



WEST AFRICAN **MINERALS** CORPORATION

Directors' Report and Consolidated Financial Statements

For the year ended 31 March 2014

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 advisor and joint broker	Beaumont Cornish Limited 2nd Floor Bowman House 29 Wilson Street London EC2M 2SJ
Broker	SP Angel Corporate Finance LLP Prince Frederick House 35-39 Maddox Street London W1S 2PP
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 advisors	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

Financial Highlights

- Total Assets declined by 4.7% to £28.4 million (2013: £29.7 million), largely as a result of impairment recognized in respect of Dja and Minko license permits.
- Cash remains over £7.1 million (2013: £9.4 million).
- Operational expenses continue to be rigorously controlled at all levels.
- Basic and diluted loss per share increased from 1.08 pence per share to 2.78 pence per share.
- The Company completed two fundraisings in February 2014 resulting in an increase in total share premium by £6.1 million to £66.0 million (2013: £59.6 million) and an increase in total shares in issue by 87.6 million to 376.7 million (2013: 288.0 million).

Operational Highlights

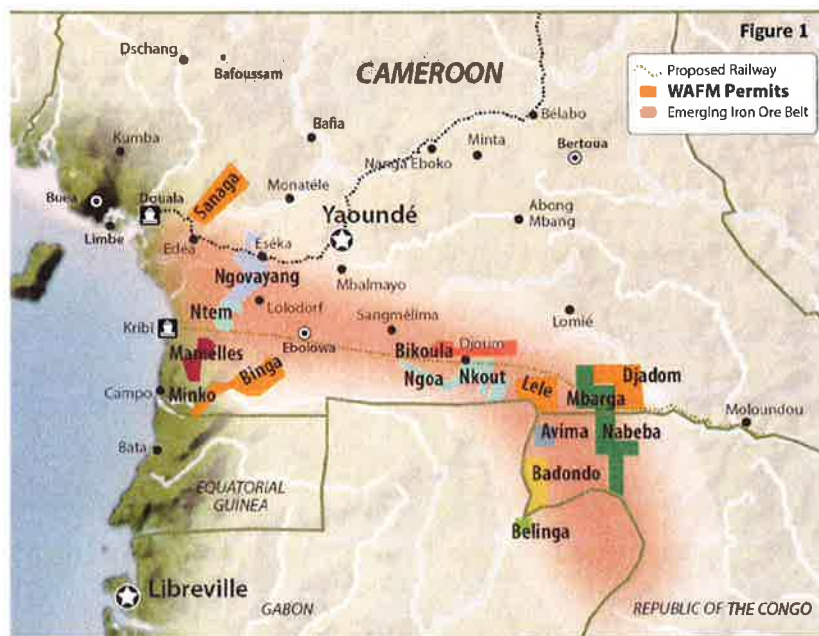
- An Initial Inferred Mineral Resource Estimate (MRE) was completed at the near-coastal Binga license of 30.5 Mt @ 29.7% Fe at a 25% Fe cut-off grade.
- Metallurgical test work confirmed the potential to produce a saleable magnetite concentrate from Binga ore ranging from 61% to 64% Fe using a combination of fairly coarse comminution and magnetic separation.
- Ground-based geophysical surveys comprising gravity and magnetics carried out on Binga and the latest near-coastal discovery at Sanaga have revealed:-
 - several promising targets identified at Binga that extend over an approximate 10km strike length; and
 - a number of promising anomalies at Sanaga that will be drill tested during a reconnaissance programme.
- Detailed mapping at the South Sanaga target has outlined several areas of surface exposure of magnetite bearing gneiss with surface grades ranging from 29.1% Fe to 66.3% Fe. The target mineralisation is in proximity to existing rail, port and power infrastructure (10km of main Yaoundé-Douala rail line – 60km of Douala port).
- A trenching program at Madina in Sierra Leone has delineated a Marampa Group hematite schist target over a 1.5km strike length -- preliminary assay results from the first three trenches indicate robust mineralization ranging from 38.5% Fe to 41.4% Fe.
- Surface mapping on gravity and magnetic targets in previously unexplored areas in the interior licenses of Lélé and North Djadam has revealed:-
 - at Lélé surface showings of iron mineralisation over 5km of strike - grab sample assays returned grades ranging from 24.1% Fe to 58.7% Fe; and
 - at North Djadam, surface showings of iron mineralisation traced over 4km of strike - grab sample assays over this anomaly returned grades ranging from 36.2% Fe to 56.1% Fe.

West African Minerals Corporation

Chairman's statement

Dear Shareholders,

In our last reporting period, we had defined two large scale iron resources at our South Djadom prospect in southeast Cameroon, the extensive tonnage indicating the likelihood of considerable additional resources with further exploration. Djadom by virtue of its size and adjacent proximity to the Mbarga deposit, presents significant future value in this world class iron district once infrastructure reaches this portion of the Cameroon-Congo Brazzaville iron belt. With the completion of this work, the Company returned its focus to firming up the continuity and grade of its Binga project, located some 80-100km from the new deep seaport at Kribi. A maiden resource for Binga was announced in January 2014.



