



Great Western Mining Corporation PLC

("Great Western Mining", "GWM", "Group" or the "Company")

Half Yearly Report

Great Western Mining the AIM and ESM quoted mining company, announces its half yearly report for the six months to 30 June 2017.

Highlights:

- The Group reports a loss for the period of €259,674
- Basic and diluted loss per share (cent) 0.001
- M2 JORC Resource Upgrade
- M2 Technical Scoping Study completed
- Placing of new shares for cash

Great Western Mining is currently focused on continued exploration and appraisal of its prospects so is not yet generating revenue. The Group reports a loss for the period of €259,674 (30 June 2016: €252,881, 31 December 2016: €430,205). At 30 June 2017 net-current assets totaled €1,802,544 (30 June 2016: €505,435, 31 December 2016: €768,685) Overheads are tightly controlled and the Group has no debt.

During the period, WT Cohan & Associates ("WTC") of Grand Junction, Colorado provided an updated Mineral Resource estimate on the Company's M2 Copper-Gold target. At a 0.2% cut-off, the WTC estimate of total Indicated and Inferred Mineral Resources is 16,989,570 tonnes of 0.52% copper of which 3,917,490 falls into the Indicated category. In addition, WTC has provided an independent estimate of the Exploration Target beneath the M2 Sharktooth Peak, which was identified by reconnaissance and outcrop mapping, surface sampling and two discovery drill holes in 2014. The low end of the WTC estimate is 87,100,000 tonnes of 1% copper.

Since the period end, WTC has completed an M2 Technical Scoping Study, originally commissioned in 2016. The company is currently evaluating this study and will update shareholders on its conclusions shortly.

During the reporting period, the Great Western Mining field team participated in a drill programme on M1 conducted by Huntoon Cooperation Agreement partner Crown Point Gold & Silver Mining LLC ("Crown Point"). GWM has funded two drill holes, and independent assays, on an area of anomalous mineralisation straddling the border of both companies' properties. The area is a magnetite breccia zone where grades of 400-500 ppb Au have been found in surface soil samples. Crown Point has continued with the drill programme after the period end, and the Company looks forward to analysing all the assay results when these become available.

Great Western has recently completed two placings of new ordinary shares, one during the reporting period and the other shortly after the period-end date, raising combined gross proceeds of £2,600,000 (€3,012,108). This significant injection of new funds is enabling a major acceleration of work on the Company's mineral prospects in Nevada.

The Group's strategic objectives for its principal activities, being the exploration and mining for copper, silver, gold and other minerals, are only achievable if certain risks are managed effectively. The board has overall accountability for determining the type and level of risk it is prepared to take. The principal risks and uncertainties that may affect the Group's business remain unchanged from those disclosed on page 6 of the Company's Annual Report for the year ended 31 December 2016. The principal risks include but are not limited to exploration, currency and commodity price.

Certain statements made in this half yearly report are forward-looking and these are based on current expectations which remain subject to a number of risks and uncertainties. As a consequence, events or ultimate results could differ materially from those anticipated in the forward-looking statements.

Looking to the near future, the Group has an ambitious field programme scheduled for the rest of this year and early next year. In the autumn, a discovery level drill programme is planned on the M4 (Target 4) Copper-Gold prospect, immediately followed by a Phase 3 drill programme on M2. As soon as the weather permits in early spring 2018 a discovery level drill programme is planned for the Sharktooth Exploration Target.

As always, the Board and management greatly appreciate shareholder support and look forward to reporting on an active period going forward.

Enquiries:

Great Western Mining Corporation Plc +44 207 933 8795 (via Walbrook)

David Fraser, Chief Executive

Davy (Nomad, ESM Adviser & Joint Broker) +353 1 679 6363

John Frain

Beaufort Securities Ltd (Joint Broker)

Jon Belliss +44 207 382 8300

Elliot Hance

Walbrook PR (UK PR and IR) +44 207 933 8795

Paul Cornelius greatwesternmining@walbrookpr.com

Nick Rome

Important Information

The group's strategic objectives for its principal activities, being the exploration and mining for copper, silver, gold and other minerals, are only achievable if certain risks are managed effectively. The board has overall accountability for determining the type and level of risk it is prepared to take. The principal risks and uncertainties that may affect the group's business remain unchanged from those disclosed on page 7 of the annual report for the year ended 31 December 2016. The principal risks include, but are not limited to exploration risk, currency risk and of commodity price risk.

