7 December 2018

IRONVELD PLC
("Ironveld" or the "Company")

Final results for the year ended 30 June 2018

Ironveld plc, the owner of a High Purity Iron ("HPI"), Vanadium and Titanium project located on the Northern Limb of the Bushveld Complex in Limpopo Province, South Africa (the "Project") is pleased to announce its final results for the 12 months ended 30 June 2018 ("the Period").

Operational Highlights

- The Company put down a R7.0m refundable deposit to ensure a period of exclusivity for the potential acquisition of Middelburg Smelting facility, which remains an acquisition option for the Company
- Commencement of site establishment and civil engineering works in Q1 2018 in preparation for the commencement of mining activities
- Strengthened the Board appointing Duncan George Harvey as Non-Executive Director, bringing 15 years' relevant experience
- Final stages of water licence application and access agreement negotiations with local communities and land owners took place during the Period with successful conclusion post period
- Successfully completed a placing in November 2017, raising £1.765 million to finance working capital and solidify company's financial position

Post Period

- The Company commenced a bulk sampling program in order to supply run of mine ore to a potential offtake partner, who is a specialist subsidiary of an international steel group, following a period of engagement. A commercial sample of 10,000 tons of the Company's ore is being provided to the potential partner.
- Access agreements were successfully concluded with the local communities and affected land owners in the area
- Placing to raise £400,000 completed in November 2018 with proceeds going to purchase equipment for processing the Company's magnetite ore in line with the specifications of the potential off-take partner

Outlook

- The Company remains firmly focussed on becoming a production led mining company and processing its ore on site. The current sampling programme with the off-take partner has the potential to result in a long-term offtake agreement and act as an important facilitator for this objective
- The Company's long-term objective remains to develop and operate its own smelting capacity

Peter Cox, CEO said:

"This financial year has seen significant developments for the Company that has culminated in the Company commencing the bulk sampling program post period. Our strategy is clear, supply our high quality Vanadiferous Titaniferous Magnetite ("VTM") ore to our offtake partner in the ongoing sampling programme and use this programme to develop and execute our long-term strategy of developing and operating our own smelting capacity. What differentiates our project is its scale, which means it is amenable to both supplying commercial offtake agreements with unrefined ore and developing our own production and smelting capacity. Our vanadium resource alone is equivalent to more than four times the global annual demand.

We remain confident in a successful outcome from the ongoing bulk sampling supply programme we are engaged in and in our project as a highly economic VTM ore body. We thank all our shareholders for their continued support and look forward to providing further updates in due course."

For further information, please contact:

Ironveld plc	c/o Camarco
Peter Cox, Chief Executive	020 3757 4980
Shore Capital and Corporate Limited	020 7408 4090
Stephane Auton / Toby Gibbs (corporate finance)	
Jerry Keen (corporate broking)	
Camarco	020 3757 4980
Gordon Poole / Kimberley Taylor / Thayson Pinedo	

Notes to Editors:

Ironveld (IRON.LN) is the owner of a High Purity Iron, Vanadium and Titanium project located on the Northern Limb of the Bushveld Complex in Limpopo Province South Africa. Ironveld expects to mine its own VTM ore as feedstock for a 7.5 MW DC smelter which will produce speciality iron products including high purity iron powder as well as vanadium and titanium slag products.

The Definitive Feasibility Study published in April 2014 confirms the project's viability to deliver an exceptionally high-grade iron product (99.5% Fe) called High Purity Iron which commands a premium in the market place. Vanadium and Titanium slag containing commercial grades of vanadium and titanium will also be produced and sold.

Ironveld's Board includes; Giles Clarke as Chairman, Peter Cox as CEO, Vred von Ketelhodt as CFO, Nick Harrison, Rupert Fraser and Duncan George Harvey as a Non-Executive Directors.

Ironveld is an AIM traded company. For further information on Ironveld please refer to www.ironveld.com.

