West African Minerals Corporation

(Formerly Emerging Metals Limited)

Consolidated Statement of Interim Results

For the six month period ended 30 September 2011

Registration number: 1415559

West African Minerals Corporation

(formerly Emerging Metals Limited)

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FINANCIAL AND OPERATIONAL HIGHLIGHTS

- Equity shareholder funds decreased to £9,190,332 (31 March 2011: £9,963,996) – a decrease of 7.8%.

- Non-current assets valuation increased to £4,390,556 (31 March 2011: £nil), the increase is attributable to goodwill of £405,434 recognised by Ferrum Resources Limited ("Ferrum") when it acquired Ferrous Africa Limited, £1,241,075 goodwill recognised by CMC Guernsey Limited ("CMC Guernsey") on the acquisition of Compagnie Minière du Cameroun SA ("CMC Cameroon") and capitalised deferred mine exploration costs of £2,744,047.

- Current assets valuation increased to £11,091,887 (31 March 2011: £10,012,847).

- Our cash reserves have increased to £11,053,281 (31 March 2010: £10,000,643) due to funds received by the Company prior to period end as a result of a private placement to parties (including certain WAFM directors) to raise gross proceeds of £2,000,000 through the issue of 100,000,000 new ordinary shares at a price of £0.02 per share. At the period end a total of £1,850,000 had been received by the Company with shares being issued on 3 October 2011. By loan agreement dated 27 September 2011, the Company advanced £1,000,000 of the received funds to its 37.23 per cent associated company Ferrum to fund its ongoing exploration programme in Sierra Leone. The loan is secured against assets of Ferrum and is repayable together with interest (charged at a rate of 10 per cent. per annum) on 23 March 2012 (note 8).

- Net loss for the six month period to 30 September 2011 was £1,279,632 (30 September 2010: £896,884).

- Operating expenses for the six month period to 30 September 2011 are above budget at £1,873,497 (30 September 2010: £936,869) due to increased professional fees payable as a result of the proposed acquisition of Ferrum Resources.

- The Company exercised its option to acquire all the issued and to be issued ordinary shares in Ferrum not already owned by it on 1 December 2011 and the ordinary shares were suspended from trading on AIM pending publication of the Admission Document.

SUBSEQUENT EVENT

- As of the 30 November 2011, the Company's cash balances were £1,055,297 (not including cash held by the Company's subsidiaries and/or associates), representing 0.003 pence per share (balance prior to exercise of option to acquire the issued and to be issued shares of Ferrum not owned by it (the "Ferrum Option") and the five-for-one share consolidation by the Company (announced 15 December 2011) (the "Share Consolidation").

NOTE

- These results include those of all entities controlled by the Company, including Ferrum and its subsidiaries, taking account of the impact of potential voting rights arising from the exercise of the Ferrum Option. As such the results consolidate the results of Ferrum and are not therefore directly comparable to those of the comparable period last year.

West African Minerals Corporation

(formerly Emerging Metals Limited)

Chairmen's statement

Dear Shareholders,

Investing policy

Since last writing to you in the company's annual accounts published on 22 September, 2010, your Board has continued to seek investment opportunities as approved by shareholders at the General Meeting of the Company on 10 April 2009. At this meeting, the Company was reclassified as an "Investing Company" (as defined by the AIM Rules for Companies).

Highlights

- During the period under review the Company has made a number of investments in Ferrum resulting in a holding of 37.23 per cent. of Ferrum with an option to acquire the outstanding 62.77 per cent. as well as a loan of approximately £5.4 million.

- The Company has conditionally placed 32,500,000 shares of no par value in the Company ("Ordinary Shares") with investors at 10 pence per share, a premium of 29 per cent. to the closing price of 7.75 pence on 1 December 2011 (the "Placing") to raise gross proceeds of £3.25 million (net proceeds of £2.4 million) subject to completion of the acquisition of Ferrum and admission of the Company's enlarged share capital to trading on AIM ("Admission").

- Subject to the approval of Shareholders at the meeting to be held on 6 January 2012, the Company intends to acquire the entire issued and to be issued share capital of Ferrum, a private company focused on the acquisition of interests in early stage iron ore exploration projects in Africa ("Acquisition").

- In respect of the Acquisition, the Company has agreed to issue a total of 63,314,845 new Ordinary Shares (the "Consideration Shares") to the shareholders of Ferrum and five-year options and warrants over a further 11,456,000 new Ordinary Shares to the optionholders of Ferrum.

- The enlarged share capital of the Company upon completion of the Acquisition and the Placing will be 187,852,392 Ordinary Shares with a market capitalisation of approximately £18.8 million at the Placing Price. Trading in the enlarged share capital of the Company on AIM is expected to commence on or around 9 January 2012.

Stephen Dattels, Executive Co-Chairman of West African Minerals, said:

"Africa, and in particularly West Africa, is fast emerging as the next significant iron ore province. We are excited by the potential exploration and development opportunities offered by the licences held by Ferrum. The Directors have always sought investments which we believe to be undervalued and we believe that significant value exists in Ferrum for the Company's shareholders. The proximity of Ferrum's assets to advanced iron ore projects makes them well positioned to contain mineralisation, as well as benefit from the infrastructure being developed in the region."

Review of the Period

On 20 April 2011 West African Minerals entered into a convertible loan agreement with Ferrum under which the Company advanced to Ferrum US$752,500 to be used by Ferrum to acquire a 75 per cent. interest in Ferrous Africa Limited, which holds a 75 per cent. interest in five iron ore exploration licences in Sierra Leone. The loan was repayable in cash by 31 October 2011 or convertible into 2,467,213 new ordinary shares of Ferrum ("Ferrum Shares") at a price of US$0.305 per Ferrum Share.

