

West African Minerals Corporation

Consolidated Financial Statements

For the year ended 31 March 2013

Registration number: 1415559

West African Minerals Corporation

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West African Minerals Corporation

Management and administration

Registered office	Craigmuir Chambers Road Town Tortola British Virgin Islands
Secretary	Denham Eke 4 th Floor Viking House Nelson Street Douglas Isle of Man IM1 2AH
Nominated Adviser and joint broker	Beaumont Cornish Limited 2nd Floor Bowman House 29 Wilson Street London EC2M 2SJ
Broker	Investec Bank Plc 100 Wood Street London EC2V 7AN
Registrar	Computershare Investor Services (Jersey) Limited Queensway House Hilgrove Street St Helier, Jersey JE1 1ES
Auditors	KPMG Audit LLC Heritage Court 41 Athol Street Douglas Isle of Man IM99 1HN
Legal Advisers	Kerman & Co LLP 200 Strand London WC2R 1DJ
Depository	Computershare Investor Services PLC The Pavilions Bridgewater Road Bristol BS13 8AE
Administrator	Burnbrae Limited 4 th Floor Viking House Nelson Street Douglas Isle of Man IM1 2AH

West African Minerals Corporation

Operational Highlights

- Acquisition of remaining 5% minority interest in CMC Cameroon which was completed on 21 May 2012 now provides full ownership and operational control of the Company's major asset in Cameroon
- Phase II drilling uncovers hematite enrichment predominantly from surface at South Djadom
- Infill grid drilling over a 3.6km x 1.2km area currently underway – assay results imminent
- Maiden resource expected before the end of the calendar year
- Potential for a second resource at Binga near Kribi port by year end
- Total Assets increased by 12.5% to £29.7 million (2012: £26.4 million)
- Following placements, cash still remains over £9.4 million (2012: £10.6 million)
- Total equity increased by 14.7% to £29.6 million (2012: £25.8 million)
- First analyst site visit produces initial research coverage
- Operational expenses rigorously controlled at all levels
- Basic and diluted loss per share fell by 61.6% to £0.018 (2012: £0.028)

West African Minerals Corporation

Chairman's statement

Dear Shareholders,

Significant strides were made during the year towards WAFM's 2013 target to deliver the Company's maiden iron ore resource estimate in autumn 2013. The 20,000 metre Phase 2 scout drilling programme that was launched last August commenced at the Binga permit in proximity to the Kribi multi-user deep seaport and advanced eastward along the prolific iron corridor to the major geophysical anomalies at Djadom. The success of this programme guided by a 5,000 line km fixed wing airborne gravity and Phase I 27,000 line km aeromagnetic survey has brought the Company to the threshold of discovery.

March 2013 year end results

During the financial period under review, the Company's Shareholder Equity grew to £29.6 million (2012: £25.8 million). On 30 July 2012, the acquisition of the remaining 5% minority interest in Compagnie Minière du Cameroun SA ("CMC Cameroon") was successfully completed, making CMC Cameroon an indirectly wholly-owned subsidiary of WAFM. The acquisition was settled by way of issue of 18.5 million new ordinary shares in the Company to the vendors with a market valuation of £10.1 million.

Cash stood at £9.4 million (2012: £10.6 million) with Expenses of £3.1 million (2012: 3.6 million).

Total number of shares in issue increased to 288.0 million (2012: 258.9 million) resulting in an increase in Share Premium to £59.6 million (2012: £43.8 million). Total shares issued during the year comprised of 10.2 million shares which raised £5.6 million in placing proceeds, 18.5 million shares issued on acquisition of CMC Cameroon minority interest and 0.33 million shares issued pursuant to an exercise of share options.

The Company issued share options and warrants totalling 6.6 million and 1.4 million respectively, to certain directors, consultants and employees of the Group.

Total costs capitalised to Deferred Mine Exploration costs increased to £7.0 million (2012: £2.5 million). These costs are directly attributable to exploratory activities in Cameroon and Sierra Leone and were capitalised in accordance with the Group's policy and IFRS. An impairment review has been performed during the year and management considered that the recoverable amount of these assets exceeded the carrying value, therefore no impairment was recognized.

Total operating loss during the year was £3.1 million (2012: £3.6 million). The directors have instituted a cost control programme which will result in further future savings.

Phase II Drilling – identifying the potential

The focus of the company's exploration activities over the last year has been the 20,000 metre Phase II scout drilling programme to test the major geophysical targets on the Binga licence in proximity to the deep water port of Kribi, and the large-scale targets on the Lélé and Djadom leases to the east. This bifurcated approach was designed to leverage the Company's success on two levels: a) to capture the near term potential at the coastal concessions and identify a resource that can be brought into production in relatively short time; and b) advancing the large scale potential of Lélé and Djadom located adjacent to the other major DSO deposits in the region as the heavy rail infrastructure is developed.

Also as part of the Phase II programme, a gravity gradiometry survey was conducted in February 2013 over the Djadom South, Djadom North, and Lele concessions that successfully identified high-density anomalies co-incident with the previously delineated aeromagnetic anomalies. These magnetic anomalies were interpreted as regionally extensive Banded Iron Formation (BIF) displaying similar geophysical signatures and strong continuity with the adjacent Mbarga resource.

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Chairman's statement (continued)

i) Binga - evidence of near-surface enrichment

At the Binga licence over 5,500 metres of scout drilling in 114 reverse circulation (RC) holes defined three mineralized clusters of enrichment, located 40km to 100km east of the Kribi multi-user deep seaport now under construction. Enriched BIF was recorded in the western sector of Binga on surface and in road-cuttings from Sinoshydro's roadwork connected with the Memve'ele hydroelectric power project being built on WAFM's licenses between Binga and Minko. At least two separate enriched BIF structures within a larger package of meta-sedimentary country rock with strike extents of up to 45 kilometres were discovered.

Channel samples of high-grade float material have confirmed Binga as highly weathered with good potential for enriched hematite, particularly where road cuttings are perpendicular to strike, demonstrating the potential for channel-fill development. There is now clear evidence of hematite enrichment in near-surface pisolitic fill deposits and within areas of structural interference.

Given the extensive strike length of the geophysical anomalies, the enrichment encountered in the holes drilled to date, and the near proximity to planned deep water port facilities, these early indications considerably enhance the economic significance of these deposits.

From Binga, the Phase II drilling programme moved east to WAFM's large-scale Djadom licence adjacent to the Mbarga deposit at Mbalam.

ii) South Djadom - unlocking large-scale potential

Significant momentum has been gained from the advanced understanding of detailed geology through the correlation of magnetic and gravity anomalies with BIF over a 25km strike length at South Djadom.

In March 2013, the first set of results emerged from 42 vertical RC holes drilled to test the northern-most portion of a 6km by 4km area. The presence of BIF, enriched BIF and hematite was confirmed in 11 drill holes over an area spanning 3km by 2km in the test area. Of these, 8 holes intersected zones of enrichment predominantly from surface ranging from 8 to 23 metres in length, and 5 holes intersected near surface hematite mineralisation returning composite grades in excess of 50% over greater than 5 metres. Hematite mineralization and enriched BIF are now demonstrated to occur over widespread areas, correlating well to the magnetic and gravity modelling.

Converting the potential through infill drilling

The widespread nature of near surface hematite mineralisation and enriched BIF provided the basis for an extensive infill grid drilling program of approximately 300 holes starting at the northwest portion of the anomalous area spanning 3.6 km x 1.2 km, with the objective to establish continuity of the mineralisation towards a maiden resource. 27 vertical RC holes from the grid (Grid 1) have been reported on to date. 11 of these intersected mineralisation (BIF, enriched BIF or a hematite-rich oxide cap) with 6 containing significant mineralisation defined as >30% Fe over >5m thickness.

Reverse Circulation (RC) drilling has been completed on Grid 1 and the remaining assay results are imminent. RC drilling on a second grid (Grid 2) and Diamond Drilling (DD), for structural definition and RC drilling verification, is ongoing with two RC rigs and three DD rigs on site. The objective of the infill drilling is the delivery of a maiden inferred resource and the development of a thorough understanding of the geological controls on mineralisation in this district.