Binga License – Cameroon

On 15 January 2014, WAFM delivered the first of its coastal inferred mineral resource estimates (MREs) at Binga where drilling identified several sub-cropping, magnetite-rich units in two areas spanning a total length of 5km – Blocks 6 and 7 to the west, and Block 8 in the central region. These three blocks formed the initial Inferred MRE of 30.5 Mt @ 29.7% Fe at a 25% Fe cut-off grade. The MRE was followed in April by preliminary metallurgical test work conducted on a composite sample of Binga ore selected from six different boreholes confirming the potential to produce a saleable magnetite concentrate ranging from 61% to 64% Fe using a combination of fairly coarse comminution and magnetic separation. The recommended grind size to obtain a concentrate with acceptably low silica grade was relatively coarse compared to existing magnetite concentrators. The coarse grind combined with the high recovery of iron to magnetite (69% to 75% on grind sizes of 106 µm and 300 µm) coupled with the ability to discard appreciable amounts (25%) of mined material after crushing, suggest that we can expect process benefits in the form of low mill power and lower operating cost.

More recently, ground gravity and magnetic surveys in the central region of Binga have identified several extensions and new promising targets extending over approximately 10km of strike length. A small survey in the east portion of the lease identified two additional promising targets coincident with mapped mineralised surface material. These results will direct future infill drilling to increase the MRE on this lease.

Follow-up resource drilling on these targets is being deferred until results of reconnaissance drilling at the Sanaga license are known. Sanaga's immediate access to existing infrastructure presents a significant capital and operating cost advantage for the Company while potentially positioning it to be a first mover in the development of iron ore mining in coastal Cameroon.

West African Minerals Corporation

Chairman's statement (continued)

Sanaga License – Cameroon

WAFM's latest and potentially most promising prospect is the Sanaga license 60km from the existing port and infrastructure at Douala and within 10km of the main railway between Douala and the country's capital Yaoundé.

Approximately 50km of line cutting, detailed mapping and sampling of the South Sanaga priority target area have been completed yielding promising early results. Several areas of surface exposure of magnetite bearing gneiss were outlined from mapping with surface grab sample grades ranging from 29.1% Fe to 66.3% Fe. Ground gravity and magnetic surveys identified several coincident, large magnitude gravity and magnetic anomalies. The highest priority target comprises a highly magnetic and dense source of approximately 1,000 by 500m, coincident with surface magnetite exposures.

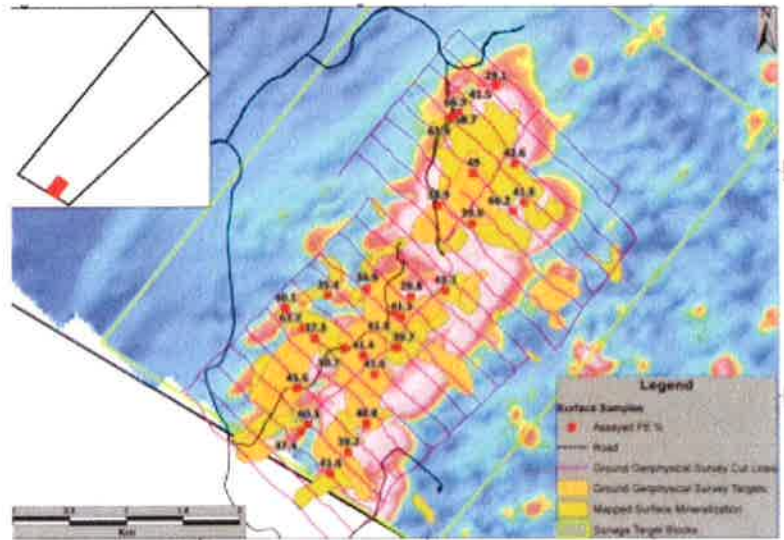
In view of these encouraging results, the Company's Board has approved a modification to the 2014 exploration plan to accommodate a reconnaissance drilling and preliminary metallurgical test work programme on Sanaga. This will allow for the company to assess the relative merits of this prospective project, which has the potential for significantly enhanced economics in view of the availability of existing transport infrastructure.

Madina - Sierra Leone

Recent trenching at the Madina license in Sierra Leone has outlined a substantial area of mineralised hematite schist from surface, essentially identical to that being mined at London Mining's Marampa deposit some 70km to the south. A relatively modest effort is believed to be required to outline the full extent of this mineralisation within open-pittable depths. A work plan to achieve this objective is currently being designed.

A program of approximately 2,000m of trenching over five fence lines has delineated a robust hematite schist unit over 1.5km of strike length on EL06/11.

Mineralised widths at surface range from 65 to 325m with an average of approximately 220m.



Assay results for three trenches have been received to date and are shown in the table below. The hematite schist is characterised by consistent grades of between 38.5% Fe and 41.4% Fe with true thicknesses that are calculated to range between 42 and 209m in the exposed trenches. The sub-outcrop position is calculated to cover a surface area of approximately 320,000m². Results to date support further work to delineate exploration targets on the remaining 4 to 5km of mapped hematite schist occurrence, most likely through a combination of rotary air blast (RAB) drilling, pitting and trenching.

Madina Trench Program Assay results

	From	To	Apparent thickness	Average dip	True Thickness	Fe %	Al ₂ O ₃ %	P %	S %	SiO ₂ %	LOI %
TR01	78	143	65	40	42	41.4	14.2	0.07	0.05	17.1	7.3
TR03	74	399	325	40	209	38.5	14.3	0.04	0.04	20.5	7.5
TR04	24	102	78	40	50	39.7	12.1	0.04	0.03	22.4	5.9
TR05	60	340	280	40	180	-	-	-	-	-	-
TR06	10	355	345	40	222	-	-	-	-	-	-
Average			219	40	141	39.1	14.0	0.04	0.04	20.3	7.2

Note: Trenches 05 and 06 outstanding

West African Minerals Corporation

Chairman's statement (continued)

Further exploration work on the Sierra Leone permits in 2014 is under review and will be limited to low level field mapping due to the Ebola outbreak. Risk mitigation measures are being taken and the level of field activities adjusted accordingly.