On 9 May 2011 the Company executed a put and call option agreement with Ferrum pursuant to which the Company was granted an option to acquire 26,228,570 new Ferrum Shares at a price of US$0.305 per Ferrum Share. This option was exercised on 3 June 2011 and the Company subscribed for 26,228,570 new Ferrum Shares for an aggregate consideration of US$7,999,714, of which US$752,500 was satisfied by the cancellation of the convertible loan entered into on 20 April 2011. The Company's Ferrum Shares represent 37.23 per cent. of the current issued shares of Ferrum.

On 3 June 2011 the Company advanced to Ferrum US$7,000,000 as a bridging loan, to provide the additional funds required by Ferrum to acquire its 63.53 per cent. equity stake in CMC Guernsey, and consequently an indirect 60.35 per cent. interest in the exploration permits held by CMC Cameroon. This first loan is secured against the assets of Ferrum, accrues interest at a rate of 9 per cent. per annum and is repayable together with interest on 31 March 2012 (which was extended by the parties from 31 December 2011) unless agreed otherwise in writing by the parties.

Concurrent with advancing the first bridgingl, the Company entered into an option deed (the "Ferrum Option Deed") which granted the Company the right, but not the obligation, to acquire all the Ferrum Shares not already owned by the Company for a consideration of US$0.305 per Ferrum Share, to be satisfied by the issue of 7.16 new Ordinary Shares (or 1.432 new Ordinary Shares post the Share Consolidation) at an effective issue price of 2.6369 pence per Ordinary Share (or 13.1845 pence per Ordinary Share post the Share Consolidation (the "Purchase Price")) for each Ferrum Share acquired. In addition, subject to exercise of the Ferrum Option by the Company, parties holding options in Ferrum (the "Ferrum Founder Optionholders") agreed to be granted new warrants in the Company in consideration of the waiver of their rights to acquire new Ferrum Shares. In aggregate, at the time of signing the Ferrum Option Deed, the Company agreed to issue 316,574,265 new Ordinary Shares and grant warrants over a further 57,280,000 new Ordinary Shares if the Ferrum Option was exercised. Given the Share Consolidation, the Company must now issue 63,314,845 new Ordinary Shares and grant warrants over a further 11,456,000 new Ordinary Shares upon completion of the Acquisition (details of which are set out in the Admission Document published today).

On 29 August 2011 the Company advanced a further US$400,000 to Ferrum pursuant to a second bridging loan to fund its ongoing exploration programme in Sierra Leone and general working capital. This second loan is secured against the assets of Ferrum, accrues interest at a rate of 10 per cent. per annum and is repayable together with interest on 31 March 2012 (which was extended by the parties from 10 January 2012) unless agreed otherwise in writing by the parties.

On 27 September 2011 the Company advanced a further £1,000,000 to Ferrum pursuant to a further bridging loan to fund its ongoing exploration programme in Sierra Leone and general working capital. This loan is secured against the assets of Ferrum, accrues interest at a rate of 10 per cent. per annum and is repayable together with interest on 23 March 2012 (unless agreed otherwise in writing by the parties).

Information of Ferrum

Ferrum is a private iron ore exploration and mining company incorporated in the BVI on 18 January 2010. Since its incorporation, the company has focused on the acquisition of interests in early stage iron ore exploration projects in Africa. In Cameroon, Ferrum holds a 63.53 per cent. equity interest in CMC Guernsey, which through CMC Cameroon (a 95 per cent. owned subsidiary of CMC Guernsey), is the owner of six iron ore exploration licences in Cameroon which cover an aggregate area of approximately 6,000 square kilometres in a region potentially prospective for iron ore. In Sierra Leone, Ferrum holds a 75 per cent. interest in Ferrous Africa Limited which is the owner of five iron ore exploration licences in Sierra Leone, some of which are located adjacent to or on strike of known iron ore occurrences. Ferrum also has applications pending for iron exploration permits in Guinea. In addition, Ferrum has a 75 per cent. interest in applications for iron exploration permits in the Central African Republic which were recently denied.

Post Period Events

On 2 December 2011 the Company announced that it had exercised the Ferrum Option and the Ordinary Shares were suspended from trading on AIM pending publication of the Admission Document posted today.

Pursuant to the terms of the Acquisition (and subject to the conditions being satisfied), the Ferrum shareholders will receive the Consideration Shares with an implied aggregate value of approximately £8.3 million at the Purchase Price (equivalent to approximately £4.9 million at the closing price on 1 December

2011, the date prior to the suspension of Ordinary Shares to trading on AIM, and approximately £6.3 million at the placing price of £0.10 per Ordinary Share).

The Directors believe the Acquisition will provide the Company with the opportunity to build a significant and diversified portfolio of interests in exploration assets that will accelerate the growth of the group and add shareholder value.

In addition, the Company has undertaken a placing to fund the exploration of the Ferrum assets and provide additional working capital for the enlarged group. The Company has conditionally placed 32,500,000 new Ordinary Shares (the "Placing Shares") at 10 pence per Ordinary Share with institutional and other investors to raise gross proceeds of approximately £3.25 million (approximately £2.4 million net of commissions and expenses).

The Company has also undertaken the Share Consolidation, which the Directors believe better positions the Company for future funding and makes investing in Ordinary Shares more attractive to a broader range of institutional investors and other members of the investing public. The new consolidated Ordinary Shares were admitted to trading on AIM today.

The Acquisition will constitute a reverse takeover under the AIM Rules and is therefore conditional upon the approval of Shareholders in a general meeting and admission of the enlarged share capital to trading on AIM.

The Company has today published and will today be sending to Shareholders an Admission Document containing information on the above proposals. The Directors expect that Admission will become effective and dealings in the enlarged share capital will commence on 9 January 2012, subject to approval of the Acquisition by Shareholders at a Meeting of Shareholders to be held on 6 January 2012.