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Chairman's statement (continued)

Future Developments

As WAFM prepares to deliver the first of its mineral resource estimates later this year, the south Cameroon iron corridor has the potential for significant transformation through a number of potential developments including the advancement in infrastructure planning and corporate strategic activities with the potential to attract funding on a global scale. A number of large Asian entities are represented in the 'National Railway Master Plan Study in Cameroon' with a view to developing the 516 km heavy duty rail line in Cameroon, while a consortium of Chinese banks and other parties are reportedly considering a role in the funding. Merger and acquisition activity is at its highest among WAFM's peers and it is likely that the outcome will be positive to generating momentum and interest in the country.

Cameroon is endowed with natural deep water and calm conditions ideal for the construction of bulk iron ore port facilities. With few places on the continent suitable to accommodate bulk storage and strong government support for infrastructure development, Cameroon is ideally positioned to accommodate shipments to China and Europe. WAFM has largely completed its Phase II infrastructure study for future production from the near-port and hinterland leases, looking at iron-ore terminal and port design, heavy gauge rail and road haul, mining and processing, and ore handling for potential future production.

OUTLOOK

The Company expects to complete the Phase II RC drilling programme at South Djadom in August covering a significant portion of the 25km long co-incident gravity and magnetic anomaly. This will generate the first major resource on the main grid in September, which is expected to be supplemented by an additional resource on the second grid at South Djadom later in October.

The RC drill rigs are being mobilized to North Djadom with Phase II drilling to commence there in mid-July and, following verification of the magnetic targets, will move westward to the Lele concession situated between the Mbalam and the Nkout deposits.

An infill drilling programme at Binga is expected to commence in August with the objective of targeting a mineral resource estimate by the end of the calendar year. Following the success of a ground-based geophysical survey, over Grid 1, in delineating the BIF units, further such surveys have been planned over the Binga infill areas. In addition, access roads have been developed on Djadom North for the verification drilling of large-scale targets identified from the geophysics here.

Markets

Iron ore prices fell (for 62% fines CFR China) in February, reaching a low of US\$110.40/t in late May and recovering to a current range of US\$110-120/t. The stabilisation in prices, coupled with the recovery in freight rates (which remain at extremely depressed levels) has been interpreted as a positive sign by many market commentators.

Over the long term, the Company's bullish outlook for iron ore prices is unchanged based on:-

- the high average marginal cost of Chinese iron ore production (estimated at US\$110-120 per tonne);
- support from Chinese Government stimulus spending and structural factors such as the urbanization of China's population;
- supply growth continuing to fall significantly short of market expectations due to capital and operating cost inflation deferring new projects and mine expansions; and
- strong demand growth anticipated from the United States and emerging markets including Brazil, India, Russia, CIS countries, southeast Asia and the Middle East in the mid to long term.

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Chairmen's statement (continued)

WAFM is transitioning into a significant iron ore developer and is in a favourable position to deliver a series of firsts in the months ahead starting with the establishment of a maiden mineral resource at the South Djadom permit. Considerable discovery potential exists which geophysics and modelling is now more accurately targeting.

Finally I, and the board as a whole, would like to sincerely thank Stephen Dattels for his invaluable contribution to the success of the Company since its listing in 2007 following his decision to stand down as Executive Co-Chairman and CEO of the Company on 17 July 2013 to focus on outside business interests and to spend more time with his family. Following his departure, I will now become sole Non-Executive Chairman joined by Brad Mills, who will now move from Executive Vice-Chairman to become President.

Jim Mellon
Non-Executive Chairman
18 July 2013

West African Minerals Corporation

Directors' report

The Directors present their annual report and the financial statements for West African Minerals Corporation ("WAFM" or the "Company") for the year ended 31 March 2013.

Principal activity

The Company seeks investment opportunities across all types of natural resources projects. This investing policy permits the review and consideration of potential investments in not just metals and metals projects, but also investment in all types of natural resources projects, including but not limited to all metals, minerals and hydrocarbon projects, or physical resource assets on a worldwide basis.

Results and transfers to reserves

The results and transfers to reserves for the year are set out on pages 10 to 13.

The Group made a total comprehensive loss for the year after taxation of £2,744,900 (2012: £3,209,058).

Dividend

The Directors do not propose the payment of a dividend for the period (2012: £nil).

Directors

The Directors who served during the period and to date are:

	Appointed	Resigned
Stephen Dattels		17 July 2013
James Mellon *		
Denham Eke		
Patrick Weller *		17 April 2012
Guy Elliot *		11 October 2012
Bradford Mills	23 April 2012	
Anton Mauve	23 April 2012	
Gualtierio Giori *	23 April 2012	30 April 2013
Gerard Holden *	23 April 2012	
* non-executive		

By order of the Board

Denham Eke
Secretary

Craigmuir Chambers
Road Town
Tortola
British Virgin Islands

West African Minerals Corporation

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations. In addition, the Directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards, as adopted by the EU.

The financial statements are required to give a true and fair view of the state of affairs of the Group and Parent Company and of the profit or loss of the Group for that year.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable International Financial Reporting Standards, as adopted by the EU, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Group and to allow for the preparation of financial statements. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation governing the preparation and dissemination of financial statements may differ from one jurisdiction to another.

West African Minerals Corporation

Report of Independent Auditors, KPMG Audit LLC, to the members of West African Minerals Corporation

We have audited the financial statements of West African Minerals Corporation (the "Company") for the year ended 31 March 2013 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs), as adopted by the EU.

This report is made solely to the Company's members, as a body. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the Directors are responsible for the preparation of financial statements that give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.


Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2013 and of its loss for the year then ended; and
- have been properly prepared in accordance with IFRSs, as adopted by the EU.


KPMG Audit LLC
Chartered Accountants
Heritage Court
41 Athol Street
Douglas
Isle of Man IM99 1HN

18th July 2013

West African Minerals Corporation

Consolidated statement of comprehensive income

for the year ended 31 March 2013

	Notes	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Income		-	-
Expenses			
Directors' fees	17	(633,672)	(696,157)
Salaries and wages		(142,135)	(36,173)
Consultants' fees		(19,819)	(5,288)
Other professional fees		(801,961)	(1,640,868)
Administration expenses		(600,232)	(420,020)
Share option and warrants	15	(876,620)	(483,788)
Other costs		(41,612)	(99,521)
Unrealised exchange losses		(9,495)	(191,074)
Loss before finance income	4	(3,125,546)	(3,572,889)
Finance income		61,352	12,910
Loss before income tax		(3,064,194)	(3,559,979)
Taxation	5	-	-
Loss after income tax		(3,064,194)	(3,559,979)
Other comprehensive income - foreign currency translation reserve		319,294	350,921
Total comprehensive loss for the year		(2,744,900)	(3,209,058)
Loss attributable to:			
Owners of the Company		(3,063,083)	(3,000,857)
Non-controlling interest		(1,111)	(559,122)
		(3,064,194)	(3,559,979)
Total comprehensive loss attributable to:			
Owners of the Company		(2,743,789)	(3,063,552)
Non-controlling interest		(1,111)	(145,506)
		(2,744,900)	(3,209,058)
Basic and diluted loss per share	19	(0.0108)	(0.0281)

The notes on pages 14 to 33 form part of these consolidated financial statements.

The Directors consider that all results derive from continuing activities.

