Asiamet Resources Limited

(the "Group", the "Company" or "ARS")

Interim Results for the Six Months Ended 30 June 2019

Asiamet Resources Limited (AIM: ARS) announces its unaudited interim results for the six months ended 30 June 2019 ("H1 2019" or the "Period").

Chief Executive Officer Statement and Operational Highlights

Peter Bird, CEO said:

Beruang Kanan Main (BKM) Copper Project (ARS 100%)

Asiamet had a busy first half of 2019 which was primarily focused on delivering the Feasibility Study (FS) for the BKM copper project. This was announced on 14 June 2019. In order to achieve this, we continued to work with a number of the key consultants and service providers to progress the various FS components.

In the early part of the year we completed the 5,665 metre infill drilling programme at BKM which we commenced in November of 2018. The aim of this drilling programme was to capture more of the Resources on the boundary of the open pit as well as upgrade some of the Inferred Resources to Measured and Indicated categories. In addition, we completed a number of geotechnical holes to allow improved design of the open pit.

At the same time, we also progressed and completed engineering studies covering mine design, infrastructure, metallurgy, environmental, community and logistics studies together with an overall project economic evaluation.

In March of this year, we received approval of the Indonesian Feasibility Study from the Government of Indonesia which was a major milestone for the BKM copper project and the Company. We also received the AMDAL permits, which comprise the environmental and social impact assessment that the Company formulates as part of the intended project execution strategy. Receiving these approvals from the Government of Indonesia and from the local community places the Company in a strong position to develop the BKM copper mine.

In June 2019, we published an updated Mineral Resource Estimate at BKM incorporating the results of the infill drilling programme. We subsequently released a maiden Ore Reserve statement which demonstrates the economic viability of the BKM copper project. We also published the Feasibility Study for the BKM copper project which outlines a technically robust mid-size copper project with strong economics that can be significantly improved through a value enhancement process which will take effect in the second half of 2019.

The value enhancement initiatives together with the focus on strategic exploration targets identified proximal to the BKM project have the potential to extend the initial 9-year mine life and provide a substantial uplift in overall project value. Evaluation of these items is next on the agenda with resultant outcomes to be considered and followed by the detailed engineering and design phase.

The current BKM copper project valuation, excluding the identified value enhancement opportunities, significantly exceeds the current capitalisation of the Company. In addition, limited value has been ascribed to the other high potential projects within our portfolio, including the wider KSK Contract of Work where we have outlined fifteen walk up base and precious metal targets.

Having successfully completed the Feasibility Study, we are now in detailed discussions with potential partners and are advancing an array of financing opportunities.

Beutong (ARS 80% Equity)

Beutong is a large copper-gold porphyry in North Western Sumatra. In March 2019, we announced an updated Mineral Resource Estimate for Beutong. The updated Mineral Resource Estimate takes into account all historic drilling including last year's highly successful drilling programme which saw a drill hole intersection over 456 metres of mineralisation grading 1.06% copper equivalent from 10 metres below surface and was drilled to refusal at 608 metres ending in mineralisation.

The updated Mineral Resource Estimate for Beutong, reported in accordance with JORC 2012, contains, on a 100% basis, 2.43Mt (5.3Blb) copper, 2.11Moz gold and 20.9Moz silver (1.95Mt (4.30Blb) copper, 1.69Moz gold and 16.73Moz silver on an 80% attributable basis). Mineralisation at Beutong remains open at depth as well as on strike and our technical team believe that the porphyry and skarn systems coalesce at depth. In today's market it is quite unusual for a junior mining company like Asiamet to have a word-class copper-gold asset like Beutong in its portfolio in addition to a real project pipeline of projects in the abovementioned KSK Contract of Work.

Corporate

At a corporate level, we raised US$2 million in May 2019 from ASIPAC, a long-term and supportive shareholder. We also appointed Bruce Sheng, Chairman of ASIPAC, to the Board.