An electronic version of the Admission Document is available at the Company's website, www.westafricanminerals.com and copies of the Admission Document are available free of charge from the date of the Admission Document until the date which is one month after Admission, at the office of Kerman & Co LLP, 200 Strand, London WC2R 1DJ during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted).

The Company would also like to announce the appointment of Beaumont Cornish Limited as joint brokers to the Company.

Finally, we would like to express our appreciation to the shareholders for their continued support.

Stephen Dattels
Co-chairman

James Mellon
Co-chairman

West African Minerals Corporation

(formerly Emerging Metals Limited)

Consolidated statement of comprehensive income

for the six month period ended 30 September 2011

	Notes	**For the period from 1 April 2011 to 30 September 2011 (Unaudited)**	For the period from 1 April 2010 to 30 September 2010 (Unaudited)	For the year ended 31 March 2011 (Audited)
		£	£	£
Income				
Unrealised loss on investments		**-**	-	(13,074,226)
Realised (losses) / gains on investments		**-**	(296,434)	12,880,877
		-	(296,434)	(193,349)
Expenses				
Directors' fees	*14*	**(315,824)**	(99,190)	(196,495)
Consultancy fees		**(32,191)**	-	-
Professional fees		**(863,024)**	(137,285)	(258,227)
Commission on sale of investment		**-**	(329,953)	(329,953)
Administrative expenses		**(459,968)**	(53,996)	(66,204)
Other costs		**(30,679)**	-	(15,513)
Exchange losses		**(171,811)**	(20,011)	(34,345)
Loss before finance income	*4*	**(1,873,497)**	(936,869)	(1,094,086)
Finance income		**11,938**	39,985	88,049
Loss before income tax		**(1,861,559)**	(896,884)	(1,006,037)
Taxation	*5*	**-**	-	-
Loss after income tax		**(1,861,559)**	(896,884)	(1,006,037)
Other comprehensive income - foreign currency translation reserve		**581,927**	-	-
Total comprehensive loss for the period/year		**(1,279,632)**	(896,884)	(1,006,037)
Loss attributable to:				
Owners of the Company		**(1,096,357)**	(896,884)	(1,006,037)
Non-controlling interest		**(765,202)**	-	-
Loss for the period/year		**(1,861,559)**	(896,884)	(1,006,037)
Total comprehensive loss attributable to:				
Owners of the Company		**(958,874)**	(896,884)	(1,006,037)
Non-controlling interest		**(320,758)**	-	-
Total comprehensive loss for the period/year		**(1,279,632)**	(896,884)	(1,006,037)
Basic and diluted loss per share	*18*	**(0.0052)**	(0.0025)	(0.0028)

The notes on pages 9 to 24 form part of these financial statements.

The Directors consider that all results derive from continuing activities.

West African Minerals Corporation

(formerly Emerging Metals Limited)

Consolidated statement of financial position

as at 30 September 2011

	Notes	**At 30 September 2011 (Unaudited) £**	At 30 September 2010 (Unaudited) £	At 31 March 2011 (Audited) £
Non-current assets				
Deferred mine exploration costs	*6*	**2,744,047**	-	-
Goodwill	*10*	**1,646,509**	-	-
Current assets				
Cash and cash equivalents		**11,053,281**	9,990,019	10,000,643
Trade and other receivables		**38,606**	11,319	12,204
Total current assets		**11,091,887**	10,001,338	10,012,847
Total assets		**15,482,443**	10,001,338	10,012,847
Equity				
Share premium	*7*	**15,871,220**	15,804,554	15,804,554
Equity share based payment reserve	*15*	**142,540**	-	97,305
Foreign currency translation reserve		**137,483**	-	-
Retained deficit		**(7,034,220)**	(5,828,710)	(5,937,863)
Shareholders' equity		**9,117,023**	9,975,844	9,963,996
Minority interest		**4,137,856**	-	-
Total equity		**13,254,879**	9,975,844	9,963,996
Current liabilities				
Trade and other payables		**387,564**	25,494	48,851
Proceeds from share issue received in advance	*7*	**1,840,000**	-	-
Total liabilities		**2,227,564**	25,494	48,851
Total equity and liabilities		**15,482,443**	10,001,338	10,012,847

The notes on pages 9 to 24 form part of these financial statements.

These financial statements were approved by the board of directors on 2011 and were signed on their behalf by:

Director *Director*

West African Minerals Corporation

(formerly Emerging Metals Limited)

Consolidated statement of changes in equity

for the six month period ended 30 September 2011

	Notes	Share Premium £	Share Option Reserves £	Share Based Option Payments £	Foreign currency translation reserve £	Retained Earnings /(deficit) £	Total Shareholders' Equity £	Minority Interest £	Total £
Balance at 31 March 2010 (audited)		**15,245,789**	**1,201,674**	**201,124**	**-**	**19,218,597**	**35,867,184**	**-**	**35,867,184**
Total comprehensive loss for the period									
Loss for the period		-	-	-	-	(896,884)	(896,884)	-	(896,884)
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Exercise of share options	*7*	357,641	(1,201,674)	-	-	1,201,674	357,641	-	357,641
Dividend payments	*13*	-	-	-	-	(25,352,097)	(25,352,097)	-	(25,352,097)
Shares issued in lieu of directors' fees	*7, 14*	201,124	-	(201,124)	-	-	-	-	-
Balance at 30 September 2010 (unaudited)		**15,804,554**	**-**	**-**	**-**	**(5,828,710)**	**9,975,844**	**-**	**9,975,844**