West African Minerals Corporation

Consolidated statement of financial position

as at 31 March 2013

	Notes	At 31 March 2013 £	At 31 March 2012 £
Assets			
Property, plant and equipment	7	458,476	307,165
Deferred mine exploration costs	6	7,040,510	2,481,177
Exploration permits	10, 11	11,798,193	11,798,193
Goodwill	10	858,275	858,275
Total non-current assets		20,155,454	15,444,810
Current assets			
Cash and cash equivalents		9,437,392	10,639,862
Trade and other receivables	13	155,335	272,273
Total current assets		9,592,727	10,912,135
Total assets		29,748,181	26,356,945
Equity			
Share premium	8	59,626,661	43,838,819
Share options reserves	15, 17	864,159	29,546
Share warrants reserves	15, 17	576,249	534,242
Foreign currency translation reserve		256,599	(62,695)
Retained deficit		(31,696,143)	(18,517,934)
Shareholders' equity		29,627,525	25,821,978
Non-controlling interest		-	14,735
Total equity		29,627,525	25,836,713
Current Liabilities			
Trade and other payables	14	120,656	520,232
Total liabilities		120,656	520,232
Total equity and liabilities		29,748,181	26,356,945

The notes on pages 14 to 33 form part of these consolidated financial statements.

These financial statements were approved by the board of directors on 18 July 2013 and were signed on their behalf by:

Denham Eke
Director

West African Minerals Corporation

Consolidated statement of changes in equity

for the year ended 31 March 2013

	Notes	Share premium £	Share options reserve £	Share warrants reserve £	Foreign currency translation reserves £	Share based payment reserves £	Retained deficit £	Total shareholders' equity £	Non-controlling interest £	Total £
Balance at 1 April 2011		15,804,554	-	-	-	97,305	(5,937,863)	9,963,996	-	9,963,996
Total comprehensive loss for the year		-	-	-	-	-	(3,000,857)	(3,000,857)	(559,122)	(3,559,979)
Loss for the year		-	-	-	-	-	-	-	-	-
Other comprehensive loss for the year		-	-	-	(62,695)	-	-	(62,695)	413,616	350,921
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Shares issued for cash subscription	8	5,250,000	-	-	-	-	-	5,250,000	-	5,250,000
Shares issued in lieu of directors' fees	8, 17	129,206	-	-	-	(129,206)	-	-	-	-
Shares issued in settlement of subsidiary acquisitions	8, 10	22,655,059	-	-	-	-	-	22,655,059	-	22,655,059
Share based payment transactions	15, 17	-	29,546	534,242	-	31,901	-	595,689	-	595,689
Changes in ownership interests in subsidiaries										
Fair value of non-controlling interest on acquisition of non-controlling interest	10	-	-	-	-	-	(9,579,214)	(9,579,214)	12,759,501	3,180,287
Non-controlling interest share buy back	10	-	-	-	-	-	-	-	(381,690)	(381,690)
Non-controlling interest on acquisition	10	-	-	-	-	-	-	-	(12,217,570)	(12,217,570)
Balance at 31 March 2012		43,838,819	29,546	534,242	(62,695)	-	(18,517,994)	25,821,978	14,735	25,836,713
Total comprehensive loss for the year		-	-	-	-	-	(3,063,083)	(3,063,083)	(1,111)	(3,064,194)
Loss for the year		-	-	-	-	-	-	-	-	-
Other comprehensive income for the year		-	-	-	319,294	-	-	319,294	-	319,294
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Shares issued for cash subscription	8	5,613,578	-	-	-	-	-	5,613,578	-	5,613,578
Exercise of options	8, 15	45,514	-	-	-	-	-	45,514	-	45,514
Shares issued in settlement of subsidiary acquisitions	8, 10	10,128,750	-	-	-	-	-	10,128,750	-	10,128,750
Share based payment transactions	15, 17	-	834,613	42,007	-	-	-	876,620	-	876,620
Changes in ownership interests in subsidiaries										
Non-controlling interest on acquisition	10	-	-	-	-	-	(10,115,126)	(10,115,126)	(13,624)	(10,128,750)
Balance at 31 March 2013		59,626,661	864,159	576,249	256,599	-	(31,696,143)	29,627,525	-	29,627,525

The notes on pages 14 to 33 form part of these consolidated financial statements.

West African Minerals Corporation

Consolidated statement of cash flows

for the year ended 31 March 2013

	Notes	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Cash flows from operating activities			
Loss before income tax		(3,064,194)	(3,559,979)
<i>Adjusted for non-cash and non-operating items:</i>			
Depreciation	7	16,083	12,248
Share based payment charge		-	31,901
Share options and warrants		876,620	483,788
Finance income		(61,352)	(12,910)
		<u>(2,232,843)</u>	<u>(3,044,952)</u>
Change in trade and other receivables		116,938	(240,642)
Change in trade and other payables		<u>(399,576)</u>	<u>367,855</u>
Net cash used in operating activities		<u>(2,515,481)</u>	<u>(2,917,739)</u>
Cash flows from investing activities			
Property, plant and equipment acquisition	7	(277,626)	(282,491)
Amount paid for capitalised deferred mine exploration cost	6	(4,449,101)	(1,910,276)
Loan advanced to subsidiary prior to acquisition		-	(466,675)
Cash acquired on acquisition of subsidiary		-	86,165
Net cash used in investing activities		<u>(4,726,727)</u>	<u>(2,573,277)</u>
Cash flows from financing activities			
Interest received		61,352	12,910
Cash proceeds from issue of shares	8	5,613,578	5,250,000
Cash proceeds from issue of shares to non-controlling interest		-	898,095
Amount paid to non-controlling interest for shares bought back		-	(381,690)
Exercise of share options	8	45,514	-
Net cash generated from financing activities		<u>5,720,444</u>	<u>5,779,315</u>
Effect of foreign exchange movement on cash		319,294	350,920
Increase in cash and cash equivalents		<u>(1,202,470)</u>	<u>639,219</u>
Cash and cash equivalents at beginning of year		<u>10,639,862</u>	<u>10,000,643</u>
Cash and cash equivalents at end of year		<u><u>9,437,392</u></u>	<u><u>10,639,862</u></u>
Significant non-cash transactions			
Conversion of loan into equity interest		-	466,675
Shares issued in settlement of acquisition of non-controlling interest in Ferrum Resources Limited		-	8,705,791
Shares issued in settlement of acquisition of non-controlling interest in CMC Guernsey/ CMC Cameroon	10	<u>10,128,750</u>	<u>13,949,268</u>

The notes on pages 14 to 33 form part of these consolidated financial statements.

West African Minerals Corporation

Notes

forming part of the consolidated financial statements for the year ended 31 March 2013

1 Reporting Entity

West African Minerals Corporation (formerly Emerging Metals Limited) (the "Company" or "WAFM") is a company domiciled in the British Virgin Islands. The Company's strategic objective is to acquire holdings in natural resources companies and/or physical resource assets which the Directors believe are undervalued and where such a transaction has the potential to create value for Shareholders. The Directors intend to take an active role in the management of such investments and estimate that they will be held for periods of up to five years.

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. The consolidated financial statements were authorised for issue by the Board of Directors on 18 July 2013.

(b) Basis of measurement

Functional and Presentation Currency

The consolidated financial statements of the Group are presented in Pounds Sterling (£) which is the Company's functional currency. All financial information presented in Pounds Sterling has been rounded to the nearest pound.

Estimates

The preparation of consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Significant estimates and assumptions include those related to recoverability of mineral properties and determination as to whether costs are expensed or deferred.

Going concern

The consolidated financial statements have been prepared on a going concern basis, taking into consideration the level of cash and cash equivalents presently held by the Group, in addition to the assessment of the Directors that the current status and plans for the current projects in Sierra Leone and Cameroon remain viable. The Directors therefore have a reasonable expectation despite the economic uncertainty that the Company will have adequate resources and liquidity management (note 12) for its continuing existence and projected activities for the foreseeable future, and for these reasons, continue to adopt the going concern basis in preparing the consolidated financial statements for the year ended 31 March 2013.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries, see note 10). The results of subsidiaries acquired during the period are included in the consolidated statement of comprehensive income from the date on which control is obtained.

Business combination

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The cost of acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree plus any costs directly attributable to the business combination.

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Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

3 Significant accounting policies (continued)

Basis of consolidation (continued)

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 'Non-Current Assets Held for Sale and Discontinued Operations', which are recognised and measured at fair value less costs to sell.