Lélé and North Djadom – southeast Cameroon

Surface mapping on gravity and magnetic targets in previously unexplored areas in the interior licenses of Lélé and North Djadom has confirmed the coincidence of the geophysical anomalies with occurrences of magnetite rich surficial material. The most promising target at Lélé has surface showings of iron mineralisation over 5km of strike, underlain by a prominent geophysical target. Grab sample assays over this anomaly returned grades ranging from 24.1% Fe to 58.7% Fe. At North Djadom, adjacent to the Mbarga deposit, the most promising target has surface showings of iron mineralisation over 4km of strike, also underlain by a prominent geophysical target. Grab sample assays over this anomaly returned grades ranging from 36.2% Fe to 56.1% Fe.

At the South Djadom deposit, an earlier reported combined Inferred MRE of the initial two blocks stands at 111.5 Mt @ 30.0% Fe at a 25% Fe cut-off grade including 15.6 Mt @ 40.7% at a 35% Fe cut-off.

Results to March 2014

During the financial period under review, the Group reported a total comprehensive loss of £8.5 million (2013: £2.7 million). The increased loss was largely the impairment of deferred mine exploration costs and the impairment of exploration permits and goodwill.

As part of the license renewal negotiations, the Company agreed to surrender the portion of its licenses that related to areas within the national parks so that it could retain the full license area for its remaining projects. This resulted in the surrender of the Dja and the majority of the Minko licenses. In line with the Group's accounting policy for deferred mine exploration costs, the balances in relation to these two license areas have been fully impaired. The impairment recognised in respect of Dja and Minko license permits was £2.0 million (2013: £Nil) against capitalised deferred mine costs and £3.4 million (2013: £Nil) against exploration permit and goodwill. The Company also assessed the carrying value of deferred mine costs relating to areas for which licenses were still held for impairment as at 31 March 2014 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. The Company's Shareholders' Equity reduced by 28.8% as a result of impairment recognised as well as the operational costs incurred during the year.

Total costs capitalised to Deferred Mine Exploration costs stood at £11.4 million (2013: £7.0 million).

Cash stood at £7.1 million at the end of the year (2013: £9.4 million).

Operational expenses for the year, excluding impairment, stood at £3.0 million compared to £3.1 million in the previous year.

The Directors have instituted a cost control programme which will result in further future savings.

Total number of shares in issue increased to 376.7 million (2013: 288.0 million) resulting in an increase in Share Premium to £66.0 million (2013: £59.6 million). Total shares issued during the year comprised of 87.6 million shares in respect of two fund raisings completed in February 2014 and 1.11 million shares issued pursuant to an exercise of share options and warrants.

The Company issued share warrants totalling 1 million to certain consultants of the Group and 43.8 million in conjunction with the two fund raising exercises completed in February 2014.

West African Minerals Corporation

Chairman's statement (continued)

Outlook

Our basic strategy is to explore and develop iron ore mineralisation with significant margins, either inherently high grade or located in proximity to coastal infrastructure for dramatically reduced capital and operating costs in West Africa. We have made considerable progress in this regard with the exploration advancements over the period to date which have continued to identify high quality new untested targets on our leases. In the medium term, our focus will be on the development of our near coastal discoveries which have the potential to bring WAFM most rapidly to production with the lowest possible capital costs. The discovery at Sanaga potentially provides the opportunity of a rapid start-up operation in view of its proximity to available existing transport infrastructure.

Our current funding levels as a result of the financings earlier in the year will enable us to pursue plans for the development of either Binga or Sanaga towards a 60-100mt mineral resource estimate by December 2014 and a Preliminary Economic Assessment (PEA) in the first quarter of 2015. Particularly in the current weak iron ore pricing environment, a critical factor for new project start-ups will be the access to port and other transport infrastructure to be competitive in the global seaborne iron ore trade. WAFM's near-coastal projects are ideally positioned to benefit from existing and planned infrastructure. Management and Board are committed to delivering substantial real value to our shareholders in the form of de-risked projects with low capital and operating costs.

Brad Mills

Executive Chairman

26 September 2014

West African Minerals Corporation

Directors' report

The Directors present their annual report and the consolidated financial statements for West African Minerals Corporation ("WAFM" or the "Company") for the year ended 31 March 2014.

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 £8,528,990 (2013: £2,743,789).

Dividend

The Directors do not propose the payment of a dividend for the year (2013: £nil).

Directors

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

	Appointed	Resigned
Brad Mills		
Anton Mauve		
Stephen Dattels		17 July 2013
James Mellon *		
Denham Eke		21 May 2014
Gerard Holden *		
Gualtiero Giori *		30 April 2013
* <i>non-executive</i>		

On behalf of the Board



Anton Mauve
Director

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 the 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 "Group") for the year ended 31 March 2014 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 Group's members, as a body. Our audit work has been undertaken so that we might state to the Group'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 Group and the Group'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 Group's affairs as at 31 March 2014 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

