

30 September 2020
AIM: AAU

INTERIM RESULTS

Ariana Resources plc ("Ariana" or the "Company"), the AIM-listed exploration and development company operating in Europe, is pleased to announce its unaudited interim results for the six months ended 30 June 2020.

Financial Highlights:

- Ariana's share of profits from the Kiziltepe Mine, part of the joint venture ("Zenit" or "JV"), in the six months to June 2020 amount to £3.0m, compared to £7.9m in the year ended December 2019.
- Profit before tax of £2.2m recorded for the period, with operating costs in line with expectations and the prior year.
- Profit for the period of £1.9m reflects a withholding tax charge on maiden dividend distributions of £1,600,000 which were paid in March 2020 from Ariana's operating subsidiary in Turkey to its intermediate (BVI) holding company.

Operational Highlights:

- Gold production guidance for 2020 for the Kiziltepe Mine is c. 18,000 oz Au (gross to the JV) is expected to be met at the end of Q4 2020.
- Gold production for H1 2020 achieved 9,808 oz Au (H1 2019: 13,734 oz Au); reduced output due to the planned progression of mining to lower grade areas.
- During the period, 100% of Zenit's US\$33 million construction capital loan for Kiziltepe was repaid to Turkiye Finans Katilim Bankasi A.S.
- Ariana completed its initial earn-in on Cyprus-focused Venus Minerals Ltd to 9.24% and, following further expenditure, has earned an entitlement to 12%, post-period end.
- New independent JORC resource estimates completed for Kiziltepe, Kizilcukur and Tavsan, increasing the total depleted resource inventory across the wider Red Rabbit Project Area to just over 500,000 ounces of gold.

- An exploration drilling campaign, which commenced during the period at the Arzu South vein, identified a new high-grade vein which will become the focus of further work.

Michael de Villiers, Chairman, commented:

"The first half of 2020 was marked by extraordinary global developments, which will undoubtedly leave their mark on society for many years into the future. Despite this, our business has continued to progress positively under the conditions imposed by the Coronavirus pandemic and we are now drawing on this experience to further strengthen and build the Company's strategy.

"During the period, both our operating mine and our ongoing exploration and development activities have continued to yield positive results. While we remain on track to produce c.18,000 oz (gross to the JV) of gold for the year, at an average operating cost in the region of US\$580 per ounce, exploration at Kiziltepe has continued to demonstrate the opportunities to expand the resource and to identify new mining areas.

"Significantly, the period saw the end of repayments against Zenit's US\$33 million construction capital loan in April 2020. Full repayment of this loan has in turn underpinned the financial strength of our business, through cash flow arising from the repayment of debtor balances and dividends, enabling us to support various exploration and development programmes across our Turkish portfolio and the diversification of the portfolio outside of Turkey.

"In particular we are pursuing an expanded joint venture with our current partners, Proccea Construction Co., along with a potential new partner, Ozaltin Holding A.S. The Salinbas Gold Project, which we believe has the potential to become a significant new gold mine producing at a rate of 50,000 oz per annum over a 10-year life of mine, is the focus of this enhanced joint venture.

"Meanwhile, commodity market conditions have not been this favourable for many years, with the gold price having risen to a high of US\$1,782 per ounce at the end of the period. Under the current conditions of global uncertainty and with yet more unprecedented central bank financial action, we expect that the gold market will remain strong for some time to come.

"As always, I take this opportunity to thank the Ariana and joint venture teams for their unwavering efforts during a period of heightened uncertainty. These efforts have been reflected in a share price which climbed 56% during the period; a momentum which was maintained into the current period."

Management Statement

Ariana has continued to make significant progress during the period, having established itself as a profitable, cash generative exploration and development company. Our strategy of developing a pipeline of projects at the production, development and exploration phases continues to be rewarded. We remain committed to enhancing our current portfolio and continue to evaluate new projects both in Turkey, and in surrounding countries, which straddle the Tethyan Metallogenic Belt. Such projects are carefully filtered to fit our development criteria and must show capacity to enhance shareholder value.