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Control is achieved where the Company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities. In assessing control, the impact of potential voting rights that currently are exercisable should be considered. All potential voting rights are taken into account, whether held by Group or by other parties. Such potential voting rights may take many forms, including call options, warrants, convertible shares and contractual arrangements to acquire shares. Only those rights that either would give the entity voting power or that would reduce another party's voting rights are considered.

Non-controlling interest

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders may be initially measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition by acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The Group measures goodwill as the excess of the sum of fair value of the consideration transferred, the recognised amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over the net recognised amount (generally at fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in the consolidated statement of comprehensive income.

Subsequent to initial recognition, goodwill and intangible assets with indefinite useful lives are measured at cost or in some cases at revalued amount less accumulated impairments. Goodwill and intangible assets with indefinite useful lives are not amortised, but instead are subject to impairment testing at least annually including the end of the initial accounting period.

For the purpose of impairment testing, goodwill is allocated to each of the Group's Cash Generating Units ("CGUs") expected to benefit from the synergies of the combination. CGUs to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

3 Significant accounting policies (continued)

Foreign currency transactions

Transactions in foreign currencies are translated into functional currency based on the exchange rates prevailing at the transaction dates. Foreign currency denominated monetary assets and liabilities are translated into functional currency at the exchange rate prevailing at the reporting date. Gains or losses arising from foreign currency transactions are recognized in the profit or loss.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined or if measured at historical cost are translated using the exchange rate at the date of transaction. The assets and liabilities of foreign operations are translated to pounds sterling at exchange rates at the reporting date while income and expenses are translated at exchange rates at date of transactions although if not practically available, the average rate for the period is used. Gains or losses arising are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity.

Deferred mine exploration costs

The Company deems that all expenditure incurred in the country of the project, directly relating to exploratory activities, in addition to the acquisition costs of an existing, granted exploration permit or license, is capitalisable as deferred mine costs once a license or permit has been obtained for exploratory activities. Pre-licence costs are expensed in the period in which they are incurred. Licence costs paid in connection with a right to explore in an existing exploration area are capitalised.

Exploration expenditures relate to the initial search for mineral deposits with economic potential as well as expenditures incurred for the purposes of obtaining more information about existing mineral deposits. Exploration expenditures typically comprise costs that are directly attributable to:

- researching and analysing existing exploration data;
- conducting geological studies;
- exploratory drilling and sampling for the purposes of obtaining core samples and the related metallurgical assay of these cores; and
- drilling to determine the volume and grade of deposits in an area known to contain mineral resources or for the purposes of converting mineral resources into proven and probable reserves.

The assessment of probability is based on the following factors: results from previous drill programmes; results from a geological study; results from a mine scoping study confirming economic viability of the resource; and preliminary estimates of the volume and grade of the deposit, and the net cash flows expected to be generated from its development.

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgment in determining whether future economic benefits will arise either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. Deferred mine exploration cost are capitalized to the extent that they do not exceed the estimated economically recoverable amount from mineral interests. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If after expenditure is capitalised, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalised is written off in the consolidated statement of comprehensive income in the period when the new information becomes available. Management reviews the carrying values of its deferred mine exploration costs at least annually and whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognised when the carrying value of those assets is not recoverable and exceeds their fair value.

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

3 Significant accounting policies (continued)

Deferred mine exploration costs (continued)

These costs are carried forward provided that at least one of the following conditions is met:

- the period for which the entity has the right to explore in the specific area has not expired during the period or will expire in the near future, and is expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is either budgeted or planned;
- such costs are expected to be recouped in full through successful development and exploration of the area of interest or alternatively, by its sale; or
- exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing, or planned for the future.

Upon reaching commercial production, these capitalized costs will be transferred from development properties to producing properties on the Consolidated Statement of Financial Position and will be amortized using the unit-of-production method over the estimated period of economically recoverable reserves.

Exploration permits

Exploration permits acquired by way of an asset acquisition or business combination are recognised if the asset is separable or arises from contractual or legal rights. On acquisition of a mineral property in the exploration stage, we prepare an estimate of the fair value attributable to the exploration potential, including mineral resources, if any, of that property. The fair value of the exploration permits is recorded as an intangible asset (acquired exploration permits) as at the date of acquisition. When an exploration stage property moves into development, any acquired exploration intangible asset balance attributable to that property is transferred to non-depreciable mining interests within property, plant and equipment. Impairment testing and the reversal of impairments are conducted in accordance with accounting policy adopted for deferred mine exploration costs.

Mineral property expenses

Mineral property expenses are costs incurred that do not qualify for capitalization and are therefore expensed as incurred. These include payments for costs incurred prior to obtaining licences.

Impairment of tangible and intangible assets excluding goodwill

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the CGU to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (CGU) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately. Where an impairment loss subsequently reverses, the carrying amount of the asset (CGU) is increased to the revised estimate of its recoverable amount but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (CGU) in prior years. A reversal of an impairment loss is recognised as income immediately.

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

3 Significant accounting policies (continued)

Property, plant and equipment (continued)

Recognition and measurement (continued)

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located; and capitalised borrowing costs.

Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

- Buildings and improvements 10 years
- Transportation equipment 5 years
- Office furniture and fittings 3 years
- Tools and equipment 3 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Finance income and finance costs

Finance income comprises interest income on cash held in bank. Finance costs comprise interest expense and bank charges. Finance income and finance costs are recognised as they accrue in profit or loss, using the effective interest method.

Financial instruments

Measurement

Financial instruments are initially measured at fair value, which includes transaction costs. Subsequent to initial recognition these instruments are measured as set out below:

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

3 Significant accounting policies (continued)

Financial instruments (continued)

Trade and other receivables

Trade and other receivables are stated at amortised costs using the effective interest method less impairment losses.

Cash and cash equivalents

Cash and cash equivalents are measured at amortised costs and are due on demand. Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less that are subject to insignificant risk of changes in fair value and used by the Group in management of its short term commitments.

Financial liabilities

Non-derivative financial liabilities are recognised at amortised costs using the effective interest method.

Share premium

Ordinary shares are classified as equity. The ordinary shares of the Company have a nil par value. As such all proceeds received for the issue of shares has been credited to share premium. Proceeds from the exercise of share options or conversion of share purchase warrants are recorded in share premium at the amount received on exercise or conversion. Commissions paid to underwriters or agents and other related share issue costs, such as legal, accounting and printing, are charged to share premium.

Share based payments

Share option

The Company grants share options to directors, officers and employees of the Company under its incentive share option plan. Options may also be granted to person/company providing services to the Group as a consultant or otherwise. The fair value of the instruments granted is measured using Black-Scholes option pricing model (where no fair value of the service or assets provided is evident), taking into account the terms and conditions upon which the instruments are granted and are expensed over their vesting period. In estimating fair value, management is required to make certain assumptions and estimates regarding such items as the life of options, volatility and forfeiture rates. Changes in the assumptions used to estimate fair value could result in materially different results.

The fair value of the awards is adjusted by the estimate of the number of awards that are expected to vest as a result of non-market conditions and is recognized over the vesting period using an accelerated method of amortization. At each reporting period date, the Company revises its estimates of the number of options that are expected to vest based on the nonmarket vesting conditions including the impact of the revision to original estimates, if any, with corresponding adjustments to equity. Share-based compensation relating to share options is charged to profit or loss in the Consolidated Statements of Comprehensive Income.

Warrants

The fair value of warrants is calculated using the Black-Scholes option pricing model (where no fair value of the service or assets provided is evident) and is recognized as expense over the vesting period where applicable with a corresponding increase in equity. In determining the fair values, terms and conditions attaching to the warrants are taken into account. Management is also required to make certain assumptions and estimates regarding such items as the life of warrants, volatility and forfeiture rates. Changes in the assumptions used to estimate fair value could result in materially different results.

Segment reporting

Segment results that are reported to the CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets and liabilities and head office expenses.