Certain statements made in this half-yearly report are forward looking statements. Such statements are based on current expectations and are subject to a number of risks and uncertainties that could cause actual events or results to differ materially from the expected future events or results referred to in these forward-looking statements.

Unaudited Condensed Consolidated Income Statement
For the six months to 30 June 2017

	Note	Unaudited	Unaudited	Audited
	s	6 months	6 months	year ended
		ended	ended	31 Dec '16
		30 Jun '17	30 Jun '16	31 Dec '16
		€	€	€
Administrative expenses		(269,859)	(253,064)	(430,490)
Finance income		54	231	333
Finance costs		10,131	(48)	(48)
Loss for the year before tax		(259,674)	(252,881)	(430,205)
Income tax expense	4	-	-	-
Loss for the financial year		(259,674)	(252,881)	(430,205)
Loss attributable to:				
Equity holders of the Company	3	(259,674)	(252,881)	(430,205)
Earnings per share from continuing operations				
Basic and diluted loss per share (cent)	5	(0.001)	(0.001)	(0.001)

Unaudited Condensed Consolidated Statement of Other Comprehensive Income
For the six months to 30 June 2017

<i>Notes</i>	Unaudited 6 months ended 30 Jun '17 €	Unaudited 6 months ended 30 Jun '16 €	Audited year ended 31 Dec '16 €
Loss for the financial year	(259,674)	(252,881)	(430,205)
Other comprehensive income			
Items that are or may be reclassified to profit or loss:			
Currency translation differences	<u>(247,408)</u>	<u>(58,445)</u>	<u>100,497</u>
	(247,408)	(58,445)	100,497
Total comprehensive expense for the financial year attributable to equity holders of the Company	<u><u>(507,082)</u></u>	<u><u>(311,326)</u></u>	<u><u>(329,708)</u></u>

Unaudited Condensed Consolidated Statement of Financial Position
For the six months to 30 June 2017

	<i>Notes</i>	Unaudited 6 months ended 30 Jun '17 €	Unaudited 6 months ended 30 Jun '16 €	Audited year ended 31 Dec '16 €
Assets				
Non-current assets				
Intangible assets	6	3,342,604	3,278,207	3,496,297
Total non-current assets		3,342,604	3,278,207	3,496,297
Current assets				
Trade and other receivables	7	177,340	229,861	128,848
Cash and cash equivalents	8	1,801,816	461,698	712,273
Total current assets		1,979,156	691,559	841,121
Total assets		5,321,760	3,969,766	4,337,418
Equity				
Capital and reserves				
Share capital	10	2,671,648	2,648,238	2,660,738
Share premium	10	6,633,239	4,630,945	5,173,692
Share based payment reserve		113,730	-	44,448
Foreign currency translation reserve		463,311	551,777	710,719
Retained earnings		(4,736,780)	(4,047,318)	(4,324,615)
Attributable to owners of the Company		5,145,148	3,783,642	4,264,982
Total equity		5,145,148	3,783,642	4,264,982
Liabilities				
Current liabilities				
Trade and other payables	9	176,612	186,124	72,436
Convertible debt		-	-	-
Total current liabilities		176,612	186,124	72,436
Total liabilities		176,612	186,124	72,436
Total equity and liabilities		5,321,760	3,969,766	4,337,418

Unaudited Condensed Consolidated Statement of Changes in Equity
For the six months to 30 June 2017