26 September 2014

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

West African Minerals Corporation

Consolidated statement of comprehensive income

for the year ended 31 March 2014

	Notes	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Income		-	-
Expenses			
Directors' fees	17	(463,279)	(633,672)
Salaries and wages		(183,316)	(142,135)
Consultants' fees		(46,726)	(19,819)
Other professional fees		(792,384)	(801,961)
Administration expenses		(437,531)	(600,232)
Share option and warrants	15	(844,608)	(876,620)
Other costs		(100,515)	(41,612)
Foreign exchange losses		(112,717)	(9,495)
Impairment of deferred mine exploration costs	6	(2,026,378)	-
Impairment of exploration permits	11	(3,142,327)	-
Impairment of goodwill	9	(214,569)	-
Loss before finance (expense)/income	4	(8,364,350)	(3,125,546)
Finance (expense)/income		(2,488)	61,352
Loss before income tax		(8,366,838)	(3,064,194)
Taxation	5	-	-
Loss after income tax		(8,366,838)	(3,064,194)
Other comprehensive (loss)/income - foreign currency translation reserve		(162,152)	319,294
Total comprehensive loss for the year		(8,528,990)	(2,744,900)
Loss attributable to:			
Owners of the Company		(8,366,838)	(3,063,083)
Non-controlling interest		-	(1,111)
		(8,366,838)	(3,064,194)
Total comprehensive loss attributable to:			
Owners of the Company		(8,528,990)	(2,743,789)
Non-controlling interest		-	(1,111)
		(8,528,990)	(2,744,900)
Basic and diluted loss per share	19	(0.0278)	(0.0108)

The notes on pages 14 to 31 form an integral 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 2014

	Notes	At 31 March 2014 £	At 31 March 2013 £
Assets			
Property, plant and equipment	7	383,692	458,476
Deferred mine exploration costs	6	11,358,377	7,040,510
Exploration permits	11	8,655,866	11,798,193
Goodwill	9	643,706	858,275
Total non-current assets		21,041,641	20,155,454
Current assets			
Cash and cash equivalents		7,103,877	9,437,392
Trade and other receivables	13	217,049	155,335
Total current assets		7,320,926	9,592,727
Total assets		28,362,567	29,748,181
Equity			
Share premium	8	65,953,822	59,626,661
Share options reserves	15	712,783	864,159
Share warrants reserves	15	1,106,816	576,249
Foreign currency translation reserve		94,447	256,599
Retained deficit		(39,654,266)	(31,696,143)
Shareholders' equity		28,213,602	29,627,525
Non-controlling interest		-	-
Total equity		28,213,602	29,627,525
Current Liabilities			
Trade and other payables	14	148,965	120,656
Total liabilities		148,965	120,656
Total equity and liabilities		28,362,567	29,748,181

The notes on pages 14 to 31 form an integral part of these consolidated financial statements.

These financial statements were approved by the board of directors on 26 September 2014 and were signed on their behalf by:



Anton Mauve
Director

Gerard Holden
Director

West African Minerals Corporation

Consolidated statement of financial position

as at 31 March 2014

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These financial statements were approved by the board of directors on ²⁶29 September 2014 and were signed on their behalf by:

Anton Mauve
Director


Gerard Holden
Director

West African Minerals Corporation

Consolidated statement of changes in equity

for the year ended 31 March 2014

	Notes	Share premium £	Share options reserve £	Share warrants reserve £	Foreign currency translation reserves £	Retained deficit £	Total shareholders' equity £	Non-controlling interest £	Total £
Balance at 1 April 2013		59,626,661	864,159	576,249	256,599	(31,696,143)	29,627,525	-	29,627,525
Total comprehensive loss for the year		-	-	-	-	(8,366,838)	(8,366,838)	-	(8,366,838)
Loss for the year		-	-	-	(162,152)	-	(162,152)	-	(162,152)
Other comprehensive loss for the year		-	-	-	-	-	-	-	-
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners									
Shares issued for cash subscription	8	6,134,866	-	-	-	-	6,134,866	-	6,134,866
Exercise of share options	8, 15	55,450	(13,783)	-	-	-	41,667	-	41,667
Exercise of share warrants	8, 15	136,845	-	(42,919)	-	-	93,926	-	93,926
Options/warrants expired		-	(385,868)	(22,847)	-	408,715	-	-	-
Options and warrants reserve charge	15	-	248,275	596,333	-	-	844,608	-	844,608
Balance at 31 March 2014		65,953,822	712,783	1,106,816	94,447	(39,654,266)	28,213,602	-	28,213,602
Balance at 1 April 2012		43,838,819	29,546	534,242	(62,695)	(18,517,934)	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		-	-	-	319,294	-	319,294	-	319,294
Other comprehensive loss for the year		-	-	-	-	-	-	-	-
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	10,128,750	-	-	-	-	10,128,750	-	10,128,750
Options and warrants reserve charge	15	-	834,613	42,007	-	-	876,620	-	876,620
Changes in ownership interests in subsidiaries									
Non-controlling interest on acquisition		-	-	-	-	(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 31 form an integral part of these consolidated financial statements.