		Share Premium £	Share Option Reserves £	Share Based Option Payments £	Foreign currency translation reserve £	Retained /(deficit) £	Total £	Minority Interest £	Total £
Balance at 31 March 2011 (audited)		**15,804,554**	**-**	**97,305**	**-**	**(5,937,863)**	**9,963,996**	**-**	**9,963,996**
Total comprehensive loss for the period									
Loss for the period		-	-	-	-	(1,096,357)	(1,096,357)	(765,202)	(1,861,559)
Other comprehensive gain for the period		-	-	-	137,483	-	137,483	444,444	581,927
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Increase in share based payment reserve	*14, 15*	-	-	31,901	-	-	31,901	-	31,901
Shares issued in lieu of directors' fees	*14, 15*	66,666	-	(66,666)	-	-	-	-	-
Changes in ownership interests in subsidiaries									
Minority interest acquisition	*9*	-	-	80,000	-	-	80,000	4,458,614	4,538,614
Balance at 30 September 2011 (unaudited)		**15,871,220**	**-**	**142,540**	**137,483**	**(7,034,220)**	**9,117,023**	**4,137,856**	**13,254,879**

The notes on pages 9 to 24 form part of these financial statements.

West African Minerals Corporation
(formerly Emerging Metals Limited)

Consolidated statement of cash flows
for the six month period ended 30 September 2011

	Notes	**For the period from 1 April 2011 to 30 September 2011 (Unaudited) £**	For the period from 1 April 2010 to 30 September 2010 (Unaudited) £	For the year ended 31 March 2011 (Audited) £
Cash flows from operating activities				
Loss before income tax		**(1,861,559)**	(896,884)	(1,006,037)
Adjusted for non cash and non operating items:				
Share based payment charge	*15*	**31,901**	(201,124)	97,305
Unrealised loss on investments		**-**	-	13,074,226
Realised losses/(gains) on investments		**-**	296,434	(12,880,877)
Finance income		**(11,938)**	(39,985)	(88,049)
		(1,841,596)	(841,559)	(803,432)
Change in trade and other receivables		**(6,959)**	(6,000)	(6,885)
Change in trade and other payables		**14,206**	(27,752)	(4,395)
Net cash used in operating activities		**(1,834,349)**	(875,311)	(814,712)
Cash flows from investing activities				
Amount paid in cash for purchase of investments		**-**	-	(316,285)
Proceeds from sale of investments		**-**	17,941,721	18,361,091
Amounts paid in cash for deferred mine exploration costs		**(199,444)**	-	-
Net loan advanced to subsidiary prior to acquisition		**(418,357)**	-	-
Cash acquired on acquisition of subsidiary		**1,049,710**	-	-
Net cash generated from investing activities		**431,909**	17,941,721	18,044,806
Cash flows from financing activities				
Interest received		**11,938**	39,985	88,049
Cash proceeds from issue of shares	*7*	**-**	558,765	-
Cash proceeds from share issue received in advance	*7*	**1,840,000**	-	-
Exercise of share options		**-**	-	357,641
Dividends paid to equity holders		**-**	(25,352,097)	(25,352,097)
Net cash generated from / (used in) financing activities		**1,851,938**	(24,753,347)	(24,906,407)
Effect of foreign exchange movement in cash held		**603,140**	-	-
Decrease in cash and cash equivalents		**1,052,638**	(7,686,937)	(7,676,313)
Cash and cash equivalents at beginning of period/year		**10,000,643**	17,676,956	17,676,956
Cash and cash equivalents at end of period/year		**11,053,281**	9,990,019	10,000,643
Significant non-cash transactions				
Cost incurred in relation to capitalised deferred mine exploration costs settled by way of issue of shares		**2,544,603**	-	-

The notes on pages 9 to 24 form part of these financial statements.

Notes

(forming part of the consolidated statement of interim results for the six month period ended 30 September 2011)

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.

On 21 April 2011 the Company announced that, further to the approval of its expanded investing policy on 8 April 2011 and after consultation with the Exchange, the Company became an investing company for the purposes of the AIM Rules on 19 July 2010 (following completion of its disposal of shares in Extract Resources) and hence had twelve months from that date to make any acquisition(s) which constitute(s) a reverse takeover or otherwise implement its investing policy to the satisfaction of the Exchange.

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

(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.

Use of estimates and judgment

The preparation of the consolidated financial statements in conformity with IFRSs 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 goodwill, recoverability of mineral properties and determination as to whether costs are expensed or deferred.

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). 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 purchase 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.

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.

Minority 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 gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. 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.

3 Significant accounting policies (continued)

Goodwill (continued)

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 impairment charges. Goodwill and intangible assets with indefinite useful lives are not amortised, but instead are subject to impairment testing at least annually.

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.

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 consolidated statement of comprehensive income.

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.

Deferred mine exploration costs

Exploration assets are initially recognised at cost and are reassessed on a regular basis and 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.

3 Significant accounting policies (continued)

Deferred mine exploration costs (continued)

Estimating Mineral Reserves and Resources
Mineral reserves and resources estimates for development projects are, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive estimates of costs based upon anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, estimated climatic conditions and other factors. Proven reserve estimates are attributed to future development projects only where there is a significant commitment to project funding and execution for which applicable governmental and regulatory approvals have been secured or are reasonably certain to be secured. All proven reserve estimates are subject to revision, either upward or downward, based on new information, such as from block grading and production activities or from changes in economic factors, including product prices, contracts terms or development plans.

Estimates of reserves for undeveloped or partially developed areas are subject to greater uncertainty over their future life than estimates of reserves for areas that are substantially developed and depleted. As an area goes into production, the amount of proven reserves will be subject to future revision once additional information becomes available. As those areas are further developed, new information may lead to revisions.