	<i>Notes</i>		Share based payment reserve	Foreign currency translation reserve	Retained earnings	Total
	Share capital	Share premium	€	€	€	€
	€	€	€	€	€	€
Balance at 1 January 2016	2,648,238	4,630,945	-	610,222	(3,794,437)	4,094,968
Comprehensive income for the period						
Loss for the period	-	-	-	-	(252,881)	(252,881)
Currency translation differences	-	-	-	(58,445)	-	(58,445)
Total comprehensive income for the period	-	-	-	(58,445)	(252,881)	(311,326)
Transactions with owners, recorded directly in equity						
Shares issued	-	-	-	-	-	-
Share warrants granted	-	-	-	-	-	-
Share options granted	-	-	-	-	-	-
Total transactions with owners, recorded directly in equity	-	-	-	-	-	-
Balance at 30 June 2016	2,648,238	4,630,945	-	551,777	(4,047,318)	3,783,642

Unaudited Condensed Consolidated Statement of Changes in Equity (continued)
For the six months to 30 June 2017

	<i>Notes</i>		Share based payment reserve	Foreign currency translation reserve	Retained earnings	Total
	Share capital €	Share premium €	€	€	€	€
Balance at 1 July 2016	2,648,238	4,630,945	-	551,777	(4,047,318)	3,783,642
Comprehensive income for the period						
Loss for the period	-	-	-	-	(177,324)	(177,324)
Currency translation differences	-	-	-	158,942	-	158,942
Total comprehensive income for the period	-	-	-	158,942	(177,324)	(18,382)
Transactions with owners, recorded directly in equity						
Shares issued	12,500	542,747	-	-	(55,525)	499,722
Share warrants granted	-	-	44,448	-	(44,448)	-
Share options granted	-	-	-	-	-	-
Total transactions with owners, recorded directly in equity	12,500	542,747	44,448	-	(99,973)	499,722
Balance at 31 December 2016	2,660,738	5,173,692	44,448	710,719	(4,324,615)	4,264,982

Unaudited Condensed Consolidated Statement of Changes in Equity (continued)
For the six months to 30 June 2017

	<i>Notes</i>		Share based payment reserve	Foreign currency translation reserve	Retained earnings	Total
	Share capital	Share premium	€	€	€	€
	€	€	€	€	€	€
Balance at 1 January 2017	2,660,738	5,173,692	44,448	710,719	(4,324,615)	4,264,982
Comprehensive income for the period						
Loss for the period	-	-	-	-	(259,674)	(259,674)
Currency translation differences	-	-	-	(247,408)	-	(247,408)
Total comprehensive income for the period	-	-	-	(247,408)	(259,674)	(507,082)
Transactions with owners, recorded directly in equity						
Shares issued	10,910	1,459,547	-	-	(98,086)	1,372,371
Share warrants granted	-	-	54,405	-	(54,405)	-
Share options granted	-	-	14,877	-	-	14,877
Total transactions with owners, recorded directly in equity	10,910	1,459,547	69,282	-	(152,491)	1,387,248
Balance at 30 June 2017	2,671,648	6,633,239	113,730	463,311	(4,736,780)	5,145,148

Unaudited Condensed Consolidated Statement of Cash Flows
For the six months to 30 June 2017

	<i>Notes</i>	Unaudited 6 months ended 30 Jun '17 €	Unaudited 6 months ended 30 Jun '16 €	Audited year ended 31 Dec '16 €
Cash flows from operating activities				
Loss for the year		(259,674)	(252,881)	(430,205)
Interest receivable and similar income		(54)	(231)	(333)
Interest payable and similar charges		(10,131)	48	48
Movement in trade and other receivables		(48,492)	(55,561)	45,452
Movement in trade and other payables		104,176	106,809	(6,879)
Currency translation differences		(247,408)	(58,445)	100,497
Share options granted		14,877	-	-
Net cash flows from operating activities		(446,706)	(260,261)	(291,420)
Cash flow from investing activities				
Expenditure on intangible assets		(79,589)	(77,136)	(148,268)
Interest received		54	231	333
Interest paid		10,131	(48)	(48)
Net cash from investing activities		(69,404)	(76,953)	(147,983)
Cash flow from financing activities				
Proceeds from the issue of new shares		1,470,457	-	555,247
Commission paid from the issue of new shares		(98,086)	-	(55,525)
Repayment of convertible debt		-	(15,000)	(15,000)
Net cash from financing activities		1,372,371	(15,000)	484,722
Increase/(decrease) in cash and cash equivalents		856,261	(352,214)	45,319
Exchange rate adjustment on cash and cash equivalents	8	233,282	54,531	(92,427)
Cash and cash equivalents at beginning of the year	8	712,273	759,381	759,381
Cash and cash equivalents at end of the year		1,801,816	461,698	712,273