CHAIRMAN'S STATEMENT - STRATEGIC REPORT

During the year, we achieved a number of milestones that took us closer to achieving our goal of becoming a production led mining company. As I write this, Ironveld is supplying run of mine ore to a potential off-take partner as part of a bulk sampling program, who is a specialist subsidiary of an international steel group and which could result in a longer-term testing period and off-take agreement. We have all the licences required to operate, and await final documents from the Department of Rural Affairs and Land Development for the land lease and have a clear strategy in place to deliver value. I believe the Company is in a very strong position to begin materially extracting the inherent value in our VTM project. The supply of ore to the off-taker, puts the Company on the path of executing our stated strategy of mining our ore and processing on site.

To recap on the year, the Board progressed with its earlier decision to shift its strategic focus from constructing a 15 MW Smelter to acquiring the 7.5 MW Middleburg Smelting facility and associated independent powerplant. In exchange for exclusivity, the Company put down a R7.0m refundable deposit towards the acquisition. The Middleburg facility would provide the Company with a readymade smelter, enabling early production and proof of product, significantly de-risking the Project whilst delivering cash flow and attractive economic returns. Whilst we did not execute the transaction, there remains the potential and opportunity to do. However, with recent, positive, developments in supplying run of mine ore to the potential off-taker, the focus is now firmly on achieving the most valuable outcome from this sampling programme, which would position, subject to a longer-term arrangement, the Company in facilitating such an acquisition as Middleburg and enable the Company to become a miner and processor of our ore on site.

Access agreements were reached with the communities and affected land owners in the local area during the financial period.

Following a period of engagement, and as I mentioned above, we were delighted to commence and the bulk sampling program in order to supply run of mine ore post period to a potential off-take partner through a commercial sampling programme, which will see Ironveld initially deliver 10,000 tons of ore for testing. Initial grades analysis indicate that the Company’s ore should be amenable for successful processing in the off-taker’s facility and all operating costs associated with the sampling is being covered by payment for the ore. Should the sample be successfully processed, the off-taker has indicated they may request to undertake a long-term test of a significantly larger sample, taken across the licence holdings of the Company for variability testing. The Company could expect to enter a long term off-take agreement if successful. The scale of the VTM resource in our project is capable not only of supplying a potential off-take partner in a long-term agreement but also support the development of our own smelting and production capacity.

The Company’s project holds 1.4 billion pounds of Vanadium (V2O5) and 27 million tons of HPI in situ, the vanadium resources representing over four times the global annual demand. The demand for vanadium continues to grow, for the most part being driven by growing demand in China (in part due to the recently introduced new standards for steel rebar) and the advancement of vanadium redox battery technology which enables storage of energy in industrial and utility scale applications.

HPI, as a water atomised powder, is mostly used in the automotive industry, powder metallurgy and magnetic materials. There is a growing demand for this product driven by the continuous introduction of new materials and technologies. Titanium slag is widely used in the pigment industry and is a key part of the development of new battery technology. Ironveld has also been investigating the possibility of producing titanium metal powders for the additive manufacturing industry.

Post-period end, the Company has successfully completed a placing to raise £400,000 before expenses through a placing of 24,242,420 new ordinary shares at a price of 1.65 pence each. The proceeds of the placing will be used to acquire a secondary gyratory crusher and magnetic separation equipment that will be used to process the Company’s magnetite ore in line with the specifications set by a potential off-take partner for commercial scale testing and for general working capital purposes. The acquired equipment will significantly increase the Company’s current shipment rate.

We take our social licence to operate and our responsibility to the local communities around the Project very seriously and continue to work closely with stakeholders and local communities at grass root level to improve standards of living. We remain committed to our Keep a Girl in School Programme initiative working alongside our partners, The Imbumba Foundation and the Nelson Mandela Foundation, to provide hygiene support to approximately 600 female students at school in the local area. Work has begun to introduce a support programme to encourage academic excellence amongst male students in the Project area, in cooperation with our partner the Imbuba Foundation.

Financial

The Group recorded a loss before tax of £0.5m (2017: £0.7m) and had cash balances of £0.5m (2017: £0.8m) at the end of the year. The Company does not plan to pay a dividend for the year ended 30 June 2018.

Going concern

The Company has sufficient working capital for its immediate needs, in particular to finalise the initial testing with the potential off-take partner. As explained above the Directors intend to enter into a period of longer term testing with the potential off-take partner, which could be expected to fund the Company for at least the next 12 months. If this does not occur the Directors are still confident that the company will be able to obtain sufficient working capital for the foreseeable future. Further details are provided in note 2.2 in the accounts.