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

3 Significant accounting policies (continued)

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year, and have not been applied in preparing these consolidated financial statements:

New/Revised International Accounting Standards / International Financial Reporting Standards (IAS/IFRS)	Effective date (accounting periods commencing on or after)
IAS 1 Presentation of Financial Statements- amendments to revise the way other comprehensive income is presented	1 July 2012
IAS 19 Employee Benefits - Amendment resulting from the Post-Employment Benefits and Termination Benefits projects	1 January 2013
IFRS 13 Fair Value Measurement*	1 January 2013
IAS 27 Consolidated and Separate Financial Statements – Reissued as IAS 27 Separate Financial Statements (as amended in May 2011)	1 January 2014
IAS 28 Investments in Associates – Reissued as IAS 28 Investments in Associates and Joint Ventures (as amended in May 2011)	1 January 2014
IFRS 10 Consolidated Financial Statements	1 January 2014
IFRS 11 Joint Arrangements	1 January 2014
IFRS 12 Disclosure of Interests in Other Entities	1 January 2014
* Original issue May 2011	

The Directors do not expect the adoption of the standards and interpretations to have a material impact on the Group's financial statements in the period of initial application.

There has been no material impact on the Group financial statements of new standards/interpretations that have come into effect during the current reporting period.

Tax

Tax expense comprises current and deferred tax which is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity and other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustment to tax in previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes, measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date. A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

West African Minerals Corporation

Notes (continued)

(forming part of the consolidated financial statements for the year ended 31 March 2012)

4 Loss before finance income

Loss before finance income is stated after charging:

Company and Group

	For the year ended 31 March 2013	For the year ended 31 March 2012
	£	£
Auditors' Fees	37,260	63,824
Auditors' Fees – non audit services	-	137,138
Directors' Fees (note 17)	633,672	696,157
Depreciation (note 7)	16,083	12,248

5 Taxation

The British Virgin Islands under the International Business Companies Act 2004 imposes no corporate taxes or capital gains taxes. However, the Group may be liable for taxes in the jurisdictions where it is operating however, such operations are currently loss making.

The effective corporate tax rate in Cameroon is 38.5% (35% basic and 10% surcharge). The basic rate is reduced to 30% for the first three years a company is listed on the national stock exchange. Losses may be carried over for utilisation for up to four years. The operating subsidiary in Cameroon incurred losses therefore it is not subject to tax liability.

For mining companies in Sierra Leone, the tax rate is 37.5% subject to additional tax on profits agreed between the Minister of Mines and Mineral Resources and the company. However, the deduction for any year of assessment must not be such that the tax payable will be less than 50% of the tax due if the loss is not carried forward. Losses may be carried over indefinitely. The operating subsidiary in Sierra Leone incurred losses therefore it is not subject to tax liability.

Deferred tax assets have not been recognised in respect of the losses incurred due to insufficient evidence of the timing of suitable future profits against which they can be recovered. No deferred tax liability has been recognised as a result of the losses in the period.

6 Deferred mine exploration costs

The schedule below details the current projects of the Group and the related acquisition cost capitalised:

	Cameroon	Sierra Leone	Total
	£	£	£
Deferred mine exploration costs at 1 April 2012	1,581,457	899,720	2,481,177
Costs capitalised during the year	3,965,026	484,075	4,449,101
Depreciation charges capitalised during the period (note 7)	36,802	73,430	110,232
Balance at 31 March 2013	5,583,285	1,457,225	7,040,510

Deferred mine exploration costs represent intangible assets. Equipment and other assets used in exploratory activities are capitalised in Property, Plant and Equipment. Depreciation charges in respect of these assets are capitalised in deferred mine exploration costs.

The CMC Exploration Permits comprise six permits for the exclusive rights to explore for iron ore and associated minerals in each of the Dja, Djadom, Lélé, Binga, Minko and Sanaga zones in Cameroon, covering a total area of approximately 6,000 square kilometers pursuant to exploration permits 234, 226, 225, 224, 236 and 235. The licences were granted in September/October 2010 and are valid for three years, renewable for two additional periods of up to two years each. The permit area must be reduced by 50% at each renewal. The CMC Exploration Permits are held by Compagnie Minière du Cameroun ("CMC Cameroon").

The Sierra Leone Licences comprise five exploration licences (EL.05/11, EL.06/11, EL.07/11, EL.08/11 and EL.09/11) for the exclusive right to explore for all minerals over a total area of approximately 687 square kilometres. Three of the Sierra Leone Licences (EL.05/11, EL.06/11 and EL.07/11) are held by Ingwe Investments Limited and the other two are held by Tanziron Resources Limited (EL.08/11 and EL.09/11). These licences are valid for four years from 17 January 2011.

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

6 Deferred mine exploration costs (continued)

The Company assessed the deferred mine costs for impairment as at 31 March 2013 and considered that the recoverable amount of these assets exceeded the carrying amount and as such, no impairment was recognized. There have been no indications of impairment since the last review and exploration activities to date have continued to be positive.

7 Property, plant and equipment

Group	Geological tools & equipment £	Furniture & equipment £	Leasehold improvements £	Transportation equipment £	Total £
Cost					
At 1 April 2011	-	-	-	-	-
Acquired on acquisition of subsidiary	-	-	-	70,410	70,410
Additions	68,766	71,304	27,347	115,074	282,491
As at 31 March 2012	68,766	71,304	27,347	185,484	352,901
Additions	49,665	47,160	-	180,801	277,626
As at 31 March 2013	118,431	118,464	27,347	366,285	630,527
Depreciation					
At 1 April 2011	-	-	-	-	-
Acquired on acquisition of subsidiary	-	-	-	1,628	1,628
Charge for the year - expensed	-	4,847	-	7,401	12,248
Charge for the year - capitalised	5,453	8,493	1,424	16,490	31,860
As at 31 March 2012	5,453	13,340	1,424	25,519	45,736
Charge for the year - expensed	-	7,096	-	8,987	16,083
Charge for the year - capitalised (note 6)	26,254	21,016	3,594	59,368	110,232
As at 31 March 2013	31,707	41,452	5,018	93,874	172,051
Net book value					
As at 31 March 2013	86,724	77,012	22,329	272,411	458,476
As at 31 March 2012	63,313	57,964	25,923	159,965	307,165

8 Capital and reserves

Capital Management

The Group manages its capital to maximize the return to the shareholders through the optimization of equity. The capital structure of the Group at 31 March 2013 consists of equity attributable to equity holders of the Company, comprising issued capital, reserves and retained deficit as disclosed.

The Group manages its capital structure and makes adjustments to it, in light of economic conditions and the strategy approved by shareholders. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares and release the Company's share premium account. No changes were made in the objectives, policies or processes during the years ended 31 March 2013 and 31 March 2012 or the period to date.

Share capital and premium

The Company is authorised to issue an unlimited number of nil par value shares of a single class. The Company may issue fractional shares and a fractional share shall have the corresponding fractional rights, obligations and liabilities of a whole share of the same class or series of shares. Shares may be issued in one or more series of shares as the Directors may by resolution determine from time to time.

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

8 Capital and reserves (continued)

Each share in the Company confers upon the shareholder:

- the right to one vote at a meeting of the shareholders or on any resolution of shareholders;
- the right to an equal share in any dividend paid by the Company; and
- the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

The Company may by resolution of the Directors redeem, purchase or otherwise acquire all or any of the shares in the Company subject to regulations set out in the Company's Articles of Incorporation.

Authorised

The Company is authorised to issue an unlimited number of nil par value shares of a single class.