Unaudited Notes to the Condensed Financial Statements
For the six months to 30 June 2017

1. Accounting policies

Great Western Mining Corporation PLC is a company domiciled in the Republic of Ireland. The Half Yearly Report and Unaudited Condensed Financial Statements ('the half yearly financial statements') of the company for the six months ended 30 June 2017 comprise the results and financial position of company and its subsidiaries ('the Group').

The Group half yearly financial statements were authorised for issue by the Board of Directors on 28 September 2017.

Basis of preparation

The half yearly financial statements for the six months ended 30 June 2017 are unaudited. The financial information presented herein does not amount to statutory financial statements that are required by Chapter 4 part 6 of the Companies Act 2014 to be annexed to the annual return of the company. The statutory financial statements for the financial year ended 31 December 2016 were annexed to the annual return and filed with the Registrar of Companies. The audit report on those financial statements was unqualified.

The Group half yearly financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU").

The financial information contained in the half yearly financial statements have been prepared on the historical cost basis, except for the share based payments and warrants, which are based on fair values determined at the grant date. The accounting policies have been applied consistently in accordance with the accounting policies set out in the annual report and financial statements for the year ended 31 December 2016 except as outlined below.

Use of estimates and judgements

The preparation of the half yearly financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

In particular, significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the half yearly financial statements are in the following areas:

- Note 11 - Intangible asset; consideration of impairment

Unaudited Notes to the Condensed Financial Statements (continued)
For the six months to 30 June 2017

New accounting standards and interpretations adopted

Below is a list of standards and interpretations that were required to be applied in the six months ended 30 June 2017. There was no material impact to the financial from these standards set out below:

- Amendments to IAS 7: *Disclosure Initiative* - effective 1 January 2017.
- Amendments to IAS 12: *Recognition of Deferred Tax Assets for Unrealised Losses* - effective 1 January 2017.

Standards endorsed by the EU that are not yet required to be applied but can be early adopted are set out below. None of these standards have been applied in the current period. The Group is currently assessing whether these standards will have a material impact on the financial statements.

- IFRS 15: *Revenue from contracts with customers (May 2014) including amendments to IFRS15* - effective 1 January 2018
- IFRS 9: *Financial Instruments* - effective 1 January 2018

The following standards have been issued by the IASB but have not yet been endorsed by the EU, accordingly none of these standards have been applied in the current period and the Group is currently assessing whether these standards will have a material impact on the financial statements.

- IFRS 14 *Regulatory Deferral Accounts*
- Clarification to IFRS 15: *Revenue from contracts with customers*
- Amendments to IFRS 2: *Classification and measurement of share-based payment transactions*
- Amendments to IFRS 4: *Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts*
- *Annual Improvements to IFRS 2014 - 2016 Cycle*
- IFRIC 22: *Foreign Currency transaction and advance consideration*
- Amendments to IAS 40: *Foreign Currency transaction and advance consideration*
- IFRS 16: *Leases*
- Amendments to IFRS 10 and IAS 28: *Sale or contribution of assets between an investor and its associate or joint venture*