In summary, it was a very busy and productive first half of 2019 and we continue to make good progress towards the development of both the BKM and Beutong projects. We are particularly well positioned with a feasibility study stage project and one large copper-gold development asset at a time when the copper market is shifting into a supply deficit, prices are anticipated to rise, and quality development ready copper projects are scarce. In due course the confluence of these factors should see our Company rewarded for the significant progress we have made on both of our projects.

On behalf of the board

Peter Bird
Chief Executive Officer
13 September 2019

Notice to reader

These interim condensed consolidated financial statements of Asiamet Resources Limited have been prepared by management and approved by the Audit Committee of the Board of Directors of the Company. The Company discloses that its external auditors have not reviewed these interim financial statements and the accompanying notes to financial statements.

The Company publishes its accounts in United States dollars ($) and all figures in the accounts and this report are $ unless otherwise noted.

Interim condensed consolidated statement of financial position

As at 30 June 2019

	Note	30 Jun 2019 Unaudited $'000	31 Dec 2018 Audited $'000
ASSETS			
Current assets			
Cash		463	2,679
Receivables and other assets	5	88	84
		551	2,763
Non-current assets			
Plant and equipment		220	234
Right of use asset	2.2	306	-
Security deposit		85	91
Receivables and other assets	5	626	536
		1,237	861
TOTAL ASSETS		**1,788**	**3,624**
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Trade and other payables		785	980
Provision for employee service entitlements		70	50
Lease liabilities	2.2	95	-
		950	1,030
Non-current liabilities			
Provision for employee service entitlements		377	378
Lease liabilities	2.2	281	-
		658	378
TOTAL LIABILITIES		**1,608**	**1,408**
Equity			
Share capital	6	10,386	9,983
Equity reserves		54,574	52,804
Other comprehensive gain		10	10
Accumulated deficit		(61,537)	(57,328)
Other reserves		(3,246)	(3,246)
Parent entity interest		187	2,223
Non-controlling interest		(7)	(7)
		180	2,216
TOTAL LIABILITIES AND EQUITY		**1,788**	**3,624**

The accompanying notes form an integral part of these interim condensed consolidated financial statements

Interim condensed consolidated statement of comprehensive loss (unaudited)

For the six months ended 30 June 2019

	Note	For the 6 months ended 30 Jun 2019 $'000	30 Jun 2018 $'000
Expenses			
Exploration and evaluation	*4*	(2,528)	(3,700)
Employee benefits		(1,103)	(1,169)
Consultants		(112)	(267)
Legal and Company Secretarial		(154)	(150)
Accounting and audit		(8)	(47)
General and administrative		(175)	(252)
Depreciation		(72)	(9)
Share-based compensation	*6.4*	(78)	(242)
		(4,230)	(5,836)
Other items			
Foreign exchange gain/(loss)		22	(355)
Finance costs	*2.2*	(3)	-
Interest income		2	-
		21	(355)
Loss before tax		(4,209)	(6,191)
Tax		-	-
Net loss for the half year		**(4,209)**	**(6,191)**
Total comprehensive loss for the half year		**(4,209)**	**(6,191)**
Net loss attributable to:			
Equity holders of the parent		(4,108)	(6,040)
Non-controlling interests		(101)	(151)
Total comprehensive loss attributable to:			
Equity holders of the parent		(4,108)	(6,040)
Non-controlling interests		(101)	(151)
Basic and diluted loss per common share		(0.00)	(0.01)
Weighted average number of shares outstanding (thousands)		977,523	878,224

The accompanying notes form an integral part of these interim condensed consolidated financial statements

Interim condensed consolidated statement of cash flows (unaudited)

For the six months ended 30 June 2019

	Note	For the 6 months ended 30 Jun 2019 $'000	30 Jun 2018 $'000
Cash provided from (used for):			
Operating activities			
Net loss for the year		(4,209)	(6,191)
Adjustment for:			
Depreciation		32	9
Share-based compensation	*6.4*	78	242
Foreign exchange losses		33	1
Other non-cash expenses		3	5
Changes in non-cash working capital:			
Receivables and other assets		(3)	(30)
Value Added Tax ("VAT")		(108)	(7)
Trade and other payables		(110)	83
Provision for employee service entitlements		19	40
		(4,265)	(5,848)
Investing activities			
Purchases of equipment		(20)	(198)
Security deposits		7	-
Payment for additional investment in Beutong Resources		-	(3,246)
		(13)	(3,444)
Financing activities			
Payment of lease liabilities		(33)	-
Proceeds from warrant and option exercises		221	801
Proceeds from equity raising		2,000	10,082
Equity raising costs		(126)	(663)
		2,062	10,220
Increase/(decrease) in cash		(2,216)	928
Cash at beginning of the year		2,679	3,079
Cash at end of the half year		**463**	**4,007**