	Date	Issue price	Shares	Share capital	Share premium
			Number	£	£
<i>Issued ordinary shares</i>					
At 1 April 2011			355,569,386	-	15,804,554
Shares issued in lieu of directors' fees	07/06/2011	£0.028	2,384,200	-	66,666
Private placement	03/10/2011	£0.02	100,000,000	-	2,000,000
Shares issued in lieu of directors' fees	09/11/2011	£0.028	2,233,973	-	62,540
5:1 share consolidation	15/12/2011		(368,150,012)	-	-
Ferrum Resources non-controlling interest acquisition	06/01/2012	£0.1375	63,314,845	-	8,705,791
Private placement	06/01/2012	£0.10	32,500,000	-	3,250,000
CMC Guernsey non-controlling interest acquisition	15/03/2012	£0.1962	71,097,187	-	13,949,268
At 31 March 2012			258,949,579	-	43,838,819
CMC Cameroon NCI acquisition (note 10)	21/05/2012	£0.5475	18,500,000	-	10,128,750
Exercise of options (note 15)	08/06/2012	£0.1362	238,667	-	32,507
Private placement	15/06/2012	£0.55	10,206,506	-	5,613,578
Exercise of options (note 15)	04/01/2013	£0.1362	95,500	-	13,007
At 31 March 2013			287,990,252	-	59,626,661

On 21 May 2012, CMC Guernsey acquired the remaining 5% interest in CMC Cameroon held by the non-controlling shareholders (note 10). As consideration for the acquisition, WAFM has issued to the non-controlling shareholders a total of 18,500,000 new ordinary shares in the Company. The acquisition cost per the purchase contract equals the fair value of shares on the date of issue, therefore no fair value adjustment is necessary in accordance with IFRS.

Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translations of the financial statements of foreign operations for consolidation.

Share options and warrants reserve

These reserves comprise the fair value of options and warrants in issue as at 31 March 2013. A reconciliation and methodology used in determining the fair values are set out in notes 15.

Dividends

No dividends were declared or proposed by the Directors during the year (31 March 2012: £Nil).

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

9 Loan receivable

The Company entered into the following loan arrangements:

- i. On 3 June 2011, the Company advanced £4,191,110 (US\$7,000,000) to Ferrum Resources Limited ("Ferrum"), a subsidiary, as bridging finance for a proposed acquisition by Ferrum of 63.5% of the issued share capital of CMC Guernsey Limited (see note 10). The Bridging Loan is secured against the assets of Ferrum, bears interest charged at a rate of 9% per annum and is repayable together with interest 15 days after the Company confirms in writing that it requires repayment of the loan. Total interest accrued on this loan as at 31 March 2013 was £756,942 (US\$1,151,260) (2012: £328,238 (US\$521,260)).
- ii. On 29 August 2011, the Company advanced a further £242,489 (US\$400,000) loan to Ferrum to meet its immediate cash requirements to fund its on-going exploration programme in Sierra Leone. The loan is secured against the assets of Ferrum, bears interest charged at a rate of 10% per annum and is repayable together with interest 15 days after the Company confirms in writing that it requires repayment of the loan. Total interest accrued on this loan as at 31 March 2013 was £41,719 (US\$63,452) (2012: £14,901 (US\$23,452)).
- iii. By loan agreement dated 27 September 2011, the Company advanced £1,000,000 to Ferrum. The loan is secured against the assets of Ferrum, bears interest charged at 10% per annum and is (unless agreed otherwise in writing by the parties) repayable together with interest 15 days after the Company confirms in writing that it requires repayment of the loan. Total interest accrued on this loan as at 31 March 2013 was £151,233 (2012: £51,233).

10 Investment in subsidiary undertakings

Acquisition of CMC Cameroon

On 11 July 2011, regulatory approval in Cameroon was granted approving the transfer of 95% of the issued shares of Cameroon registered Compagnie Minière du Cameroun SA ("CMC Cameroon") from Generation Resources Limited ("Generation") to CMC Guernsey. This was effectively settled by way of issue of 94,117 shares of CMC Guernsey to Generation valued at £1,197,460 (US\$2m). CMC Cameroon holds six iron ore exploration licenses in Cameroon giving it the exclusive rights to explore for iron ore and related substances in areas referred to as Binga, Dja, Djadom, Lele, Minko and Sanaga in Cameroon pursuant to exploration permits 234, 226, 225, 224, 236 and 235.

On 21 May 2012, CMC Guernsey acquired the remaining 5% interest in CMC Cameroon held by the non-controlling shareholders. As consideration for the acquisition, WAFM has issued to the non-controlling shareholders a total of 18,500,000 new ordinary shares in the Company. The acquisition cost per the purchase agreement equals the fair value of shares on the date of issue, therefore no fair value adjustment is necessary in accordance with IFRS.

The table below summarises the result of acquisition of CMC Cameroon non-controlling interest:

	£
<i>Consideration transferred</i>	
- settled by way of issue of new WAFM shares (Note 8)	10,128,750
NCI share in net assets of CMC Cameroon at 31 March 2012	14,735
NCI share in net loss of CMC Cameroon from 1 April 2012 to 21 May 2012	(1,111)
	<hr/>
Value of MI share in net liabilities of Ferrum at 21 May 2012	13,624
	<hr/>
Acquisition of non-controlling interest attributable to equity	10,115,126
	<hr/> <hr/>

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

10 Investment in subsidiary undertakings (continued)

These consolidated financial statements include the results of the subsidiaries from the date that control is obtained to 31 March 2013 or the date the control ceases. As at 31 March 2013, the Group had the following subsidiaries:

Name of company	Place of incorporation	Ownership interest	Principal activity
Ferrum Resources Limited (Ferrum) *	BVI	100%	Holding company of CMC, Ferrous Africa, Ferrum Guinea, Ferrous Benin and Ferrum Mauritania
CMC Guernsey Limited (CMC)	Guernsey	100%	Holding company of CMC Cameroon
Compagnie Minière du Cameroun (CMC Cameroon)	Cameroon	100%	Holds exploration licences in Cameroon
Ferrous Africa Limited (Ferrous Africa)	BVI	100%	Holding company of Tanziron, Ingwe and Ferrous Ber
Tanziron Resources Limited (Tanziron)	BVI	100%	Holds exploration licences in Sierra Leone
Ingwe Investments Limited (Ingwe)	Guernsey	100%	Holds exploration licences in Sierra Leone
Ferrum Resources Guinea S.A. (Ferrum Guinea)	Guinea	100%	Holds exploration applications in Guinea

* Held directly by WAFM. All other holdings are indirect

11 Exploration permits

The Group recognised the fair value of intangible assets attributable to exploration permits (including those previously unrecognised) as a result of the following business combinations:

	Cameroon £	Sierra Leone £	Total £
Acquisition of initial interest in Ferrum Resources	6,002,990	2,371,151	8,374,141
Acquisition of initial interest in CMC Guernsey	3,424,052	-	3,424,052
Balance at 31 March 2013	9,427,042	2,371,151	11,798,193

The Company assessed the exploration permits for impairment as at 31 March 2013 and considered that the recoverable amount of these intangible assets exceeded the carrying amount and as such, no impairment was recognized. There have been no indication of impairment since the last review and exploration activities to date have continued to be positive.

12 Financial instruments

Financial risk management

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic planning and business planning. Management has identified each risk and is responsible for coordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.

The Group's principal financial instruments consist of cash, receivables and payables arising from its operations and activities. The main risks arising from the Group's financial instruments and the policies for managing each of these risks are summarised below.

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfil its payment obligations. The Group's credit risk is primarily attributable to receivables and cash balances with the maximum exposure being the reported balance in the statement of financial position. The Company has a nominal level of debtors and as such the Company believes that the credit risk concentration is minimal. The Company holds available cash with licensed banks which have strong history. The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk. The bank accounts are held under a fiduciary agreement and funds are available on demand.

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

12 Financial instruments (continued)

Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Liquidity risk is managed by the Company by means of cash flow planning to ensure that future cash requirements are anticipated. All liabilities are due within one month and all cash is maintained in call accounts. To date the Group has relied upon equity funding to finance operations. The carrying amount of financial assets and liabilities reported in the consolidated statement of financial position represents the maximum exposure to liquidity risk. Management is confident that adequate resources are available to meet current obligations and fund its operations. As at 31 March 2013, the 12 month cashflow forecast prepared by Group indicate that the Group has sufficient resources to meet its obligations.