2. Going concern

The Group incurred a loss of €259,674 during the six months ended 30 June 2017 (30 June 2016: €252,881, 31 December 2016: €430,205). The Company raised finance in the amount of €1,470,457 in the last quarter of the six months ended 30 June 2017 (30 June 2016: €Nil, 31 December 2016: €555,247), which will be used to continue the exploration and evaluation programme. As at 30 June 2017 the Group had cash and cash equivalents of €1,801,816 (30 June 2016: €461,698, 31 December 2016: €712,273). In addition, subsequent to period end, the Group raised a further €1,704,294 and in the absence of any new fundraising over the coming 12 months, the Directors are in a position to manage the exploration and evaluation programme such that the existing funds available to the Group will be sufficient to meet the Group's obligations and to enable it to continue as a going concern for a period of at least 12 months from the date of approval of these interim financial statements. On that basis, the Directors do not consider that a material uncertainty exists in relation to going concern and have deemed it appropriate to prepare the half yearly financial statements on a going concern basis. The half yearly financial statements do not include any adjustments that would result if the Group was unable to continue as a going concern.

3. Segment information

In the opinion of the Directors the operations of the Group comprise one class of business, being the exploration and mining for copper, silver, gold and other minerals. The Group's main operations are located within Nevada, USA. The information reported to the Group's chief executive officer, who is the chief operating decision maker, for the purposes of resource allocation and assessment of segmental performance is particularly focussed on the exploration activity in Nevada.

It is the opinion of the Directors, that the Group has one operating segment under IFRS 8 'Operating Segments' that is exploration activities.

Information regarding the Group's results, assets and liabilities is presented below.

Segment results

	Unaudited 6 months ended 30 Jun '17	Unaudited 6 months ended 30 Jun '16	Audited year ended 31 Dec '16
	€	€	€
Exploration activities - Nevada	(776)	(2,367)	(4,911)
Corporate activities	(258,898)	(250,514)	(425,294)
Consolidated loss before tax	<u>(259,674)</u>	<u>(252,881)</u>	<u>(430,205)</u>

Segment assets

	Unaudited 6 months ended 30 Jun '17	Unaudited 6 months ended 30 Jun '16	Audited year ended 31 Dec '16
	€	€	€
Exploration activities - Nevada	3,567,821	3,509,753	3,674,661
Corporate activities	1,753,939	460,013	662,757
Consolidated total assets	<u>5,321,760</u>	<u>3,969,766</u>	<u>4,337,418</u>

Segment liabilities

	Unaudited 6 months ended 30 Jun '17	Unaudited 6 months ended 30 Jun '16	Audited year ended 31 Dec '16
	€	€	€
Exploration activities - Nevada	130,769	134,918	391
Corporate activities	45,843	51,206	72,045
Consolidated total liabilities	<u>176,612</u>	<u>186,124</u>	<u>72,436</u>

Geographical information

The Group operates in three principal geographical areas – Republic of Ireland (country of residence of Great Western Mining Corporation PLC), Nevada, U.S.A. (country of residence of Great Western Mining Corporation, Inc., a wholly owned subsidiary of Great Western Mining Corporation PLC) and the United Kingdom (country of residence of GWM Operations Limited, a wholly owned subsidiary of Great Western Mining Corporation PLC).

The Group has no revenue. Information about the Group's non-current assets by geographical location are detailed below:

	Unaudited 6 months ended 30 Jun '17 €	Unaudited 6 months ended 30 Jun '16 €	Audited year ended 31 Dec '16 €
Nevada – exploration activities	3,342,604	3,278,207	3,496,297
Republic of Ireland	-	-	-
United Kingdom	-	-	-
	<u>3,342,604</u>	<u>3,278,207</u>	<u>3,496,297</u>

4. Income tax

The Group has not provided any tax charge for the six month periods ended 30 June 2017 and 30 June 2016 or the year ended 31 December 2016. The Group has accumulated losses which are expected to exceed profits earned for the foreseeable future.