Production from our flagship mining operation at Kiziltepe in Turkey, which is part of the 50/50 Red Rabbit Joint Venture with Proccea Construction Co., remains fully on target. Q1 2020 gold production was 5,129 ounces, with 4,679 ounces delivered in Q2 2020, bringing H1 2020 gold production to 9,808 ounces of gold. This represents an expected decrease in mine output compared to the same period last year as a result of mining transitioning from the high-grade Arzu South pit to the lower grade Arzu North pit. Importantly, however, despite the reduction in grade, average operating cash costs for the first half of the year remain in the region of US\$500 to US\$530 per ounce, in line with the same period in 2019. Our strong performance in the first half of the year reflects positively on our 2020 production guidance of 18,000 ounces of gold (gross to the JV).

Due to high commodity prices during the period, Kiziltepe achieved an average revenue per gold ounce of US\$1,920 (inclusive of silver credit). This, coupled with low operating costs which have carried over into the period, have resulted in strong revenue from the operation in the range of c. US\$9 to 10 million per quarter. In addition, 100% of the US\$33 million JV construction capital loan was repaid to the project finance bank, Turkiye Finans Katilim Bankasi A.S. during the period.

In terms of exploration within the Red Rabbit JV area, we continue to make significant progress across all of our projects in western Turkey, with the aim of increasing the JV life of mine and achieving a production profile of up to 50,000 ounces of gold per annum. In addition to this we have been making significant progress at the wholly-owned Salinbas Gold Project, which is located in northeastern Turkey. A revised resource estimate was completed shortly after the period end, demonstrating c.1.5 million ounces of gold. The project comprises three licences two of which were renewed as 10-year operational licences and one renewed as a 5-year operational licence. These licences areas include the Salinbas gold-silver deposit and the Ardala copper-gold-molybdenum porphyry among other prospects.

Outlook

While the first half of the year was impacted by the onset of the Coronavirus pandemic, mining operations at Kiziltepe continued without interruption and an exploration drilling programme proceeded at the Arzu South vein. This was achieved through the introduction of various company-wide risk mitigation measures, which have come at the cost of limiting travel and physical interaction, requiring the development of an even more atomised and autonomous approach to business. Both our team and that at the mine site have demonstrated their ability to operate under this new reality. Accordingly, our business has emphasised a remarkable resilience, a characteristic that will be further built upon and further incorporated into our strategy for the years ahead.

Our existing joint venture with Proccea Construction Co. has proven the importance of creating strong, successful in-country partnerships. In this context, we are now looking forward to enhancing our partnership further with the addition of Ozaltin Holding A.S. as a second partner in to our current joint venture. This expanded partnership will drive the further development of the Red Rabbit assets of Kiziltepe and Tavsan, in addition to progressing the Salinbas asset through feasibility with the addition of new capital and engineering expertise.

We strive to continue to deliver on this year's exceptional progress, through continued production and exploration success, as well as seeking new development opportunities within and outside of Turkey. Notably, our investment in Cyprus has continued to progress and we have been encouraged by the success of initial exploration on the island.

Based on the progress of mine development we expect our production guidance for the year of 18,000 oz (gross to the JV) will be met, and operations during the third quarter continue to perform in line with expectations. We look forward to providing further updates on our progress across our projects and particularly in relation to the development of an enhanced joint venture encompassing both the Red Rabbit and Salinbas Projects.

This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

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Editors' Note:

About Ariana Resources:

Ariana is an AIM-listed mineral exploration and development company operating in Europe. It has interests in gold production in Turkey and copper-gold assets in Cyprus. The Company is developing a portfolio of prospective licences in Turkey, which contain a depleted total of c. 2.1 million ounces of gold and other metals (as at July 2020).

The Red Rabbit Project is comprised of the Company's flagship assets, the Kiziltepe and Tavsan gold projects, and is part of a 50:50 Joint Venture with Proccea Construction Co. Both assets are located in western Turkey, which hosts some of the largest operating gold mines in the country and remains highly prospective for new porphyry and epithermal deposits. The Kiziltepe Sector of the Red Rabbit Project is fully permitted and is currently in production. The total depleted

resource inventory at the Project and its wider area is c. 500,000 ounces of gold equivalent (as at April 2020). At Kiziltepe a Net Smelter Return ("NSR") royalty of up to 2.5% on production is payable to Franco-Nevada Corporation. At Tavsan an NSR royalty of up to 2% on future production is payable to Sandstorm Gold.

