cashflow forecasts are subject to several risks and uncertainties, in particular the ability of the Group to achieve the planned levels of production and the recent average higher gold prices being sustained. The Board reviewed and challenged the key assumptions used by management in its going concern assessment, as well as the scenarios applied and risks considered, including the risks associated with the recent change in governments in Mali and Guinea and subsequent sanctions on Mali, the sanctions on Russia as well as COVID-19.

The biggest material uncertainty and risk remains ounces produced and whether the current mine plan can be achieved, mining contractor equipment performance, the impact of COVID-19, and impact of the latest change in government and resulting sanctions in Mali and sanctions on Russia, which are also having a logistical impact on the Group. Where additional funding may be required, the Group believes it has several options available to it, including but not limited to, use of the overdraft facility, cost reduction strategies, selling of non-core assets, raising additional funds from current investors and debt partners.

The Board also considered sensitivities to those cash flow scenarios (including where production is lower than forecast and gold prices lower than current levels) which would require additional funding. Should this situation arise, the Directors believe that they have several options available to them, such as use of the current overdraft facility, obtaining additional funding, delaying expenditures, sale of non-core assets, which would allow the Group to meet its cash flow requirements through this period, however, there remains a risk that the Group may not be able to achieve these in the necessary timeframe.

Based on its review, the Board has a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future and hence the Board considers that the application of the going concern basis for the preparation of the Financial Statements was appropriate. However, the risk of lower-than-expected production levels, timing of VAT offsets and receipts, increased fuel costs and potential disruptions to supply chain and the ability to secure any potential required funding at date of signing of these financial statements, indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

Should the Group be unable to achieve the required levels of production and associated cashflows, defer expenditures or obtain additional funding such that the going concern basis of preparation was no longer appropriate, adjustment would be required including the reduction of balance sheet asset values to their recoverable amounts and to provide for future liabilities should they arise.

#### 4. EBITDA and adjusted EBITDA

Earnings before interest, taxes, depreciation and amortisation ("EBITDA") is a factor of volumes, prices and cost of production. This is a measure of the underlying profitability of the Group, widely used in the mining sector. Adjusted EBITDA removes the effect of impairment charges, foreign currency translation gains/losses and other non-recurring expense adjustments but including IFRS 16 lease payments.

##### Reconciliation of Net Earnings to EBITDA and Adjusted EBITDA

	Unaudited six months ended 30 June 2022 \$'000	Unaudited six months ended 30 June 2021 \$'000	Audited year ended 31 December 2021 \$'000
<b>Loss before tax</b>	<b>(23,928)</b>	<b>(3,257)</b>	<b>(12,169)</b>
Less: Finance income	(4,679)	(760)	(4,071)
Add: Finance costs	5,589	2,619	6,003
Add: Depreciation and amortisation	16,959	20,438	38,395
<b>EBITDA</b>	<b>(6,059)</b>	<b>19,040</b>	<b>28,158</b>
IFRS 16 lease interest and principal payments	(6,742)	(7,013)	(14,020)
Share based payments	2,232	1,098	1,372
Share of joint venture loss	-	-	46
Reversals in impairment of financial assets	(87)	(42)	(108)
Losses on financial assets and liabilities measured at fair value	1,369	3,102	3,134
<b>Adjusted EBITDA</b>	<b>(9,287)</b>	<b>16,185</b>	<b>18,582</b>

#### 5. Tax

The tax (income)/charge for the period/year is summarised as follows:

	Unaudited six months ended 30 June 2022 \$'000	Unaudited six months ended 30 June 2021 \$'000	Audited year ended 31 December 2021 \$'000
Minimum tax pursuant to Malian law	664	840	1,567
Deferred tax income	(3,770)	-	(3,184)
<b>Tax (income)/expense for the period/year</b>	<b>(3,106)</b>	<b>840</b>	<b>(1,617)</b>

The taxation charge for the period/year can be reconciled to the loss per the statement of comprehensive income as follows:

	Unaudited six months ended 30 June 2022 \$'000	Unaudited six months ended 30 June 2021 \$'000	Audited year ended 31 December 2021 \$'000
<b>Loss before tax for the period/year</b>	<b>(23,928)</b>	<b>(3,257)</b>	<b>(12,169)</b>
Tax expense at the rate of tax 30.00%	<b>(7,178)</b>	(977)	(3,651)
Origination and reversal of temporary differences	<b>3,946</b>	1,415	9,433
Deferred tax asset (recognised)/not recognised	<b>3,232</b>	(438)	(5,782)
Recognised net deferred tax assets	<b>(3,770)</b>	-	(3,184)
Minimum tax pursuant to Malian law	<b>664</b>	840	1,567
<b>Tax (income)/expense for the period/year</b>	<b>(3,106)</b>	<b>840</b>	<b>(1,617)</b>

The Group's primary tax rate is aligned with its operations in Mali of 30%. The taxation of the Group's operations in Mali are aligned to the Mining Code of Mali 1999 under which tax is charged at an amount not less than 1% of turnover and not more than 30% of taxable profits.

## 6. Loss per ordinary share

Basic loss per ordinary share is calculated by dividing the net loss for the period/year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period/year.

The calculation of the basic and diluted loss per share is based on the following data:

	Unaudited six months ended 30 June 2022 \$'000	Unaudited six months ended 30 June 2021 \$'000	Audited year ended 31 December 2021 \$'000
<b>Loss</b>			
Loss for the purposes of basic loss per share being loss attributable to equity holders of the parent	(18,378)	(4,704)	(10,908)

  

	30 June 2022 Number	30 June 2021 Number	31 December 2021 Number
<b>Number of shares</b>			
Weighted average number of ordinary shares for the purposes of basic loss per share	393,416,579	357,428,368	392,676,809
Weighted number of shares to be issued as part of asset purchase	-	35,248,441	-
Adjustments for share options and warrants	29,899,569	18,097,483	17,166,492
Weighted average number of ordinary shares for the purposes of diluted loss per share	423,316,148	410,774,292	409,843,301

  

	30 June 2022 \$ cents	30 June 2021 \$ cents	31 December 2021 \$ cents
<b>Loss per ordinary share</b>			
Basic	(4.67)	(1.32)	(2.78)
Diluted	(4.67)	(1.32)	(2.78)

For the period ended 30 June 2022, because there is a reduction in diluted loss per share due to the loss-making position, therefore there is no difference between basic and diluted loss per share.

## 7. Share capital

### Authorised share capital

As permitted by the Companies Act 2006, the Company does not have an authorised share capital.

	Unaudited six months ended 30 June 2022 Number	Unaudited six months ended 30 June 2021 Number	Audited year ended 31 December 2021 Number
<b>Issued and fully paid</b>			
Ordinary shares of £0.01 each	393,607,988	357,428,368	392,676,809
<b>Shares to be issued <sup>1</sup></b>			
Ordinary shares to be issued of £0.01 each	-	35,248,441	-
Total Ordinary shares after issue - shares of £0.01 each	393,607,988	392,676,809	392,676,809

	30 June 2022 \$'000	30 June 2021 \$'000	31 December 2021 \$'000
<b>Issued and fully paid</b>			
Ordinary shares of £0.01 each	5,827	5,344	5,814
<b>Shares to be issued <sup>1</sup></b>			
Ordinary shares to be issued of £0.01 each	-	470	-
Ordinary shares after issue of £0.01 each	5,827	5,814	5,814