5. Loss per share

Basic earnings per share

The basic and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	Unaudited 6 months ended 30 Jun '17 €	Unaudited 6 months ended 30 Jun '16 €	Audited year ended 31 Dec '16 €
Loss for the year attribute to equity holders of the parent	(259,674)	(252,881)	(430,205)
Number of ordinary shares at start of period	389,823,809	264,823,809	264,823,809
Number of ordinary shares issued during the period	109,100,000	-	125,000,000
Number of ordinary shares in issue at end of period	<u>498,923,809</u>	<u>264,823,809</u>	<u>389,823,809</u>
Weighted average number of ordinary shares for the purposes of basic earnings per share	408,007,142	264,823,809	285,657,142
Basic loss per ordinary share (cent)	<u>(0.001)</u>	<u>(0.001)</u>	<u>(0.001)</u>

Diluted earnings per share

There were no potentially dilutive ordinary shares that would increase the basic loss per share.

6. Intangible assets

	Unaudited 6 months ended 30 Jun '17 €	Unaudited 6 months ended 30 Jun '16 €	Audited year ended 31 Dec '16 €
Cost			
Opening cost	3,496,297	3,255,602	3,255,602
Additions	79,589	77,136	148,268
Exchange rate adjustment	(233,282)	(54,531)	92,427
Closing cost	3,342,604	3,278,207	3,496,297
Amortisation			
Opening amortisation	-	-	-
Additions	-	-	-
Exchange rate adjustment	-	-	-
Closing amortisation	-	-	-
Net book value			
Opening net book value	3,496,297	3,255,602	3,255,602
Closing net book value	3,342,604	3,278,207	3,496,297

The Directors have reviewed the carrying value of the exploration and evaluation assets. These assets are carried at historical cost and have been assessed for impairment in particular with regards to the requirements of IFRS 6 'Exploration for and Evaluation of Mineral Resources' relating to remaining licence or claim terms, likelihood of renewal, likelihood of further expenditures, possible discontinuation of activities over specific claims and available data which may suggest that the recoverable value of an exploration and evaluation asset is less than carrying amount. The Directors are satisfied that no impairment is required as at 30 June 2017. The realisation of the intangible assets is dependent on the successful identification and exploitation of copper, silver, gold and other mineral in the Group's licence area. This is dependent on several variables including the existence of commercial mineral deposits, availability of finance and mineral prices.

7. Trade and other receivables

	Unaudited 6 months ended 30 Jun '17 €	Unaudited 6 months ended 30 Jun '16 €	Audited year ended 31 Dec '16 €
Amounts falling due within one year:			
Other debtors	21,896	72,093	24,078
Prepayments	155,444	157,768	104,770
	<u>177,340</u>	<u>229,861</u>	<u>128,848</u>

All amounts above are current and there have been no impairment losses during the year (30 June 2016: €Nil, 31 December 2016: €Nil)

8. Cash and cash equivalents

	Unaudited 6 months ended 30 Jun '17 €	Unaudited 6 months ended 30 Jun '16 €	Audited year ended 31 Dec '16 €
Cash in bank and in hand	1,617,488	108,926	520,462
Short term bank deposit	184,328	352,772	191,811
	<u>1,801,816</u>	<u>461,698</u>	<u>712,273</u>

For the purposes the condensed consolidated statement of cash flows, cash and cash equivalents include cash in hand, cash in bank and bank deposits with maturity of less than three months.

9. Trade and other payables

	Unaudited 6 months ended 30 Jun '17 €	Unaudited 6 months ended 30 Jun '16 €	Audited year ended 31 Dec '16 €
Amounts falling due within one year:			
Trade payables	146,754	146,650	13,704
Other payables	591	-	523
Accruals	22,015	32,388	49,559
Other taxation and social security	7,252	7,086	8,650
	<u>176,612</u>	<u>186,124</u>	<u>72,436</u>

10. Share capital

	No of shares	Value of shares €
Authorised at 1 January 2016:	900,000,000	9,000,000
Cancellation of Ordinary shares of €0.01 each	<u>(635,176,191)</u>	<u>(6,351,762)</u>
	264,823,809	2,648,238
Renominalisation of share capital		
Ordinary shares of €0.0001	264,823,809	26,482
Deferred shares of €0.0099	<u>264,823,809</u>	<u>2,621,756</u>
	529,647,618	2,648,238
Authorised at 30 June 2016	<u>529,647,618</u>	<u>2,648,238</u>
Authorised at 1 July 2016	529,647,618	2,648,238
Creation of Ordinary shares of €0.0001 each	635,176,191	63,518
Authorised at 31 December 2016	<u>1,164,823,809</u>	<u>2,711,756</u>
Authorised at 1 January 2017	1,164,823,809	2,711,756
Authorised at 30 June 2017	<u>1,164,823,809</u>	<u>2,711,756</u>