The accompanying notes form an integral part of these interim condensed consolidated financial statements

Interim condensed consolidated statement of changes in equity (unaudited)

For the six months ended 30 June 2019

		Attributable to equity holders of the parent							
	Number of shares '000	Share capital $'000	Equity reserves $'000	Other Comprehensive (loss)/gain $'000	Accumulated deficit $'000	Other reserves $'000	Total $'000	Non-controlling interests $'000	Total $'000
Balance at 1 January 2018	856,764	8,528	40,354	(12)	(46,293)	-	2,577	(7)	2,570
Equity raising	65,402	654	9,428	-	-	-	10,082	-	10,082
Warrant exercises	1,874	21	82	-	-	-	103	-	103
Option exercises	2,147	84	306	-	-	-	390	-	390
Equity raising costs	-	-	(663)	-	-	-	(663)	-	(663)
Share based compensation	-		242	-	-	-	242	-	242
Loss for the year	-	-	-	-	(6,040)	-	(6,040)	(151)	(6,191)
Acquisition of NCI	-	-	-	-	-	(3,246)	(3,246)	-	(3,246)
Contribution by parent in NCI	-	-	-	-	(151)	-	(151)	151	-
Balance at 30 June 2018	**926,187**	**9,287**	**49,749**	**(12)**	**(52,484)**	**(3,246)**	**3,294**	**(7)**	**3,287**
Balance at 1 January 2019	998,773	9,983	52,803	10	(57,328)	(3,246)	2,222	(7)	2,215
Equity raising		362	1,638	-	-	-	2,000	-	2,000
Warrant exercises		19	122	-	-	-	141	-	141
Option exercises		22	59	-	-	-	81	-	81
Equity raising costs		-	(126)	-	-	-	(126)	-	(126)
Share based compensation		-	78	-	-	-	78	-	78
Loss for the year		-	-	-	(4,108)	-	(4,108)	(101)	(4,209)
Contribution by parent in NCI		-	-	-	(101)	-	(101)	101	-
Balance at 30 June 2019	**998,773**	**10,386**	**54,574**	**10**	**(61,537)**	**(3,246)**	**187**	**(7)**	**180**

The accompanying notes form an integral part of these interim condensed consolidated financial statements

Notes to the interim results (unaudited)

For the six months ended 30 June 2019

1. Corporate information

The interim condensed consolidated financial statements of the Company for the six months ended 30 June 2019 comprising the Company and its subsidiaries (collectively, the Group) were authorised for issue in accordance with a resolution of the directors on 13 September 2019.

Asiamet Resources Limited (the "Company" or "Asiamet") is a publicly listed company incorporated under the laws of Bermuda. The Company's shares are listed on the AIM market of the London Stock Exchange ("AIM") under the symbol "ARS".

The Company's principal business activities include exploration, evaluation and development of mineral properties. The Company's principal mineral property interests are located in Indonesia.

The presentation currency of the Company is the United States dollar.

The interim condensed consolidated financial statements for the six months ended 30 June 2019 and 30 June 2018 were not subject to review and were unaudited. The comparative information for the year ended 31 December 2018 was approved by the Board of directors on 27 May 2019 and the Independent Auditor's Report on those accounts was unqualified.

2. Basis of preparation and changes to the Group's accounting policies

2.1. Basis of preparation of the half year report

The interim condensed consolidated financial statements for the six months ended 30 June 2019 has been prepared in accordance with IAS 34 *Interim financial reporting*.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2018.