The 100% owned Salinbas Gold Project is located in north-eastern Turkey and has a total resource inventory of c. 1.5 million ounces of gold. The project comprises three notable licence areas: Salinbas, Ardala and Hizarliyayla, all of which are located within a multi-million ounce Artvin Goldfield. The "Hot Gold Corridor" contains several significant gold-copper projects including the 4 million ounce Hot Maden project, which lies 16km to the south of Salinbas and 7km south of Hizarliyayla. A NSR royalty of up to 2% on future production is payable to Eldorado Gold Corporation on the Salinbas Gold Project.

Ariana is also earning-in to 50% of UK-registered Venus Minerals Ltd ("Venus") and has to date earned into an entitlement to 12%. Venus is focused on the exploration and development of copper-gold assets in Cyprus.

Panmure Gordon (UK) Limited is broker to the Company and Beaumont Cornish Limited is the Company's Nominated Adviser.

For further information on Ariana you are invited to visit the Company's website at www.arianaresources.com.

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Ariana Resources Plc
Unaudited Condensed Consolidated Interim Financial Statements
For the six months ended 30 June 2020

Condensed consolidated statement of comprehensive income

		Unaudited 6 months to 30 June 2020 £'000	Unaudited 6 months to 30 June 2019 £'000	Audited 12 months to 31 December 2019 £'000
	Note			
Administrative costs		(782)	(588)	(1,242)
General exploration expenditure		-	(139)	(18)
Intangible exploration assets - written off		-	-	(364)
Other gains		-	-	627
Other income		-	-	61
		(782)	(727)	(936)
Profit on disposal of equity securities at FVOCI		-	-	20
Share of profit of joint venture accounted for using the equity method	(4)	3,010	3,029	7,891
Investment Income		2	3	5
		2,230	2,305	6,980
Taxation	(6)	(282)	-	(46)
		1,948	2,305	6,934
Other comprehensive income				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Exchange differences on translating foreign operations		(1,307)	(1,121)	(1,774)
<i>Items that will not be reclassified to profit or loss:</i>				
Net change in fair value of equity securities at FVOCI	(8)	-	49	49
		(1,307)	(1,072)	(1,725)
		641	1,233	5,209
Earnings per share (pence)				
Basic	(7)	0.18	0.22	0.65
Fully diluted		0.17	0.21	0.65

Condensed consolidated interim statement of financial position

		Unaudited 30 June 2020 £'000	Unaudited 30 June 2019 £'000	Audited 31 December 2019 £'000
ASSETS				
Non-current assets				
Trade and other receivables		106	120	93
Intangible exploration assets	(9)	16,347	16,987	16,404
Intangible assets		177	-	187
Land, property, plant and equipment		59	185	50
Other Investments (Earn-In advances)		808	-	-
Investment in Joint Venture accounted for using the equity method	(4)	9,969	3,521	7,768
Total non-current assets		27,466	20,813	24,502
Current assets				
Trade and other receivables	(10)	340	4,196	4,574
Equity securities at FVOCI	(8)	-	84	-
Cash and cash equivalents		2,342	569	453
Total current assets		2,682	4,849	5,027
Total assets		30,148	25,662	29,529
EQUITY				
Called up share capital	(11)	6,054	6,054	6,054
Share premium	(11)	11,821	11,821	11,821
Other reserves		720	720	720
Share based payments		409	364	364
Translation reserve		(7,277)	(5,317)	(5,970)
Retained earnings		14,246	7,670	12,298
Total equity attributable to equity holders of the parent		25,973	21,312	25,287
Total equity		25,973	21,312	25,287
LIABILITIES				
Non-Current Liabilities				
Deferred tax liability		2,273	2,273	2,273
Other financial liabilities		1,651	1,651	1,651
Total non-current liabilities		3,924	3,924	3,924
Current liabilities				
Trade and other payables		251	426	318
Total current liabilities		251	426	318
Total equity and liabilities		30,148	25,662	29,529