West African Minerals Corporation

Consolidated statement of cash flows

for the year ended 31 March 2014

	Notes	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Cash flows from operating activities			
Loss before income tax		(8,366,838)	(3,064,194)
<i>Adjusted for non-cash and non-operating items:</i>			
Depreciation	7	62,143	16,083
Share options and warrants charge		844,608	876,620
Loss on sale and write off of property, plant and equipment		33,293	-
Impairment of deferred mine exploration costs	6	2,026,378	-
Impairment of exploration permits	11	3,142,327	-
Impairment of goodwill	9	214,569	-
Finance expense/(income)		2,488	(61,352)
		(2,041,032)	(2,232,843)
Change in trade and other receivables		(61,714)	116,938
Change in trade and other payables		28,309	(399,576)
Net cash used in operating activities		(2,074,437)	(2,515,481)
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(156,581)	(277,626)
Proceeds from sale of property, plant and equipment		31,838	-
Amount paid for capitalised deferred mine exploration cost	6	(6,240,154)	(4,449,101)
Net cash used in investing activities		(6,364,897)	(4,726,727)
Cash flows from financing activities			
Interest (paid)/received		(2,488)	61,352
Cash proceeds from issue of shares	8	6,134,866	5,613,578
Exercise of share options and warrants	8	135,593	45,514
Net cash generated from financing activities		6,267,971	5,720,444
Effect of foreign exchange movement on cash		(162,152)	319,294
Decrease in cash and cash equivalents		(2,333,515)	(1,202,470)
Cash and cash equivalents at beginning of year		9,437,392	10,639,862
Cash and cash equivalents at end of year		7,103,877	9,437,392
Significant non-cash transactions			
Shares issued in settlement of acquisition of non-controlling interest in CMC Guernsey/ CMC Cameroon		-	10,128,750

The notes on pages 14 to 31 form an integral part of these consolidated financial statements.

West African Minerals Corporation

Notes

forming an integral part of the consolidated financial statements for the year ended 31 March 2014

1 Reporting Entity

West African Minerals Corporation (formerly Emerging Metals Limited) (the “Company” or “WAFM”) is a company domiciled in the British Virgin Islands. These consolidated financial statements comprise the Company and its subsidiaries (collectively the “Group”). 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 26 September 2014.

(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 2014.

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

Business combination

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on bargain purchase is recognised in profit or loss immediately. Transaction costs are expenses as incurred, except if related to the issue of debt or equity instruments. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

West African Minerals Corporation

Notes (continued)

forming an integral part of the consolidated financial statements for the year ended 31 March 2014

3 Significant accounting policies (continued)

Basis of consolidation (continued)

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

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 an integral part of the consolidated financial statements for the year ended 31 March 2014

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-license costs are expensed in the period in which they are incurred. License 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 an integral part of the consolidated financial statements for the year ended 31 March 2014

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 to the profit or loss as incurred. These include payments for costs incurred prior to obtaining licenses.

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.

West African Minerals Corporation

Notes (continued)

forming an integral part of the consolidated financial statements for the year ended 31 March 2014

3 Significant accounting policies (continued)

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. 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 an integral part of the consolidated financial statements for the year ended 31 March 2014

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. Impairment losses are recognised in the profit or loss.

Cash and cash equivalents

Cash and cash equivalents are measured at amortised cost 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 cost 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 have 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 non-market 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.

Segmental 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 an integral part of the consolidated financial statements for the year ended 31 March 2014

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)
Transition guidance: Amendments to IFRS 10, IFRS 11 and IFRS 12	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
IAS 27 Separate Financial Statements (2011)	1 January 2014
IAS 28 Investments in Associates and Joint Ventures (2011)	1 January 2014
Investment Entities (Amendments to IFRS 10, IFRS 12 and IAS 27)	1 January 2014
Offsetting Financial Assets and Financial Liabilities – Amendments to IAS 32	1 January 2014
	IASB effective date to be confirmed
IFRS 9 Financial Instruments 2013	
Recoverable amount disclosures for non-financial assets – Amendments to IAS 36	1 January 2014
IFRIC 21 Levies	1 January 2014
Continuing hedge accounting after derivative novations – Amendments to IAS 39	1 January 2014
Defined Benefit Plans: Employee Contributions – Amendments to IAS 19	1 July 2014
Annual Improvements to IFRSs – 2010-2012 Cycle	1 July 2014
Annual Improvements to IFRSs – 2011-2013 Cycle	1 July 2014
IFRS 9 Financial Instruments	1 January 2015
IFRS 14 Regulatory Deferral Accounts	1 January 2016

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.

Taxation

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 an integral part of the consolidated financial statements for the year ended 31 March 2014

4 Loss before finance (expense)/income

Loss before finance income is stated after charging:

Company and Group	Year ended 31 March 2014	Year ended 31 March 2013
	£	£
Auditors' Fees	47,000	37,260
Auditors' Fees – non audit services		-
Directors' Fees (note 17)	463,279	633,672
Depreciation (note 7)	62,143	16,083

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.

The corporate tax rate in Cameroon is 35% (taking into account the 10% surcharge, the effective rate is 38.5%). 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 from inception to current period 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 from inception to current period therefore it is not subject to tax liability.

Deferred tax assets in respect of the losses incurred, estimated to be £523,562 and £377,669 for Cameroon and Sierra Leone, respectively, have not been recognised due to insufficient evidence of the timing of suitable future profits against which they can be recovered. Deferred tax liability has also not been recognised.

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 2013	5,583,285	1,457,225	7,040,510
Costs capitalised during the year	6,198,667	41,487	6,240,154
Depreciation charges capitalised during the year (note 7)	92,729	11,362	104,091
Impairment recognised in the year	(2,026,378)	-	(2,026,378)
Balance at 31 March 2014	9,848,303	1,510,074	11,358,377

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, held by Compagnie Minière du Cameroun ("CMC Cameroon") originally 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. License permit for Dja and a large portion of Minko were relinquished during the year. Renewal applications for the remaining licenses for two additional years have been submitted and approved by the government of Cameroon.

The Sierra Leone Licenses comprise five exploration licenses (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 Licenses (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 licenses are valid for four years from 17 January 2011.