Recoverability of Deferred Mine Exploration Costs
Mineral property acquisition costs are capitalised until the viability of the mineral interest is determined. Expenditures for mine exploration work prior to and subsequent to drilling are deferred as incurred. These shall be written-off if the results of the exploration work are determined to be negative. If the results are positive, the deferred expenditures and the subsequent development cost shall be capitalized, to the extent that they do not exceed economically recoverable amount from mineral interests and amortized from the start of commercial operations. The Group reviews the carrying values of its deferred mine exploration costs 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.

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 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.

3 Significant accounting policies (continued)

Impairment of tangible and intangible assets excluding goodwill (continued)
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.

Finance income and finance costs
Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in profit or loss. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

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

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.

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 stock 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.

Directors equity share based payments
The fair value of the shares granted is recognised as an expense with a corresponding increase in equity. The fair value is measured at each qualifying month end and spread over the period during which the Directors become unconditionally entitled to the shares.

Share based payments
The Company determines the fair value of options issued to Directors in lieu of remuneration and recognises the amount as an expense in the statement of comprehensive income with corresponding increase in equity.

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 12 Income Taxes – Limited scope amendment (recovery of underlying assets) (December 2010)	1 January 2012
IAS 19 Employee Benefits - Amendment resulting from the Post-Employment Benefits and Termination Benefits projects	1 January 2013
IAS 27 Consolidated and Separate Financial Statements – Reissued as IAS 27 Separate Financial Statements (as amended in May 2011)	1 January 2013
IAS 28 Investments in Associates – Reissued as IAS 28 Investments in Associates and Joint Ventures (as amended in May 2011)	1 January 2013
IFRS 9 Financial Instruments - Classification and Measurement	1 January 2013
IFRS 10 Consolidated Financial Statements*	1 January 2013
IFRS 11 Joint Arrangements*	1 January 2013
IFRS 12 Disclosure of Interests in Other Entities*	1 January 2013
IFRS 13 Fair Value Measurement*	1 January 2013

* 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.

Operating segments

Segment information is presented in respect of the Group’s management and internal reporting structure. As currently the Group is not producing or exploring directly, there is no revenue being generated, and the main business segment is that of an investment group and corporate administrative entity.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. All of the Group’s results, assets and liabilities are derived in the BVI & Africa under the main and only business segment of an investment group and corporate administrative entity. As such no further breakdown of segmental analysis is possible to disclose, as the full details are contained within the Statement of Comprehensive Income and Balance Sheet.

4 Loss before finance income

Loss before finance income is stated after charging:

	For the period from 1 April 2011 to 30 September 2011	For the period from 1 April 2010 to 30 September 2010 (Unaudited)	For the year ended 31 March 2011 (Audited)
	£	£	£
Auditors’ Fees	**12,100**	10,901	16,501

Notes (continued)

(forming part of the consolidated statement of interim results for the six month period ended 30 September 2011)

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.

No deferred tax asset has been recognised because there is 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

	£
Costs capitalised at 1 April 2011 and 30 September 2010	-
Costs capitalised during the period	2,744,047
Impairment	-
At 30 September 2011	**2,744,047**

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 kilometres. The CMC Exploration Permits are held by CMC Cameroon. Total cost capitalised in respect of the Cameroon project was £2,744,047.

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). All expenses incurred in relation to this project were charged to the statement of comprehensive income.

7 Share premium

	£
Authorised	
The Company is authorised to issue an unlimited number of nil par value shares of a single class	-
Issued	
357,953,586 ordinary shares of £0.00 each (30 September 2010: 355,569,386; 31 March 2011: 355,569,386)	-
Share premium	
At 1 April 2010	15,245,789
3,952,084 shares at £0.05089 per share issued in lieu of directors' fees	201,124
7,152,823 shares at £0.0500 per share issued pursuant to exercise of options	357,641
At 30 September 2010 and 31 March 2011	15,804,554
At 1 April 2011	15,804,554
2,384,200 shares at £0.028 per share issued in lieu of directors' fees	66,666
At 30 September 2011	**15,871,220**

7 Share premium (continued)

Proceeds from share issue received in advance
The Company announced on 27 September 2011 that it had completed, subject to admission, a private placement to parties (including certain WAFM Directors) raising gross proceeds of £2,000,000 through the issue of 100,000,000 new ordinary shares at a price of 2 pence per share.

The shares were issued and admitted to AIM on the 3 October 2011. Proceeds totalling £1,840,000 had been received by the Company prior to the period end with the remaining balance of £160,000 received post period end.

8 Loan receivable
The Company entered into the following loan arrangements during the period:

i. On 20 April 2011, the Company entered into a convertible loan agreement with Ferrum Resources Limited ("Ferrum"), under which the Company had advanced £466,675 (US$752,500), repayable in full in cash on 31 October 2011, or at any time earlier by conversion into 2,467,213 new ordinary shares in the capital of Ferrum at an effective price of US$0.305 each. On 3 June 2011, the Company decided to exercise this option and the loan was deemed repaid (see Note 9).

ii. On 3 June 2011, the Company advanced £4,191,110 (US$7,000,000) to Ferrum as bridging finance for a proposed acquisition by Ferrum of 63.5% of the issued share capital of CMC Guernsey Limited (see note 9). The Bridging Loan is secured against assets of Ferrum, bears interest charged at a rate of 9% per annum and is repayable together with interest on a repayment date which was extended from 31 December 2011 to 31 March 2012. Total interest accrued as at 30 September 2011 was £127,235 (US$205,397).

iii. 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 assets of Ferrum, bears interest charged at a rate of 10% per annum and is repayable together with interest on a repayment date which was extended from 10 January 2012 to 31 March 2012. Total interest accrued as at 30 September 2011 was £2,147 (US$3,397).

iv. By loan agreement dated 27 September 2011, the Company advanced £1,000,000 to Ferrum. The loan is secured against assets of Ferrum and is (unless agreed otherwise in writing by the parties) repayable together with interest (charged at a rate of 10 per cent. per annum) on 23 March 2012. Total interest accrued as at 30 September 2011 was £1,096.