Condensed consolidated interim statement of changes in equity

	Share capital £'000	Share premium £'000	Other reserves £'000	Share based payment reserve £'000	Translation reserve £'000	Retained earnings £'000	Total attributable to equity holder of parent £'000
Balance at 31 December 2018	6,054	11,821	720	250	(4,196)	5,315	19,964
Changes in equity to 30 June 2019							
Profit for the period	-	-	-	-	-	2,306	2,306
Other comprehensive income	-	-	-	-	(1,121)	49	(1,072)
Total comprehensive income	-	-	-	-	(1,121)	2,355	1,234
Share options	-	-	-	114	-	-	114
Transactions with owners	-	-	-	114	-	-	114
Balance at 30 June 2019	6,054	11,821	720	364	(5,317)	7,670	21,312
Changes in equity to 31 December 2019							
Profit for the period	-	-	-	-	-	4,628	4,628
Other comprehensive income	-	-	-	-	(653)	-	(653)
Total comprehensive income	-	-	-	-	(653)	4,628	3,975
Share options	-	-	-	-	-	-	-
Transactions with owners	-	-	-	-	-	-	-
Balance at 31 December 2019	6,054	11,821	720	364	(5,970)	12,298	25,287
Changes in equity to 30 June 2020							
Profit for the period	-	-	-	-	-	1,948	1,948
Other comprehensive income	-	-	-	-	(1,307)	-	(1,307)
Total comprehensive income	-	-	-	-	(1,307)	1,948	641
Share options	-	-	-	45	-	-	45
Transactions with owners	-	-	-	45	-	-	45
Balance at 30 June 2020	6,054	11,821	720	409	(7,277)	14,246	25,973

Condensed consolidated interim statement of cash flows

	Unaudited 6 months to 30 June 2020 £'000	Unaudited 6 months to 30 June 2019 £'000	Audited 12 months to 31 December 2019 £'000
Cash flows from operating activities			
Profit for the year	1,948	2,305	6,934
Adjustments for:			
Profit on disposal of land owning operations	-	-	(627)
Profit on disposal of equity securities at FVOCI	-	-	(20)
Profit on disposal of equipment	-	-	(53)
Depreciation of non-current assets	11	1	20
Write down of intangible exploration assets	-	-	364
Fair value adjustments	-	(49)	(49)
Share of profit in Joint Venture	(3,010)	(3,029)	(7,891)
Share based payments charge	45	114	114
Investment income	(2)	(3)	(5)
Income tax expense	282	-	46
Movement in working capital	(726)	(661)	(1,167)
Decrease in trade and other receivables	3,419	580	918
Increase/(decrease) in trade and other payables	(62)	178	253
Cash inflow from operating activities	2,631	97	4
Taxation paid	(282)	-	(8)
Net cash from operating activities	2,349	97	(4)
Cash flows from investing activities			
Purchase of land, property, plant and equipment	(13)	(28)	(12)
Payments for intangible assets	(166)	(367)	(516)
Payments for other investments	(274)	-	-
Proceeds from disposal of equity securities at FVOCI	-	-	104
Proceeds from disposal of equipment	-	-	55
Investment income	2	3	5
Net cash used in investing activities	(451)	(392)	(364)
Net increase/(decrease) in cash and cash equivalents	1,898	(295)	(368)
Cash and cash equivalents at beginning of period	453	938	938
Exchange adjustment	(9)	(74)	(117)
Cash and cash equivalents at end of period	2,342	569	453

Notes to the interim financial statements for the six months ended 30 June 2020

1. General information

Ariana Resources Plc (the "Company") is a public limited company incorporated, domiciled and registered in the U.K. The registration number is 05403426 and the registered address is 2nd Floor, Regis House, 45 King William Street, London, EC4R 9AN, United Kingdom.

The Company's shares are listed on the Alternative Investment Market of the London Stock Exchange. The principal activities of the Company and its subsidiaries (together the "Group") are related to the exploration for and development of gold and other technology-metals, principally in Turkey and surrounding countries.

2. Basis of preparation

The condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards and in accordance with International Accounting Standard 34 *Interim Financial Reporting*. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The condensed interim financial statements set out above do not constitute statutory accounts within the meaning of the Companies Act 2006. They have been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union. Statutory financial statements for the year ended 31 December 2019 were approved by the Board of Directors on 27 July 2020 and delivered to the Registrar of Companies. The financial information for the periods ended 30 June 2020 and 30 June 2019 are unaudited.