West African Minerals Corporation

Notes (continued)

forming an integral part of the consolidated financial statements for the year ended 31 March 2014

6 Deferred mine exploration costs (continued)

During the year, as part of the license renewal negotiations the Group agreed to surrender the portion of its licenses that related to areas within the national parks so that it could retain the full license area for its remaining projects. This resulted in the surrender of the Dja and the majority of the Minko licenses. In line with the Group's accounting policy for Deferred mine exploration costs the balances in relation to these two license areas have been fully impaired.

The Group assessed the deferred mine costs, relating to areas for which licenses were still held, for impairment as at 31 March 2014 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 2013	118,431	118,464	27,347	366,285	630,527
Additions	19,380	13,614	-	123,587	156,581
Disposal	-	(441)	-	(84,086)	(84,527)
Write-off	(1,282)	(12,902)	-	(27,822)	(42,006)
As at 31 March 2014	136,529	118,735	27,347	377,964	660,575
Depreciation					
At 1 April 2013	31,707	41,452	5,018	93,874	172,051
Charge for the year - expensed	11,522	21,482	3,439	25,700	62,143
Charge for the year - capitalised	24,246	13,666	-	66,179	104,091
Disposal	-	(441)	-	(33,425)	(33,866)
Write-off	(879)	(10,881)	-	(15,776)	(27,536)
As at 31 March 2014	66,596	65,278	8,457	136,552	276,883
Net book value					
As at 31 March 2014	69,933	53,457	18,890	241,412	383,692
As at 31 March 2013	86,724	77,012	22,329	272,411	458,476

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 2014 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 2014 and 31 March 2013 or the period to date.

West African Minerals Corporation

Notes (continued)

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8 Capital and reserves (continued)

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.

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 Number	Share capital £	Share premium £
<i>Issued ordinary shares</i>					
At 1 April 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
Exercise of option (note 15)	21/06/2013	£0.25	166,666	-	41,667
Fair value of options exercised *			-	-	13,783
Exercise of warrants (note 15)	17/09/2013	£0.10	939,261	-	93,926
Fair value of warrants exercised *			-	-	42,919
Fund raising (first part)	05/02/2014	£0.07	52,797,738	-	3,695,842
Fund raising (second part)	12/02/2014	£0.07	34,843,206	-	2,439,024
At 31 March 2014			376,737,123	-	65,953,822

* calculated at the date of issue of the instrument

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 2014. A reconciliation and methodology used in determining the fair values are set out in note 15.

Dividends

No dividends were declared or proposed by the Directors during the year (31 March 2013: £Nil).

West African Minerals Corporation

Notes (continued)

forming an integral part of the consolidated financial statements for the year ended 31 March 2014

9 Goodwill

Goodwill has been recognized as a result of acquisition of Ferrum and its subsidiaries. The total balance as at the year end is analysed as follows:

	Cameroon	Sierra Leone	Total
	£	£	£
Acquisition of Ferrum	643,706	214,569	858,275
Impairment of exploration permits	(214,569)	-	(214,569)
Balance at 31 March 2014	429,137	214,569	643,706

During year, as part of the license renewal negotiations the Group agreed to surrender the portion of its licenses that related to areas within the national parks so that it could retain the full license area for its remaining projects. This resulted in the surrender of the Dja and the majority of the Minko licenses. In line with the Group's accounting policy for Goodwill, the balances in relation to these two license areas have been fully impaired. The Company assessed the goodwill attributable to remaining exploration permits for impairment as at 31 March 2014 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.

10 Investment in subsidiary undertakings

As at 31 March 2014, 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 licenses 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 licenses in Sierra Leone
Ingwe Investments Limited (Ingwe)	Guernsey	100%	Holds exploration licenses 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

The consolidated financial statements include the results of the subsidiaries from the date that control is obtained to 31 March 2014 or the date that control ceases.

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
Impairment of exploration permits	(3,142,327)	-	(3,142,327)
Balance at 31 March 2014	6,284,715	2,371,151	8,655,866

During year, as part of the license renewal negotiations the Group agreed to surrender the portion of its licenses that related to areas within the national parks so that it could retain the full license area for its remaining projects. This resulted in the surrender of the Dja and the majority of the Minko licenses. In line with the Group's accounting policy for exploration permits the balances in relation to these two license areas have been fully impaired. The Company assessed the remaining exploration permits for impairment as at 31 March 2014 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.

West African Minerals Corporation

Notes (continued)

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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.

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 2014, the 12 month cashflow forecast prepared by Group indicate that the Group has sufficient resources to meet its obligations.

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	
		USD balance	GBP equivalent	XAF balance	GBP equivalent
31 March 2014	Cash	3,854,801	2,315,641	188,616,783	237,700
	Accounts receivable	-	-	146,170,631	184,208
	Accounts payable	(1,688)	(1,014)	(14,129,753)	(17,807)
31 March 2013	Cash	5,135,428	3,376,493	18,685,951	24,040
	Accounts receivable	39,611	26,044	65,847,328	84,713
	Accounts payable	(37,393)	(24,586)	(13,509,720)	(17,380)

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 2014	31 March 2013
Pound sterling against:	£	£
USD	210,421	337,795
XAF	36,736	8,307

West African Minerals Corporation

Notes (continued)

forming an integral part of the consolidated financial statements for the year ended 31 March 2014

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 2014	31 March 2013
	£	£
USD	3,707	15,444
XAF	(165,859)	303,850

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.