9 Investment in subsidiary undertakings

Acquisition of Ferrum Resources Limited
On 09 May 2011 the Company executed a put and call option agreement with Ferrum Resources Limited, an iron ore exploration and development company with interests in Sierra Leone, Guinea and Central African Republic. Under the terms of the Option Agreement, Ferrum granted the Company a call option, for a consideration of US$1. Under this option, the Company could exercise its right to subscribe for 26,228,570 new ordinary shares of Ferrum at a price of US$0.305 per share. On 3 June 2011, the Company exercised this option. Total consideration paid was £4,805,799 (US$7,999,714) comprised of cash payment of £4,339,124 (US$7,247,214) and conversion of existing £466,675 (US$752,500) Ferrum loan, see Note 8. The new Ferrum shares represent 37.23% of Ferrum's issued share capital. In accordance with the terms of the option agreement, Jim Mellon and Denham Eke were appointed to the board of Ferrum with Mr. Mellon assuming the interim role of Chairman.

9 Investment in subsidiary undertakings (continued)

Acquisition of Ferrum Resources Limited (continued)
Concurrent with advancing the Bridging Loan (see Note 8), the Company entered into an option agreement with the holders of all the remaining issued Ferrum ordinary shares (the "Ferrum Option") giving the Company the right, but not the obligation, to acquire all the issued and to be issued shares of Ferrum not already owned by the Company for a consideration of US$0.305 per share, to be satisfied by the issue of 7.16 new ordinary shares in the Company at an effective issue price of 2.6369 pence per share for each Ferrum share acquired, such option exercisable before 31 January 2012. In aggregate, if the Ferrum Option is exercised, the Company will (1) issue 316,574,265 new ordinary shares (or 63,314,845 new ordinary shares post the Share Consolidation –see Note 19) based on the current issued share capital of Ferrum, (2) grant warrants over a further 57,280,000 new ordinary shares (or 11,456,000 share warrants post the Share Consolidation), each for a term of five years and with an exercise price per share of 4.88 pence (or 24.2 pence per share post the Share Consolidation), and (3) grant options over a further 5,012,000 new ordinary shares (or 1,002,400 post the Share Consolidation) in respect of Ferrum employee options, exercisable for five years at a formula price (determined based on a price of US$0.305 per Ferrum share converted to a price per the Company's share at an exchange ratio of 7.16 and using the USD:GBP exchange rate on the date of grant) (together "the Consideration shares").

The exercise of the option will constitute a reverse takeover under the AIM Rules for Companies. On 01 December 2011, the Company exercised this option (see Note 19).

Although the Company currently owns less than 50% of Ferrum, in accordance with the Group's accounting policy, WAFM is considered to be the parent company of Ferrum because it has control and power to govern Ferrum. In assessing control, a variety of factors have been considered such as presence of 100% option exercisable at the Company's discretion, Board representation, ownership commonality and level of funding provided by the Company (see Note 8). Therefore Ferrum is considered to be a subsidiary rather than an associate. The table below summarises the total cost paid on acquisition of interest in Ferrum. No goodwill was recognised as the shares acquired are new shares of Ferrum with fair value deemed to equal the acquisition cost.

Company	**£**
Cost	
At 1 April 2011	-
Acquisition of 2,467,213 shares in Ferrum through loan conversion	466,675
Acquisition of 23,761,357 shares in Ferrum through cash funding	4,339,124
Balance at 30 September 2011	**4,805,799**

The major classes of assets and liabilities assumed at the acquisition date comprise cash of £85,451, investment in subsidiaries of £484,275, net loan and trade payables of £442,458 and share based payment reserve of £80,000. Total net assets attributable to minority interest at acquisition date were £47,268.

Notes (continued)

(forming part of the consolidated statement of interim results for the six month period ended 30 September 2011)

9 Investment in subsidiary undertakings (continued)

Acquisition of Ferrous Africa Limited

On 19 April 2011, Ferrum entered into an option deed to acquire the entire issued and unissued share capital of Ferrous Africa Limited, a BVI registered company for a total consideration of £466,675 (US$752,500). The option was exercised on 20 April 2011. The fair value of net assets acquired was £61,241 (comprising of cash of £66,164 and other net liabilities of £4,923) resulting in recognition of Goodwill on consolidation amounting to £405,434. Ferrous Africa holds a 75% interest in five exploration licenses for iron ore and other minerals in Sierra Leone. The licences are valid for four years from the date of issuance (17 January 2011).

Acquisition of CMC Guernsey and CMC Cameroon

On 6 June 2011, Ferrum entered into an agreement to subscribe for new shares in CMC Guernsey Limited ("CMC Guernsey"), a newly incorporated Guernsey registered and incorporated company constituting 63.53 per cent. of its issued shares for a cash consideration of £8,082,855 (US$13,500,000). On 11 July 2011, Ferrum's subscription in CMC Guernsey was completed. No goodwill was recognised on this transactions as the shares acquired are new shares and all retained profit or loss pre this acquisition are all attributable to minority interest. The major classes of assets and liabilities assumed at the acquisition date comprise cash of £897,731, deferred mine exploration costs of £2,544,603, investment in subsidiary of £1,197,460 and trade payables of £226,152. Total net assets attributable to minority interest at acquisition date were £4,413,642.

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.