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2018, except for the adoption of new standards effective as of 1 January 2019 as discussed in note 2.2 below. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

2.2. Changes in accounting policies, accounting standards and interpretations

IFRS 16 Leases

IFRS 16 removes the classification of leases as either operating leases or finance leases – for the lessee – effectively treating all leases as finance leases. Most leases will be capitalised on the balance sheet by recognising a lease liability for the present value obligation and a "right of use" asset. The right of use asset is calculated based on the lease liability plus initial direct costs, prepaid lease payments and estimated restoration costs less lease incentives received. This will result in an increase in the recognised assets and liabilities in the balance sheet as well as a change in the expense recognition with interest and deprecation replacing operating lease expense. There are exemptions for short term leases and leases of low value items.

2. Basis of preparation and changes to the Group's accounting policies (continued)

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

Nature of effect of adoption of IFRS 16

The Group has lease contracts for various items of plant, machinery, vehicles and other equipment. Before the adoption of IFRS 16, the Group classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease.

A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group, otherwise it was classified as an operating lease.

Finance leases were capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability.

In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under Prepayments and Trade and other payables, respectively.

Upon adoption of IFRS 16, the Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Group.

Leases previously accounted for as operating leases

The Group recognised a right-of-use asset and lease liabilities for the Australian property lease previously classified as an operating lease. The right-of-use asset for the office lease was recognised based on the carrying amount as if the standard had always been applied, apart from the use of incremental borrowing rate at the date of initial application. The right-of-use asset was recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Group also applied the available practical expedients wherein it:

- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Based on the foregoing, as at 1 January 2019:

- Right-of-use assets of $0.347 million was recognised and presented separately in the statement of financial position.
- Lease liabilities of $0.347 million was recognised.

Notes to the interim results (unaudited)

For the six months ended 30 June 2019

2. Basis of preparation and changes to the Group's accounting policies (continued)

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018 as follows:

	$'000
Operating lease commitments as at 31 December 2018	441
Weighted average incremental borrowing rate as at 1 January 2019	6%
Discounted operating lease commitments at 1 January 2019	347
Lease liabilities as at 1 January 2019	**347**
Recognised as:	
Current lease liabilities	79
Non-current lease liabilities	268
Total lease liabilities as at 1 January 2019	**347**

Summary of new accounting policy - IFRS 16

Set out below are the new accounting policies of the Group upon adoption of IFRS 16, which have been applied from the date of initial application:

- *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

- *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

2. Basis of preparation and changes to the Group's accounting policies (continued)

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

- *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to its short-term leases of property and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e. below $5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

- *Significant judgement in determining the lease term of contracts with renewal options*

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under its Australian property lease to renew the lease for an additional 5 years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group did not include the renewal period as part of the lease term for its Australian property lease.

Amounts recognised in the statement of financial position or profit or loss

Lease liabilities are presented in the statement of financial position within borrowings as follows:

	$'000
Current lease liabilities	95
Non-current lease liabilities	281
Total lease liabilities as at 30 June 2019	**376**

Total amounts recognised in profit or loss:

	$'000
Depreciation for right-of-use assets	39
Interest on lease liabilities	3
Rent expense - short-term leases	98
Rent expense - leases of low-value assets	11
Total amounts recognised in profit or loss	**151**

Notes to the interim results (unaudited)

For the six months ended 30 June 2019

3. Significant accounting judgements, estimates and assumptions

Going concern

The development of the Group's mineral properties through to production and revenue generation will depend on the Group's ability to obtain financing through the raising of equity capital, joint venture of projects, debt financing or other means. There is no assurance that the Group will be successful in obtaining the required financing. If the Group is unable to obtain additional financing as needed, some interests may be relinquished and/or the scope of the operations reduced.

For the six months ended 30 June 2019, the Group incurred a net loss of $4.209 million (2018: $6.191 million), and as of that date, the Group had an accumulated deficit of $61.537 million (2018: $57.328 million). The Group's financial position as at 30 June 2019 included cash of $0.463 million, current assets of $0.106 million and current liabilities of $0.968 million.