Market price risk

The Group is not exposed to significant market price risks as no financial instruments recognised are linked to market price volatility. Whilst the Group has no significant exposure to market price risk, there is a potential risk on commodity price volatility which may impact the strategic direction of the Group (i.e. if the mineral market collapses, projects may not be economically viable).

Interest rate exposure

Interest rate risk is the risk that the Group will sustain losses through adverse movements in interest bearing assets or liabilities; however it is the Directors' opinion that the Group is not significantly exposed to interest rate risk as it has no interest bearing liabilities and is not dependent on interest income to fund its activities.

Foreign exchange risk

The Group is exposed to foreign currency risk on fluctuations related to financial assets and liabilities that are denominated in US Dollars (USD) and Cameroon CFA franc (XAF). The amounts exposed to foreign currency risk are as follows (in currency balance):

		USD	XAF
31 March 2013	Cash	5,135,428	18,685,951
	Accounts receivable	39,611	65,847,328
	Accounts payable	(37,393)	(13,509,720)
31 March 2012	Cash	12,515,236	26,476,605
	Accounts receivable	85,079	27,831,686
	Accounts payable	(63,435)	(69,400,332)

The impact of 10% strengthening of USD and XAF against Pound sterling to total comprehensive income/loss is set-out below. A 10% weakening in these currencies would have had the equal but opposite effect, on the basis that all other variables remain constant. There is no other impact on the Group's equity other than those already affecting the consolidated statement of comprehensive income (loss).

	31 March 2013	31 March 2012
Pound sterling against:	£	£
USD	337,795	784,035
XAF	8,307	1,871

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

12 Financial instruments (continued)

Financial risk management (continued)

Foreign exchange risk (continued)

Foreign currency translation risk recognised as a result of translating the balances of subsidiaries at the reporting currency adopted by the Group is analysed below:

Pound sterling against:	31 March 2012	31 March 2012
	£	£
USD	15,444	310,877
XAF	303,850	40,044

Political risks

The Group's operations are subject to laws and regulations governing exploration activities. While the Group believes that it is in substantial compliance with all material current laws and regulations affecting its activities, future changes in laws and regulations could result in changes in legal requirements or in the terms of existing permits and agreements applicable to the Group or its properties which could have a material adverse impact on the Group's current operations or planned exploration and development projects.

The Group's exploration projects are located in Cameroon and Sierra Leone. The Group's activities may be affected in varying degrees by political stability and governmental regulations. Any changes in regulations or shifts in political attitudes in these countries or any other countries in which the Group may operate are beyond the control of the Group and may adversely affect its operations.

Financial Instruments classification

Financial instruments comprise cash and trade and other receivables (classified as loans and receivables) and accounts payable and accrued expenses (classified as other financial liabilities). The carrying amounts of these financial instruments reported in the statement of financial position approximate their fair values due to the short-term nature of these accounts.

13 Trade and other receivables

	31 March 2013	31 March 2012
	£	£
Trade receivables	1,945	40,839
Prepayments	66,448	230,432
Other debtors	86,942	1,002
	<u>155,335</u>	<u>272,273</u>

14 Trade and other payables

	31 March 2013	31 March 2012
	£	£
Trade payables	48,465	308,089
Accrued expenses	43,694	159,661
Other creditors	28,497	52,482
	<u>120,656</u>	<u>520,232</u>

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

15 Share options and warrants

Share warrants

The total number of share warrants in issue as at the year end is set out below.

Recipient	Grant Date	Term in years	Exercise Price	01 April 2012	Issued	31 March 2013	Fair value of warrants in issue at year end £	Expensed during the year £
Ferrum warrants holders 1	09/01/12	5	24.40p	11,456,000	-	11,456,000	382,637	-
Advisors 2	09/01/12	5	10.00p	1,878,523	-	1,878,523	85,838	-
Advisors 2	09/01/12	2	10.00p	1,439,261	-	1,439,261	65,767	-
Consultants 4	02/04/12	5	25.00p	-	1,400,000	1,400,000	68,740	42,007
				14,773,784	1,400,000	16,173,784	602,982	42,007

Notes

1. Issued as part of consideration paid by the Company to non-controlling shareholders of Ferrum Resources Limited in accordance with the terms of sale of Ferrum shares not yet owned by WAFM). These effectively replace the existing 8 million options issued to Ferrum non-controlling shareholders valued at and fully expensed prior to acquisition of £80,000 at the time of acquisition/issue.
2. In accordance with the terms of engagements, these warrants were granted to Company's advisors following successful completion of the company's admission to AIM.
3. Ferrum warrants and warrants issued to Advisors on 09/01/12 vested immediately and as such the fair value in relation to these has been fully recognised. These warrants can be used anytime during the exercise period.
4. These warrants are subject to 3 years equal annual instalments vesting period

The Company has utilised the Black Scholes Model for the purposes of estimating the fair value of the share warrants upon issue. The following table lists the inputs to the models used for warrants issued during the current and prior years.

	02 April 2012	9 January 2012
Dividend yield (%)	-	-
Expected volatility (%) 1	40%	90%
Risk-free interest rate (%)2	0.7%	1.5%
Share price at grant date	21.6 pence	11.5 pence
Share price (market value)	21.6 pence	11.5 pence
Exercise price	25.00 pence	24.0/10.0 pence
Expected exercise period	3 years	1 year

Notes

1. Annualised standard deviation of continuously compounded rates of return based on Company's historic share prices
2. Rate on 2 year Gilt Strips

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

15 Share options and warrants (continued)

Share options

The total number of share options in issue as at the year end is set out below.

Recipient	Grant Date	Term in years	Exercise Price	01 April 2012	Issued	Lapsed	Exercised	31 March 2013	Expensed during the year £	Fair value
Director & consultant 1	09/01/12	10	13.62p	525,067	-	(191,400)	(333,667)	-	(1,978)	20,54
Directors	26/03/12	10	25.00p	5,300,000	-	-	-	5,300,000	508,784	838,82
Directors	24/04/12	10	25.00p	-	5,200,000	-	-	5,200,000	235,480	402,47
Consultant	01/05/12	10	40.13p	-	400,000	-	-	400,000	29,166	52,00
Consultant & employees	15/06/12	10	55.00p	-	600,000	-	-	600,000	48,135	99,48
Consultant	20/08/12	10	55.00p	-	100,000	-	-	100,000	-	-
Consultant & employees	01/11/12	10	65.00p	-	290,934	-	-	290,934	15,026	59,43
				5,825,067	6,590,934	(191,400)	(333,667)	11,890,934	834,613	1,472,76

Notes

1. Ferrum issued 700,000 share options to a director and consultant in 2011. These options were cancelled and replaced by issue of new WAFM options following completion of acquisition of Ferrum MI.

The Company has utilised the Black Scholes Model for the purposes of estimating fair value of the share options upon issue. The following table lists the inputs to the models used for options in issue as at the year end.

	15 June 2012	1 May 2012	24 April 2012	26 March 2012	9 January 2012
Dividend yield (%)	-	-	-	-	-
Expected volatility (%) ¹	40%	40%	40%	90%	90%
Risk-free interest rate (%) ²	0.63%	0.96%	0.95%	1.5%	1.5%
Share price at grant date	53.50 pence	40.12 pence	25.25 pence	24.78 pence	11.50 pence
Share price (market value)	53.50 pence	40.12 pence	25.25 pence	24.78 pence	11.50 pence
Exercise price	55.00 Pence	40.13 pence	25.00 pence	25.00 pence	13.62 pence
Expected exercise period	4 years	4 years	4 years	4 years	3 years

Notes

1. Annualised standard deviation of continuously compounded rates of return based on Company's historic share prices
2. Rate on 2 year Gilt Strips

Share Option Scheme

In accordance with, and subject to the terms of the Company's Share Option Scheme, options issued during the year shall vest in equal instalments annually over a period of three years from the date of grant. Vested options are exercisable at the Exercise Price and may not be exercised later than the tenth anniversary of the Date of Grant. The Directors shall have an absolute discretion as to the selection of persons to whom an Option is granted by the Company. An option shall not be granted to any person unless he is a person/company who has provided or is providing services to the Group as a consultant or otherwise ("Approved Grantee") or an employee or any person nominated by such Approved Grantee or employee. The exercise price shall be determined by the Directors and shall be the market value of a Share on the date of the grant of the option to the optionholder or shall be such greater or lesser price as the Directors shall determine in their discretion provided always that in the case of a subscription option, the price shall not be less than the nominal value of a Share.