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 2014	31 March 2013
	£	£
Trade receivables	-	1,945
Prepayments	60,454	66,448
VAT	81,617	81,617
Other debtors	74,978	5,325
	<u>217,049</u>	<u>155,335</u>

West African Minerals Corporation

Notes (continued)

forming an integral part of the consolidated financial statements for the year ended 31 March 2014

14 Trade and other payables

	31 March 2014	31 March 2013
	£	£
Trade payables	73,919	48,465
Accrued expenses	59,705	43,694
Other creditors	15,341	28,497
	<u>148,965</u>	<u>120,656</u>

15 Share options and warrants

Share warrants

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

Recipient	Grant Date	Term in years	Exercise Price	01 April 2013	Issued	Exercised	Lapsed	31 March 2014	FV of warrants in issue at year end £	Expensed during the year £
Ferrum warrant holders 1, 3	09/01/12	5	24.40p	11,456,000	-	-	-	11,456,000	382,637	-
Advisors 2, 3	09/01/12	5	10.00p	1,878,523	-	-	-	1,878,523	85,838	-
Advisors 2, 3	09/01/12	2	10.00p	1,439,261	-	(939,261)	(500,000)	-	-	-
Consultants 4	02/04/12	5	25.00p	1,400,000	-	-	-	1,400,000	68,740	19,094
Shareholders	29/05/13	5	45.00p	-	1,000,000	-	-	1,000,000	43,244	43,244
Shareholders 5	14/02/14	2-3	10.00p	-	43,820,473	-	-	43,820,473	533,995	533,995
				<u>16,173,784</u>	<u>44,820,473</u>	<u>(939,261)</u>	<u>(500,000)</u>	<u>59,554,996</u>	<u>1,114,454</u>	<u>596,333</u>

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
5. These warrants were issued in conjunction with the two fund raising exercises completed in February 2014.

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.

	14 February 2014	29 May 2013	02 April 2012	9 January 2012
Dividend yield (%)	-	-	-	-
Expected volatility (%) 1	50%	50%	40%	90%
Risk-free interest rate (%) 2	0.97%	0.43%	0.7%	1.5%
Share price at grant date	7.12 pence	35.9 pence	21.6 pence	11.5 pence
Share price (market value)	7.12 pence	35.9 pence	21.6 pence	11.5 pence
Exercise price	10.0 pence	40.0 pence	25.0 pence	24.0/10.0 pence
Expected exercise period	2 years	2 years	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)

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15 Share options and warrants (continued)

Share options

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

Recipient	Grant Date	Term in years	Exercise Price	01 April 2013	Issued	Lapsed	Exercised	31 March 2014	Expensed during the year £	Fair value £
Directors	26/03/12	10	25.00p	5,300,000	-	(3,800,000)	-	1,500,000	65,403	237,403
Directors	24/04/12	10	25.00p	5,200,000	-	(333,334)	(166,666)	4,700,000	117,002	402,473
Consultant	01/05/12	10	40.13p	400,000	-	-	-	400,000	15,869	52,000
Consultant & employees	15/06/12	10	55.00p	600,000	-	(200,000)	-	400,000	21,874	66,320
Consultant	20/08/12	10	55.00p	100,000	-	(100,000)	-	-	-	-
Consultant & employees	01/11/12	10	65.00p	290,934	-	-	-	290,934	28,127	59,438
				11,890,934	-	(4,333,334)	(166,666)	7,290,934	248,275	817,634

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 period end.

	01 November 2012	15 June 2012	1 May 2012	24 April 2012	26 March 2012
Dividend yield (%)	-	-	-	-	-
Expected volatility (%) ¹	40%	40%	40%	40%	90%
Risk-free interest rate (%) ²	0.63%	0.63%	0.96%	0.95%	1.5%
Share price at grant date	64.75 pence	53.50 pence	40.12 pence	25.25 pence	24.78 pence
Share price (market value)	64.75 pence	53.50 pence	40.12 pence	25.25 pence	24.78 pence
Exercise price	65.50 pence	55.00 Pence	40.13 pence	25.00 pence	25.00 pence
Expected exercise period	4 years	4 years	4 years	4 years	4 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 option holder 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.

Exercise of the option may be conditional upon satisfaction of performance-related conditions as shall be determined by the Directors and notified to the option holder 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.

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Notes (continued)

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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 (note 6)	9,848,303	1,510,074	-	11,358,377
Exploration permit (note 11)	6,284,715	2,371,151	-	8,655,866
Other non-current assets	737,802	289,596	-	1,027,398
Current assets	423,231	12,831	6,884,864	7,320,926
Total liabilities	(16,372)	(3,279)	(129,314)	(148,965)
Finance expense	-	-	(2,488)	(2,488)
Expenses	(5,534,511)	(321,497)	(2,508,342)	(8,364,350)
Net loss	(5,534,511)	(321,497)	(2,510,830)	(8,366,828)
Other comprehensive (loss)/profit	(165,859)	3,707	-	(162,152)

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

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

Company	Expense recognised during the year		Outstanding at the end of the year	
	31 March 2014 £	31 March 2013 £	31 March 2014 £	31 March 2013 £
Brad Mills	106,850	111,072	12,794	-
Anton Mauve	155,440	156,069	7,490	-
Stephen Dattels (resigned 17 July 2013)	18,539	59,959	-	-
Denham Eke (resigned 21 May 2014)	80,137	88,984	9,596	-
James Mellon	21,250	23,438	2,656	-
Gerard Holden	21,250	21,902	-	-
Patrick Weller (resigned 17 April 2012)	-	3,619	-	-
Guy Elliot (resigned 11 October 2012)	-	13,315	-	-
Gualtiero Giori (resigned 30 April 2013)	1,771	21,902	-	-
Subsidiaries				
Franco Mastrantonio (resigned 17 June 2012)	-	57,429	-	-
Richard Garnett (resigned 07 November 2013)	58,042	75,983	-	-
	463,279	633,672	32,536	-