The delivery of the feasibility study for the BKM project on 14 June 2019 was a significant milestone for the Group and enables the Group to progress further funding options including discussions with strategic partners, further equity raises and other forms of financing arrangements. These funding options are being actively pursued and is expected to satisfy the financing requirements for the Group 12 months and beyond.

On 20 August 2019, the Group completed a placement, raising an additional of $2.0 million, net of fees. The placement funds, together with the Group's cash at 30 June 2019, is estimated to provide sufficient funding for the Group through to late Q4 2019. The Group recognises to remain a going concern it will have to raise additional funds in an acceptable timeframe and/or vary expenditure commitments accordingly if required.

While the Group has been successful in the past in obtaining financing largely through private placements and equity raises, as and when required, there is no assurance that it will be able to obtain adequate financing in an acceptable timeframe or that such financing will be on terms acceptable to the Group, as future funding is uncertain until secured. These factors indicate the existence of an uncertainty which may cast doubt on the Group's ability to continue as a going concern. These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Group be unable to continue as a going concern.

The interim condensed consolidated financial statements have been prepared on a going concern basis which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

Notes to the interim results (unaudited)

For the six months ended 30 June 2019

4. Exploration and evaluation expenditures

The details of exploration and evaluation expenditures expensed during the period ended 30 June 2018 and 30 June 2019 are as follows:

		2019 $'000	2018 $'000
KSK CoW			
	Administration support	261	312
	External relations	41	44
	Drilling & Field support	442	175
	Technical services	1,339	2,517
	Tenements	86	40
		2,169	3,088
Beutong IUP			
	Administration support	213	67
	External relations	13	10
	Drilling & Field support	78	469
	Technical services	15	66
	Tenements	40	-
		359	612
Total exploration and evaluation expenditures		**2,528**	**3,700**

5. Receivables and other assets

	30 Jun 2018 $'000	31 Dec 2018 $'000
Current		
Receivables – employee advances	20	20
Receivables – other	18	31
VAT – Indonesia	19	-
Prepayments	31	33
Total current receivables and other assets	**88**	**84**
Non current		
VAT – Indonesia	626	536
Total non current receivables and other assets	**626**	**536**

Notes to the interim results (unaudited)

For the six months ended 30 June 2019

6. Share capital and reserves

Authorised share capital

	30 Jun 2018	31 Dec 2018
Authorised share capital ($'000)	15,000	12,000
No. of common shares ('000)	1,500,000	1,200,000
Par value per share	$0.01	$0.01
Fully paid share capital ('000)	1,043,628	998,773

The Shareholders of the Company approved the increase of the authorised share capital at the Annual General Meeting held on 25 June 2019.

Movements in fully paid share capital during the six months ended 30 June 2019:

	Shares thousands	$'000
At 1 January 2019	998,773	9,983
Share issue - 14 June 2019	37,348	373
Shares issued on exercise of options	2,150	22
Shares issued on exercise of warrants[1]	5,357	19
At 30 June 2019	**1,043,628**	**10,397**

1. On 24 December 2018, the Company received $0.129 million from warrant holders for the exercise of 3.475 million warrants. New shares in the Company were issued on 8 January 2019.

On 8 January 2019, the Company issued 3.475 million shares to warrant holders pursuant to the exercise of warrants issued and received $0.129 million (at a weighted average exercise price of CDN 0.05 per warrant) as a result of the exercise of these warrants.

On 13 March 2019, the Company issued 1 million shares to option holders and received $0.038 million (at a weighted average exercise price of CDN 0.05 per option) as a result of the exercise of these options.

On 23 April 2019, the Company issued 1.881 million shares to warrant holders pursuant to the exercise of warrants issued and received $0.140 million (at a weighted average exercise price of CDN 0.10 per warrant) as a result of the exercise of these warrants.

On 30 April 2019, the Company issued 1.150 million shares to option holders and received $0.043 million (at a weighted average exercise price of CDN 0.05 per option) as a result of the exercise of these options.

On 14 June 2019, the Company placed 37.348 million shares of par value $0.01 each and 2.241 million warrants in the Company at a price of GBP 0.0425 per share raising gross proceeds of $2 million (approx. GBP 1.587 million).