At the annual general meeting, held on the 19 May 2016, the Company renominalised its ordinary shares, reducing the nominal value of each ordinary share from €0.01 to €0.0001. At the annual general meeting, each existing ordinary share was subdivided into one new ordinary share of €0.0001 and one new deferred share of €0.0099. As part of the renominalisation, the authorised share capital of the Company was reduced from €9,000,000 to €2,648,238 by the cancellation of 635,176,191 existing ordinary shares of €0.01 each and then increased to €2,711,756 with the creation of 635,176,191 new ordinary shares of €0.0001 each. The new ordinary shares hold the same rights and restrictions as the original ordinary shares, except as to nominal value. The deferred shares are subject to the following restrictions and shall:

- Not entitle the holders of them to receive notice of, to attend, to speak or to vote at any general meeting of the Company;
- Not entitle the holders to receive any dividend or distribution declared, made or paid, or any return of capital or to any further participation in the assets of the Company;
- Not entitle the holders to receive a share certificate in respect of their shareholdings, save as required by law; and
- Not be transferable at any time other than with the prior written consent of the Directors;

Prior to the renominalisation, there were 264,823,809 Ordinary Shares of €0.01 in issue. After the renominalisation, the issued share capital of the company is comprised of 264,823,809 renominalised Ordinary Shares of €0.0001 each and 264,823,809 Deferred Shares of €0.0099 each.

10. Share capital (continued)

	No of issued shares	Share capital €	Share premium €	Total capital €
Issued, called up and fully:				
At 1 January 2016	264,823,809	2,648,238	3,978,260	4,626,498
Ordinary shares cancellation of €0.01	(264,823,809)	(2,648,238)	(3,978,260)	(4,626,498)
Renominalisation of share capital;				
Ordinary shares of €0.0001	264,823,809	26,482	4,630,945	4,657,427
Deferred shares of €0.0099	264,823,809	2,621,756	-	2,621,756
At 30 June 2016	<u>529,647,618</u>	<u>2,648,238</u>	<u>4,630,945</u>	<u>7,279,183</u>
Issued, called up and fully:				
At 1 July 2016	529,647,618	2,648,238	4,630,945	7,279,183
Ordinary shares issued of €0.0001	125,000,000	12,500	542,747	555,247
At 31 December 2016	<u>654,647,618</u>	<u>2,660,738</u>	<u>5,173,692</u>	<u>7,834,430</u>
Issued, called up and fully:				
At 1 January 2017	654,647,618	2,660,738	5,173,692	7,834,430
Exercise of warrants €0.0001	12,500,000	1,250	69,713	70,963
Ordinary shares issued of €0.0001	92,000,000	9,200	1,298,614	1,307,814
Exercise of warrants €0.0001	4,600,000	460	91,220	91,680
At 30 June 2017	<u>763,747,618</u>	<u>2,671,648</u>	<u>6,633,239</u>	<u>9,304,887</u>

On the 31 October 2016, the Company completed a placing of 125,000,000 new ordinary shares of €0.0001 at a price of €0.0040 (€0.0044) per ordinary share, raising gross proceeds of €500,00 (€555,247) and increasing share capital by €12,500.00. The premium arising on the issue amounted to €542,747, before share issue costs of €55,525. The share issue included warrants granted to Beaufort Securities Limited including the right to exercise 12,500,000 Ordinary shares of €0.0001 at an exercise price of €0.0050 (€0.0056).