Directors fee restructure:

From 01 January 2014, the Directors of the Company shall be paid their usual basic salary of which (until terminated on 30 days' notice by the Company) 50% (20% in the case of Anton Mauve) shall be satisfied by issue of new shares in the Company to the Directors monthly in arrears at an implied price equal to the volume weighted average price of the Company's ordinary shares on the AIM Market at the end of each relevant month. For the avoidance of doubt, such shares shall be issued quarterly or semi-annually at the Company's discretion. The other 50% (80% in the case of Anton Mauve) shall remain payable in cash before the end of each relevant month. This restructure was mutually agreed between the Company and the Directors as part of the cash-saving exercise implemented across the Group.

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17 Related party transactions (continued)

Key management personnel (continued)

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 2014. The value of these warrants/options is commensurate with the value of services provided to the Company.

Name	at 31 March 2013	Granted	Exercised	Lapsed	at 31 March 2014
Brad Mills	2,800,000	-	-	-	2,800,000
Anton Mauve	1,400,000	-	-	-	1,400,000
Stephen Dattels (resigned 17 July 2013)	2,800,000	-	-	(2,800,000)	-
James Mellon	500,000	-	-	-	500,000
Denham Eke (resigned 21 May 2014)	1,000,000	-	-	-	1,000,000
Gerard Holden	500,000	-	-	-	500,000
Gualtiero Giori (resigned 30 April 2013)	500,000	-	(166,666)	(333,334)	-
Guy Elliot (resigned 11 October 2012)	500,000	-	-	(500,000)	-

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

	Number of Ordinary Shares	Percentage of Issued Capital
Brad Mills (note 18)	42,496,856	11.28%
Anton Mauve (note 18)	42,496,856	11.28%
Stephen Dattels (resigned 17 July 2013) (note 18)	27,172,906	7.21%
James Mellon (note 18)	23,255,970	6.17%
Denham Eke (resigned 21 May 2014)	1,151,827	0.31%

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 £99,953 (2013: £98,413) under this agreement of which £25,000 was outstanding at end of the year (2013: £nil).

18 Significant shareholdings

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

	At 31 March 2014		At 10 July 2014	
	Number of Ordinary Shares	Percentage of Total Issued Capital	Number of Ordinary Shares	Percentage of Total Issued Capital
Plinian Guernsey Limited ³	42,496,856	11.28%	42,496,856	11.28%
Rosy Mining Limited	35,889,079	9.53%	35,889,079	9.53%
Everest Capital LLC	33,184,000	8.81%	-	-
Panetta Partners Limited	29,686,142	7.88%	50,186,142	13.32%
Stephen Dattels ¹	27,172,906	7.21%	27,172,906	7.21%
James Mellon ²	23,255,970	6.17%	23,255,970	6.17%
Generation Resources Limited	14,360,340	3.81%	14,360,340	3.81%

Notes:

- These shares are held by Regent Mercantile Holdings Limited, a company owned by a trust under which Stephen Dattels is a discretionary beneficiary.
- James Mellon's shareholding consists of 22,572,299 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.
- Brad Mills and Anton Mauve are principals of Plinian Guernsey Limited. Plinian's shareholding includes 10,142,858 shares held by CE Mining Limited, a company that is 50% owned by Plinian.

West African Minerals Corporation

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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 year of £8,366,838 (2013: £3,063,083) and the weighted average number of shares outstanding of 300,919,104 (2013: 283,162,013).

Weighted average number of ordinary shares

	31 March 2014	31 March 2013
Issued ordinary shares at 01 April	287,990,252	258,949,579
Effect of shares issued for cash	12,297,832	8,081,316
Effect of share options exercised	129,223	216,050
Effect of share warrants exercised	501,797	-
Effect of shares issued on business combination	-	15,915,068
Weighted average number of ordinary shares	300,919,104	283,162,013

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 2014 and 2013, there is no dilutive effect because the Group incurred net losses in both periods. Therefore, basic and diluted earnings per share are the same.

20 Commitments and contingent liabilities

There are no known contingent liabilities as at the year end.

As part of the initial license application as well as during the renewal process, under the Cameroon law, there is a minimum technical expense commitment of circa US\$200/km²/year on each permit. The total surface area for the licenses retained during the period was about 4,000 km² which brings the Company's total commitment for the year to at least US\$800,000.

The minimum capital expense commitment for Sierra Leone permits is US\$50,000 plus an additional US\$800/km²/year (increasing to US\$1600/km²/year the following year) on each permit held. Total commitment for the year is US\$799,000.

21 Subsequent events

On 14 May 2014, the Company awarded options to acquire up to 21,500,000 ordinary shares of no par value in the Company (the "Options") to the Directors, key management and employees. These Options replace all previously granted options which have been cancelled as at the same date. The Options shall vest as to one-third on each anniversary of the date of the grant. Vested options may be exercised within 10 years at a price of 7 pence per share.

On 19 May 2014, Brad Mills was appointed Executive Chairman of the Company with immediate effect. Jim Mellon will remain on the Board as a non-executive Director. Denham Eke resigned from the Board but will remain as CFO. Both Mr Mellon and Mr Eke have accordingly relinquished their recent share option awards.