6. Share capital and reserves (continued)

6.2 Common share purchase warrants

The continuity of common share purchase warrants for the six months ended 30 June 2019 is as follows:

Expiry date	Exercise price		Balance 31-Dec-18	Granted	Exercised	Expired	Balance 30-Jun-19[1]
	CAD[2]	GBP	'000	'000	'000	'000	'000
13-Apr-19	*0.10*		2,922	-	(2,922)	-	-
10-May-22		*0.0425*	-	2,241	-	-	2,240
			2,922	**2,241**	**(2,922)**	**-**	**2,240**
Weighted average exercise price[3]			*0.06*	-	*0.06*	-	*0.04*
Weighted average exercise price[4]			*0.07*	-	*0.07*	-	*0.05*

1. All of the outstanding balance of warrants are exercisable.
2. Exercise price of CAD warrants were converted to GBP equivalent at the date the warrants were exercised.
3. Calculated in GBP.
4. USD equivalent.

The weighted average remaining contractual life of the common share purchase warrants outstanding as at 30 June 2019 was 2.8 years.

6.3 Stock options

The continuity of stock options for the six months ended 30 June 2019 is as follows:

Expiry date	Exercise price		Balance 31-Dec-18	Granted	Exercised	Expired	Balance 30-Jun-19	Exer-cisable
	CAD[1]	GBP	'000	'000	'000	'000	'000	'000
6 Oct 19	*0.05*		1,500	-	(400)	-	1,100	1,100
31 Aug 20	*0.05*		6,200	-	(1,750)	-	4,450	4,450
1 Nov 21	*0.07*		6,650	-	-	-	6,650	6,650
20 Feb 22[2]		*0.09*	8,000	-	-	-	8,000	8,000
5 Oct 22		*0.07*	11,700	-	-	-	11,700	11,700
1 Jan 23[3,4]		*0.15*	4,500	-	-	-	4,500	3,000
11 Jan 21[5]		*0.12*	800	-	-	-	800	700
			39,350	**-**	**(2,150)**	**-**	**37,200**	**35,600**
Weighted average exercise price[6]			*0.07*	-	*0.03*	-	*0.07*	
Weighted average exercise price[7]			*0.09*	-	*0.03*	-	*0.09*	

1. Exercise price of CAD options will be converted to GBP equivalent at the date the options are exercised.
2. 2 million options exercisable at GBP 0.06, 2 million at GBP 0.08, 2 million at GBP 0.10 and 2 million at GBP 0.12.
3. 1.5 million options vested on 1 January 2018, 1.5 million options vested on 1 January 2019, 1.5 million vests on 1 January 2020 and all expires on 1 January 2023.
4. 1.5 million options exercisable at GBP 0.13, 1.5 million at GBP 0.15 and 1.5 million at GBP 0.17.
5. 0.550 million options vested on completion of a base model for BKM Project, 0.150 million options vested on completion of the BFS of the BKM project and 0.100 million options vests on completion of project/development financing for the BKM project. All expires on 11 January 2021.
6. Calculated in GBP.
7. USD equivalent.

The weighted average remaining contractual life of the stock options outstanding as at 30 June 2019 was 2.4 years.

Notes to the interim results (unaudited)

For the six months ended 30 June 2019

6. Share capital and reserves (continued)

6.4 Share based compensation

During the six months ended 30 June 2019, the Company recorded $0.078 million (2018: $0.242 million) in non-cash share based compensation expense for options that have vested and warrants that were issued during the year.

7. Related parties

There have been no new related party transactions other than the arrangements that were in place at 31 December 2018. For details on these arrangements, please refer to the Group's annual financial report as at 31 December 2018.

8. Subsequent events

On 5 July 2019, the Company issued 2.331 million new common shares each at a price of GBP 0.0415 to Non-Executive Directors in respect of director fees for the 2018 year.

On 20 August 2019, the Company placed 50 million new common shares each at a price of GBP 0.035, raising $2.0 million, net of costs. The date of admission to trading on AIM of these shares was 30 August 2019.