3. Significant accounting policies

The same accounting policies have been followed in these condensed interim financial statements as were applied in the preparation of the Group's financial statements for the year ended 31 December 2019.

The Group and Company financial statements have been prepared on a going concern basis. As an exploration and development company the Directors are mindful that there is an ongoing need to monitor overheads and cash associated with the exploration and development programme; and, where necessary, to raise additional working capital on an ad hoc basis to support the Group's activities.

The Group's ability to continue its operations and to realise its assets at their carrying values is dependent upon the Group generating revenues sufficient to cover its operating costs, and /or obtaining additional financing. These financial statements do not give effect to any adjustments which would be necessary should the Group be unable to continue as a going concern and therefore be required to realise its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying financial statements.

The Directors remain confident that if future funding is required they will be able to raise finance to meet the Group's exploration and development programme and associated overhead cost.

4. Share of profit of interest in Joint Venture

The Group accounts for its joint venture with Proccea Construction Co. in Zenit Madencilik San. ve Tic. A.S. ("Zenit") using the equity method in accordance with IAS 28 (revised). At 30 June 2020 the Group has a 50% interest in Zenit.

Zenit entered production during March 2017, with commercial production declared from 1 July 2017. Operational revenues and costs arising from pre-commercial production were capitalised in 2017, along with any new capital expenditure incurred subsequently, including the construction of the district road diversion necessary for the full development of the Arzu South open pit.

Summarised financial information of the joint venture, based on its translated financial statements, and reconciliations with the carrying amount of the investment in the consolidated financial statements are set out below:-

	6 months to 30 June 2020 £'000	6 months to 30 June 2019 £'000	Year ended 31 December 2019 £'000
Summary statement of comprehensive income			
Revenue	14,301	16,132	35,337
Cost of sales	(7,051)	(7,357)	(15,444)
Gross Profit	7,250	8,775	19,893
Other income	359	-	-
Administrative expenses	(812)	(985)	(1,636)
Operating profit	6,797	7,790	18,257
Finance expenses including foreign exchange losses	(1,584)	(2,810)	(4,762)
Finance income including foreign exchange gains	756	1,117	2,667
Profit for the period before tax	5,969	6,097	16,162
Taxation credit/(charge)	51	(39)	(380)
Profit for the period	6,020	6,058	15,782
Proportion of Group's profit share	50%	50%	50%
Group's share of profit for the period	3,010	3,029	7,891
Summary statement of financial position			
	6 months to 30 June 2020 £'000	6 months to 30 June 2019 £'000	12 months to 31 December 2019 £'000
Non-current assets	22,886	22,904	24,552
Current assets	13,950	8,506	11,868
Current liabilities	(11,522)	(16,518)	(16,643)
Non-current liabilities	(5,376)	(7,851)	(4,241)
Equity	19,938	7,041	15,536
Proportion of Group's ownership	50%	50%	50%
Carrying amount of Investment in Joint Venture	9,969	3,521	7,768

5. Segmental analysis

Management currently identifies one division as an operating segment – mineral exploration. This operating segment is monitored and strategic decisions are made based upon this and other non-financial data collated from exploration activities.

Principal activities for this operating segment are as follows:

Mining – incorporates the acquisition, exploration and development of gold resources.

Other reconciling items – include non-mineral exploration costs and transactions between Group and associate companies.

	30 June 2020			30 June 2019			31 December 2019		
	Mining	Other reconciling items	Group	Mining	Other Reconciling Items	Group	Mining	Other reconciling items	Group
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Administrative costs	-	(782)	(782)	-	(588)	(588)	-	(1,242)	(1,242)
General and specific exploration expenditure	-	-	-	(139)	-	(139)	(382)	-	(382)
Profit on disposal of investments	-	-	-	-	-	-	-	20	20
Share of profit in joint venture	3,010	-	3,010	3,029	-	3,029	7,891	-	7,891
Other gains	-	-	-	-	-	-	627	-	627
Investment income	-	2	2	-	3	3	-	66	66
Profit before taxation	3,010	(780)	2,230	2,890	(585)	2,305	8,136	(1,156)	6,980
Taxation	(282)	-	(282)	-	-	-	(43)	(3)	(46)
Profit/(loss) after tax	2,728	(780)	1,948	2,890	(585)	2,305	8,093	(1,159)	6,934
Assets									
Segment assets	28,886	1,262	30,148	25,061	601	25,662	28,706	823	29,529
Liabilities									
Segment liabilities	(3,940)	(235)	(4,175)	(3,970)	(380)	(4,350)	(4,003)	(239)	(4,242)

Geographical segments

The Group's mining assets and liabilities are located primarily in Turkey.