West African Minerals Corporation

Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

15 Share options and warrants (continued)

Share Option Scheme (continued)

Exercise of the option may be conditional upon satisfaction of performance-related conditions as shall be determined by the Directors and notified to the optionholder on the date of the grant. They are not transferable and may not be exercised when to do so would contravene the provisions of the Company's code governing share dealings by directors and employees. In the event that a director/consultant resigns and ceases to be engaged by the Company in any role, pursuant to the Share Option Scheme rules, he or she may only exercise options which have vested and for a period of no later than six months from resignation.

16 Segment reporting

The Group operates in one industry segment: mineral exploration and development in two African regions, Cameroon and Sierra Leone. The activities of these regions alongside those of the corporate entities within the Group are regularly monitored by management to make decisions about resources and assess its performance and discrete financial information is maintained for each. Below is the analysis of Group's exposures in these segments:

	Cameroon £	Sierra Leone £	Corporate £	Total £
Deferred mine exploration costs	5,583,285	1,457,225	-	7,040,510
Exploration permit	9,427,042	2,371,151	-	11,798,193
Other non-current assets	244,813	213,663	858,275	1,316,751
Current assets	3,422,308	32,910	6,137,509	9,592,727
Total liabilities	(49,239)	(6,318)	(65,099)	(120,656)
Finance income	-	-	61,352	61,352
Expenses	(407,981)	(270,821)	(2,446,744)	(3,125,546)
Net loss	(407,981)	(270,821)	(2,385,392)	(3,064,194)
Other comprehensive income	303,850	15,444	-	319,294

17 Related party transactions

All related party transactions occurred on an arm's length basis and in the normal course of operations.

Key management personnel

As discussed in note 15, the Board of Directors may issue share options or warrants to persons/company who provide services to the Group. The following table is a reconciliation of warrants and options in issue to key personnel as at 31 March 2013. The value of these warrants/options is commensurate with the value of services provided to the Company.

Name	at 1 April 2012	Granted	Exercised	at 31 March 2013
Denham Eke	1,000,000	-	-	1,000,000
Stephen Dattels (resigned 17 July 2013)	2,800,000	-	-	2,800,000
James Mellon	500,000	-	-	500,000
Guy Elliot (resigned 11 October 2012)	500,000	-	-	500,000
Bradford Mills	-	2,800,000	-	2,800,000
Anton Mauve	-	1,400,000	-	1,400,000
Gualtiero Giori (resigned 30 April 2013)	-	500,000	-	500,000
Gerard Holden	-	500,000	-	500,000
Serge Ngandu	238,667	-	(238,667)	-

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Notes (continued)

forming part of the consolidated financial statements for the year ended 31 March 2013

17 Related party transactions (continued)

Key management personnel (continued)

Directors' interests in the capital of the Company are the following:

	Number of Ordinary Shares	Percentage of Issued Capital
Brad Mills (note 18)	30,925,428	10.7%
Gualtierio Giori (resigned 30 April 2013) (note 18)	35,889,079	12.6%
Stephen Dattels (resigned 17 July 2013) (note 18)	27,172,906	9.4%
James Mellon (note 18)	18,027,398	6.3%
Guy Elliot (resigned 11 October 2012)	1,700,000	0.6%
Denham Eke	1,151,827	0.4%
Patrick Weller (resigned 17 April 2012)	893,757	0.3%

Directors of the Group received the following remuneration during the year.

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Stephen Dattels (resigned 17 July 2013)	59,959	32,363
Bradford Mills	111,072	-
Mitchell Alland	-	16,616
Anton Mauve	156,069	-
Denham Eke	88,984	94,031
James Mellon	23,438	25,000
Patrick Weller (resigned 17 April 2012)	3,619	25,000
Guy Elliot (resigned 11 October 2012)	13,315	7,796
Gualtierio Giori (resigned April 2013)	21,902	-
Gerard Holden	21,902	-
Directors of subsidiaries		
Mario Carion **	-	120,000
Ian Burns **	-	25,861
Serge Ngandu **	-	275,000
Franco Mastrantonio	57,429	-
Richard Garnett	75,983	74,490
	<u>633,672</u>	<u>696,157</u>

** Directors of subsidiaries. Total fees paid were inclusive of termination fees, where applicable.

Burnbrae Limited

The Company has entered into a service agreement with Burnbrae Limited for the provision of administrative and general office services. Mr James Mellon and Mr Denham Eke are both directors of Burnbrae Limited and the Company. During the year the Company incurred a total cost of £98,413 (2012: £74,660) under this agreement of which £Nil was outstanding at end of the year (2012: £nil).

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Notes (continued)

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18 Significant shareholdings

Except for the interests disclosed in this note, the Directors are not aware of any holding of Ordinary Shares as at 31 March 2013 representing 3% or more of the issued share capital of the Company:

	Number of Ordinary Shares	Percentage of Total Issued Capital
Vidacos Nominees Limited	46,017,464	16.0%
Plinian Guernsey Limited 3	30,925,428	10.7%
Stephen Dattels 1	27,172,906	9.4%
Colosseum Holdings Ltd. 4	22,954,857	8.0%
James Mellon 2	18,027,398	6.3%
Panetta Partners Limited	16,829,000	5.8%
Generation Resources Limited	14,360,340	5.0%
Actium Resources Ltd. 4	12,934,222	4.5%
Angstrom Capital Limited	11,215,979	3.9%
Tocqueville Gold Fund	10,000,000	3.5%

Notes:

1. These shares are held by Regent Mercantile Holdings Limited, a company owned by a trust under which Stephen Dattels is a discretionary beneficiary.
2. James Mellon's shareholding consists of 17,343,727 shares held by Galloway Limited, a company which is indirectly wholly owned by the trustee of a settlement under which James Mellon has a life interest. The balance of James Mellon's shareholding is held in his own name.
3. Brad Mills and Anton Mauve are principals of Plinian Guernsey Limited which acted as operator of CMC Guernsey prior to acquisition by Ferrum Resources Limited.
4. Gualtiero Giori has a 60% interest in Colosseum Holdings Ltd. ("Colosseum") and Actium Resources Ltd. ("Actium"). All shares held by Colosseum and Actium (35,889,079 representing 12.6% of issued share capital of the Company) were sold to Rosy Mining Limited on 29 April 2013.

19 Basic and diluted loss per share

The calculation of basic loss per share of the Group is based on the net loss attributable to shareholders for the period of £3,063,083 (2012: net loss of £3,000,857) and the weighted average number of shares outstanding of 283,162,013 (2012: 106,872,912 as adjusted for 5:1 share consolidation).

Weighted average number of ordinary shares

	31 March 2013	31 March 2012
Issued ordinary shares at 01 April	258,949,579	71,113,877
Effect of shares issued for cash	8,081,316	17,383,880
Effect of share options exercised	216,050	-
Effect of shares issued in lieu of directors fees	-	562,814
Effect of shares issued on business combination	15,915,068	17,812,341
Weighted average number of ordinary shares	283,162,013	106,872,912
All adjusted for effect of 5:1 share consolidation		

Diluted earnings per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares such as warrants and options. As at 31 March 2013 and 2012, there is no dilutive effect because the Group incurred net losses in the current and previous years. Therefore, basic and diluted earnings per share are the same.

20 Commitments and contingent liabilities

There are no known commitments or contingent liabilities as at the period end.