The table below summarises the major classes of consideration transferred and the recognized amounts of assets and liabilities assumed at the acquisition date:

	£
Consideration transferred	
Shares for 95% interest (US$2m)	**1,197,460**
Identifiable assets acquired and liabilities assumed	
Cash	**364**
Deferred mine exploration cost	**11,680**
Trade and other receivables	**19,877**
Advances and other payables	**(77,832)**
Net liabilities assumed at acquisition date	**(45,911)**
Share of minority interest	**(2,296)**
Share of CMC Guernsey	**(43,615)**
Goodwill on acquisition	**1,241,075**

9 Investment in subsidiary undertakings (continued)

These interim consolidated financial statements include the results of the subsidiaries from the date the parent obtains control of these subsidiaries to 30 September 2011. As at 30 September 2011, the Group had the following subsidiaries:

Name of company	Place of incorporation	Ownership interest	Principal activity
Ferrum Resources Limited ("Ferrum") *	BVI	37.23%	Holding company of CMC, Ferrous Africa, Ferrum Centrafrique, Ferrum Guinee, Ferrous Benin and Ferrum Mauritania
CMC Guernsey Limited ("CMC")	Guernsey	63.53%	Holding company of CMC Cameroon
Compagnie Miniere du Cameroun ("CMC Cameroon")	Cameroon	95%	Holds exploration licences in Cameroon
Ferrous Africa Limited ("Ferrous Africa")	BVI	100%	Holding company of Tanziron, Ingwe and Ferrous Benin
Tanziron Resources Limited ("Tanziron")	BVI	100%	Holds exploration licences in Sierra Leone
Ingwe Investments Limited ("Ingwe")	Guernsey	100%	Holds exploration licences in Sierra Leone
Ferrous Benin Limited ("Ferrous Benin")	BVI	100%	Dormant and is in the process of being struck off
Ferrum Centrafrique S.A. ("Ferrum Centrafrique")	Central African Republic	100%	Holds exploration applications for Topa Project (refer to Note19 for latest development on this project/subsidiary)
Ferrum Resources Guinee S.A. ("Ferrum Guinee")	Guinea	100%	Holds exploration applications in Guinea
Ferrum Mauritania Limited ("Ferrum Mauritania")	BVI	100%	Established for a project that has been aborted. Currently dormant and is in the process of being struck off.

* Held directly by WAFM. All other holdings are indirect

10 Goodwill

Total goodwill as at 30 September 2011 is comprised of the following:

- £405,434 recognised by Ferrum when it acquired Ferrous Africa
- £1,241,075 recognised by CMC Guernsey on acquisition of CMC Cameroon

The Group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (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 profit or loss. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Goodwill and intangible assets with indefinite useful lives are not amortised, but instead are subject to impairment testing at least annually. Therefore subsequent to initial recognition, goodwill is measured at cost / revalued amount less accumulated impairments.

11 Financial risk management objectives and policies

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 co-ordinating 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 fulfill 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 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.

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**
30 September 2011	Cash	14,105,657	21,648,317
	Accounts receivable	-	16,603,158
	Accounts payable	(136,868)	(68,065,987)
31 March 2011	Cash	703,794	-
	Accounts receivable	-	-
	Accounts payable	-	-
30 September 2010	Cash	609,956	-
	Accounts receivable	-	-
	Accounts payable	-	-

The impact of 10% strengthening of the following major currencies 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.

	30 September 2011	**31 March 2011**	**30 September 2010**
Pound sterling against:	**£**	**£**	**£**
USD	**901,141**	43,921	59,471
XAF	**3,924**	-	-

There is no other impact on the Group's equity other than those already affecting the consolidated statement of comprehensive income (loss).

11 Financial risk management objectives and policies (continued)

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.

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 maintained in call accounts. To date the Group has relied upon equity funding to finance operations. Maximum exposure to liquidity risk is as per the amount reported in the consolidated statement of financial position. Management is confident that adequate resources are available to meet current obligations and fund its operations.

12 Financial Instruments

Financial instruments comprise cash, receivables, accounts payable and accrued expenses. 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 Dividends

On 16 April 2010, the Board of Directors approved the declaration of a special dividend of 7.13 pence per share. Total dividend paid on 18 May 2010 was £25,352,097. No dividends were paid or proposed by the Directors for the period ended 30 September 2011.

14 Directors' fees

Directors of the Company received the following remuneration during the period/year. Total fees paid to directors of subsidiaries post acquisition to 30 September 2011 were £219,497.

	For the period from 1 April 2011 to 30 September 2011 (Unaudited)	For the period from 1 April 2010 to 30 September 2010 (Unaudited)	For the year ended 31 March 2011 (Audited)
	£	£	£
Mitchell Alland	12,500	12,507	25,007
Denham Eke	46,327	49,183	96,488
Stephen Dattels	12,500	12,500	25,000
James Mellon	12,500	12,500	25,000
Patrick Weller	12,500	12,500	25,000
	96,327	**99,190**	**196,495**

£31,901 of total directors fees for the period (31 March 2011: £97,305) was settled by way of issue of new shares in the Company (see Note 15).

15 Share based payment

Under IFRS 2 'Share Based Payments', the Group determines the fair value of options issued to Directors, Employees, and other third parties as remuneration for services, and recognises the amount as an expense in the income statement with a corresponding increase in equity.