	30 June 2020			30 June 2019			31 December 2019		
	Turkey	United Kingdom	Group	Turkey	United Kingdom	Group	Turkey	United Kingdom	Group
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Carrying amount of segment non-current assets	26,479	987	27,466	20,243	570	20,813	24,314	188	24,502

6. Taxation

The Group has not incurred taxable profits for the period and a corporation tax charge is not anticipated.

During the period, withholding tax amounting to £282,000 was paid by the Group's operating subsidiary in Turkey, Galata Madencilik San. ve Tic Ltd. on two dividend distributions totalling £1,600,000 to the Group's intermediate (BVI) holding company, Portswood Resources Limited.

7. Earnings per share on continuing operations

The calculation of basic profit per share is based on the profit attributable to ordinary shareholders of £1,948,000 divided by the weighted average number of shares in issue during the period, being 1,059,677,953.

8. Equity securities designated as FVOCI

	Group & Company £'000
Valuation at 1 January 2019	35
Fair value adjustment	49
Valuation at 30 June 2019	84
Disposals	(84)
Valuation at 31 December 2019 and 30 June 2020	-

The Company sold its remaining shares in Royal Road Minerals Ltd. during 2019 and hence holds no further listed investments at the period end.

9. Intangible exploration assets	£'000
Six months ended 30 June 2019	
Opening net book value at 1 January 2019	16,975
Additions	378
Exchange movements	(366)
Closing net book value at 30 June 2019	16,987
Six months ended 31 December 2019	
Opening net book value at 1 July 2019	16,987
Additions	138
Expenditure written off	(364)
Reclassification of expenditure	(207)
Exchange movements	(150)
Closing net book value at 31 December 2019	16,404
Six months ended 30 June 2020	
Opening net book value at 1 January 2020	16,404
Additions	166
Exchange movements	(223)
Closing net book value at 30 June 2020	16,347

The technical feasibility and commercial viability of extracting a mineral resource are not yet demonstrable in the above intangible exploration assets. These assets are not amortised, until technical feasibility and commercial viability is established. Intangible exploration costs written off represent costs relating to certain projects that are no longer considered economically viable or where exploration licences have been relinquished.

10. Trade and other receivables	30 June 2020 £'000	30 June 2019 £'000	31 December 2019 £'000
Amounts owed by Joint Venture Company	-	3,613	3,383
Other receivables	214	478	598
Earn-In advances	-	-	534
Prepayments	126	105	59
	340	4,196	4,574

The fair value of trade and other receivables is not materially different to the carrying values presented.

11. Called up share capital and share premium

Allotted, issued and fully paid 0.1p shares

	Number of shares	Share Capital £'000	Deferred Shares £'000	Share Premium £'000
In issue at 1 January 2019 to 30 June 2020	1,059,677,953	1,059	4,995	11,821

Potential issue of ordinary shares – share options and warrants

The Company on the 1 January 2018 issued 64,000,000 new share options to directors and staff at an exercise price of 1.55 pence, vesting over 3 years. A share based payment charge of £45,000 (2019: £114,000) has been recognised in these interim results.

At 30 June 2020 the Company had 64,000,000 options and nil warrants outstanding for the issue of ordinary shares.

12. Contingent liabilities

Following the disposal of the Group's 99%-owned subsidiary, Çamyol Gayrimenkul, Madencilik, Turizm, Tarım ve Hayvancılık Ltd. ("Çamyol") 75% of the resulting gain on disposal is exempt from Turkish corporation tax provided the gain is retained under equity by Galata Madencilik San. ve Tic. Ltd. for a period of 5 years. This potentially exempt taxable gain amounts to Turkish Lira 4,529,343 with an associated corporation tax liability of Turkish Lira 996,455, or approximately £137,000.

13. Approval of interim financial statements

The interim financial statements were approved by the Board of Directors on 29 September 2020.