On 30 June 2017, the Company completed a placing of 92,000,000 new ordinary shares of €0.0001 at a price of €0.0125 (€0.0142) per ordinary share, raising gross proceeds of €1,150,000 (€1,307,814) and increasing share capital by €9,200. The premium arising on the issue amounted to €1,298,614, before share issue costs of €98,525. The share issue included warrants issued to Beaufort Securities Limited including the right to exercise 4,600,000 Ordinary shares of €0.0001 at an exercise price of €0.0175 (€0.0199).

11. Share based payments

Share option granted during the period

The establishment of a share option scheme to award to the Directors of the Company was approved at an annual general meeting of the Company in 2011. No awards were granted to the Directors under this scheme.

A new scheme, the "Share Option Plan 2014", was established on 17 July 2014 that entitled directors to purchase shares in the Company.

On 26 January 2017 the Company granted share options to the directors in connection with the "Share Option Plan 2014". Under the terms of the grant, the holders of the vested options are entitled to purchase shares at £0.005 (€0.0059).

Grant date	Number of options	Vesting conditions	Contractual life of option
26 Jan 2017	24,000,000	33% of options vest on each of the first three annual dates post grant date	7 years

Measure of fair values of options

The fair value of the options granted has been measured using the Black Scholes Merton option pricing model.

The input used in the measurement of the fair value at grant date of the options were as follows;

	Jan '17
Fair value at grant date	€0.0045
Share price at grant date	€0.0055
Exercise price	€0.0059
Expected volatility	100%
Expected life	7 Yrs
Expected dividend	0%
Rick fee interest rate	1.25%

Warrants granted during the period

In October 2016, the Company granted warrants to Beaufort Securities Limited in connection with a share placing. 12,500,000 warrants exercisable at £0.0050 (€0.0056) each with immediate vesting and a contractual life of three years were granted.

In June 2017, the Company granted warrants to Beaufort Securities Limited in connection with a share placing. 4,600,000 warrants exercisable at £0.0175 (€0.0199) each with immediate vesting and a contractual life of three years were granted.

11. Share based payments (*continued*)

Measure of fair values of warrants

The fair value of the warrants issued has been measured using the Black Scholes Merton option pricing model. There are no service or non-market performance conditions attached to the arrangement and the warrants are considered to have vested immediately.

The input used in the measurement of the fair value at grant date of the warrants were as follows;

	Jun '17	Oct '16
Fair value at grant date	€0.0104	€0.0036
Share price at grant date	€0.0169	€0.0049
Exercise price	€0.0175	€0.0056
Expected volatility	100%	100%
Expected life	3 Yrs	3 Yrs
Expected dividend	0%	0%
Rick fee interest rate	1.25%	1.25%

12. Related party transactions

In accordance with International Accounting Standards 24 – Related Party Disclosures, transactions between group entities that have been eliminated on consolidation are not disclosed.

Melvyn Quiller, Company Director and shareholder, is a relative of Lloyd Quiller whose Company LQ Accounting Solutions provided accounting services to the Group during the prior period. LQ Accounting Solutions charged the Group during the six months ended 30 June 2017 the amount of €Nil (six months ended 30 June 2016: €5,829, year ended 31 December 2016: €11,335) for these services. As at 30 June 2017 the Group owed €Nil (six months ended 30 June 2016: €1,955, year ended 31 December 2016: €Nil) to LQ Accounting Solutions.

13. Events after the reporting date

On 6 July 2017, the Company completed a placing of 93,750,000 new ordinary shares of €0.0001 at a price of £0.0160 (€0.0182) per ordinary share, raising gross proceeds of £1,500,000 (€1,704,294) and increasing share capital by €9,375. The premium arising on the issue amounted to €1,694,919 before share issue costs of €127,822. The share issue included warrants granted to Beaufort Securities limited including the right to exercise 4,687,500 Ordinary shares of €0.0001 at an exercise price of €£0.0210 (€0.0239).

There were no other significant post balance sheet events which would require amendment to or disclosure in the half yearly financial statements.

14. Approval of financial statements

The half yearly financial statements were approved by the Board of Directors on 28 September 2017.