15 Share based payment (continued)

Share options for directors of the Company

Following the 2010 share allotment, Directors fees reverted to being settled by way of cash payment. However, subsequent to the year end, the Directors resolved that amounts outstanding to the Directors in respect of fees (reflecting the period from 1 October 2010 to 31 May 2011) should be settled via issue of new ordinary shares in the Company, issued at month end mid-market prices, in order to conserve cash for post year end activities. The table below summarises settlement of Directors' fees:

	Period	**Share issue date**	**Shares issued**	**Year ended 31 March 2011**
Directors fees paid in cash at 100%	01/04/2010 to 30/09/2010	-	-	99,190
Shares in lieu	01/10/2010 to 31/03/2011	7 June 2011	1,748,612	50,000
Shares in lieu	01/10/2010 to 31/03/2011	9 November 2011	1,652,692	47,305
			3,401,304	196,495

	Period	**Share issue date**	**Shares issued**	**Period ended 30 September 2011**
Directors fees paid in cash at 100%	01/06/2011 to 30/09/2011	**-**	**-**	64,426
Shares in lieu	01/04/2011 to 31/05/2011	7 June 2011	635,588	16,667
Shares in lieu	01/04/2011 to 31/05/2011	9 November 2011	581,281	15,234
			1,216,869	96,327

Share options for directors and consultants of Ferrum

During the period ended 31 March 2011, Ferrum issued 8 million share options to subscribe for ordinary shares to Consultants and Directors. 6 million of these options issued on 06 April 2010, were granted for no consideration and exercisable for a ten year period at a price of 35 pence per option. 2 million of these options issued on 29 September 2010, were granted for a consideration of £20,000 and exercisable before 5 April 2015 at a price of 35 pence per option. Ferrum has used the premium received for the 2 million options as the basis for valuation of the options and accordingly has charged £80,000 to the statement of comprehensive income. Options granted carry no dividend or voting rights.

On 28 October 2011, the Directors approved the grant of 700,000 shares options to a director and consultant of the Company exercisable for a period of five years, subject to vesting conditions at a price of US$0.305 per share.

Notes (continued)

(forming part of the consolidated statement of interim results for the six month period ended 30 September 2011)

16 Related party transactions

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 period the Company was charged £29,555 (six month period ended 30 September 2010: £27,760) under this agreement of which £14,408 were outstanding as at 30 September 2011 (30 September 2010: £nil).

The Company has no employees other than the Directors.

17 Significant shareholdings

Except for the interests disclosed in this note, the Directors are not aware of any holding of Ordinary Shares as at 30 September 2011 representing 3% or more of the issued share capital of the Company:

	Number of Ordinary Shares	**Percentage of Total Issued Capital**
Vidacos Nominees Limited	118,637,305	33.14%
Lynchwood Nominees Limited	34,743,861	9.71%
Ronald Bruce Rowan	25,000,000	6.98%
Hargreaves Lansdown (Nominees) Limited	13,786,175	3.85%
Fitel Nominees Limited	13,700,000	3.83%
TD Waterhouse Nominees (Europe) Limited	12,047,048	3.37%
HSDL Nominees Limited	11,948,705	3.34%
Directors interests		
Stephen Dattels[1]	21,820,313	6.10%
James Mellon[2]	30,833,493	8.61%

Notes to Directors' interests:

1. Held by Regent Mercantile Holdings Limited, a company owned by a trust under which Stephen Dattels is a beneficiary.
2. James Mellon's shareholding consists of 27,915,141 shares which are 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 and the remaining balance held in his own name. Denham Eke is also a Director of Galloway Limited.

18 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 £1,861,559 (period ended 30 September 2010: net loss of £896,884, year ended 31 March 2011: net loss of £1,006,037) and the weighted average number of shares outstanding of 357,067,654 (period ended 30 September 2010: 344,306,441, year ended 31 March 2011: 355,098,075).

As at 30 September 2011, there were no potential ordinary shares that potentially could dilute EPS as at the period end. Therefore, basic and diluted earnings per share are equal.

Notes (continued)

(forming part of the consolidated statement of interim results for the six month period ended 30 September 2011)

19 Subsequent events

i. The Topa Project Letter of Intent was entered into on 4 November 2011, whereby it is proposed that Ferrum dispose of its interest in the Topa iron project ("Topa Project") in the Central African Republic ("CAR"). In particular, it was noted that AXMIN would acquire 100% of Ferrum's subsidiary Ferrum Centrafrique SA, the CAR subsidiary of Ferrum that has submitted the applications for the Topa Project. As a consideration for the transfer (1) Ferrum would be granted a 25% interest directly in the Topa Project (held on trust pending grant of exploration permits in respect of the Topa Project ("Exploration Permits"), (2) subject to the grant of the Exploration Permits, Ferrum would be issued US$10million of new shares in AXMIN at the 20-day volume weighted average price post grant of the Exploration Permits and (3) Ferrum would be granted a free carry interest in relation to the first US$4million of project expenditure.

ii. On 01 December 2011, the Company exercised its option to acquire all the issued and to be issued ordinary shares of Ferrum not already owned by it. The acquisition will in total involve the issue of 316,574,265 new ordinary shares of no par value in the Company (or 63,314,845 new ordinary shares post the Share Consolidation –see note below) with aggregate value at the closing price on 1 December 2011 of 1.55 pence per share (or 7.75 pence post Share Consolidation) of approximately £4.9m. As a result, Ferrum becomes a 100% owned subsidiary of the Company. In addition the Company will grant warrants over a further 57,280,000 new ordinary shares (or 11,456,000 share warrants post the Share Consolidation), each for a term of five years and with an exercise price per share of 4.88 pence (or 24.4 pence post the Share Consolidation) and options over a further 5,012,000 new ordinary shares (or 1,002,400 post the Share Consolidation) in respect of Ferrum employee options, exercisable for five years at a formula price (determined based on a price of US$0.305 per Ferrum share converted to a price per the Company's share at an exchange ratio of 7.16 and using the USD:GBP exchange rate on the date of grant).

iii. On the 2 December 2011 the Company announced that at the request of the Company trading on AIM had been temporarily suspended, pending publication of an admission document.

iv. On 8 December 2011, the Board of Directors of the Company resolved to change the Company's name to West African Minerals Corporation, to consolidate all of the existing issued ordinary shares of no par value in the share capital of the Company at a ratio of 5 to 1 and that fractional entitlements to consolidated shares be rounded up to the nearest whole share (the "Share Consolidation"). Following the Share Consolidation the total issued share capital of the Company is 92,037,547.