Outlook

Ironveld's Board remains focused on moving the company forward to become a production led mining company. With the commercial sampling for the potential off-take partner taking place the Company expects to monetise its vast resources of HPI, Vanadium and Titanium.

We would like to thank all of our shareholders for their continuous support for both the Company and the Project and we look forward to providing further updates in the near future.

Giles Clarke
Chairman
6 December 2018

IRONVELD PLC
CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note	Year ended 2018 £'000	Year ended 2017 £'000
Administrative expenses		(570)	(553)
Operating loss	**4**	(570)	(553)
Investment revenues	**6**	41	1
Finance costs	**7**	(7)	(185)
Loss before tax		(536)	(737)
Tax	**8**	-	-
Loss for the year		(536)	(737)
Attributable to:			
Owners of the Company		(535)	(737)
Non-controlling interests		(1)	-
		(536)	(737)
Loss per share - Basic and diluted	**9**	(0.10p)	(0.20p)

There is no difference between the results as disclosed above and the results on a historical cost basis. The income statement has been prepared on the basis that all operations are continuing operations.

IRONVELD PLC
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
YEAR ENDED 30 JUNE 2018

	Year ended 2018	Year ended 2017
	£'000	£'000
Loss for the period	(536)	(737)
Exchange differences on the translation of foreign operations	(1,505)	2,966
Total comprehensive income for the period	(2,041)	2,229
Attributable to:		
Owners of the Company	(1,805)	1,643
Non-controlling interests	(236)	586
	(2,041)	2,229

IRONVELD PLC
CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 £'000	2017 £'000
Non-current assets			
Intangible assets	11	26,218	26,750
Property, plant and equipment	12	4	5
Investments - other	13	386	-
		26,608	26,755
Current assets			
Trade and other receivables	14	177	780
Cash and cash equivalents		517	788
		694	1,568
Total assets		27,302	28,323
Current liabilities			
Trade and other payables	15	(413)	(331)
Borrowings	16	-	(889)
		(413)	(1,220)
Net-current liabilities			
Deferred tax liabilities	17	(5,194)	(5,580)
Total liabilities		(5,607)	(6,800)
Net assets		21,695	21,523
Equity			
Share capital	19	8,903	7,671
Share premium	20	19,161	18,211
Retained earnings	20	(10,056)	(8,282)
Equity attributable to owners of the Company		18,008	17,600
Non-controlling interests	23	3,687	3,923
Total equity		21,695	21,523

These financial statements were approved by the Board and authorised for issue on 6 December 2018

Signed on behalf of the Board

P Cox
Director

Company Registration No: 04095614

IRONVELD PLC
PARENT COMPANY BALANCE SHEET
AS AT 30 JUNE 2018

	Note	2018 £'000	2017 £'000
Non-current assets			
Investments	**13**	23,091	21,213
Current assets			
Trade and other receivables	**14**	36	507
Cash and cash equivalents		464	260
		500	767
Total assets		23,591	21,980
Current liabilities			
Trade and other payables	**15**	(63)	(205)
Total liabilities		(63)	(205)
Net assets		23,528	21,775
Equity			
Share capital	**19**	8,903	7,671
Share premium	**20**	19,161	18,211
Retained earnings	**20**	(4,536)	(4,107)
Total equity (Owners of the Company)		23,528	21,775

The loss for the financial year dealt with in the financial statements of the parent Company was £460,000 (2017 – loss £458,000).

These financial statements were approved by the Board and authorised for issue on 6 December 2018

Signed on behalf of the Board

P Cox
Director

Company Registration No: 04095614

IRONVELD PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

Equity attributable to the owners of the Company:

	Share Capital £'000	Share Premium £'000	Warrant Reserves £'000	Retained Earnings £'000	Total Total £'000
As at 1 July 2016	6,500	16,136	21	(10,006)	12,651
Exchange differences on Translation of foreign operations	-	-	-	2,380	2,380
Issue of share capital	1,171	2,054	-	-	3,225
Expiration of share warrants	-	21	(21)	-	-
Credit for equity-settled share based payments	-	-	-	81	81
Loss for the year	-	-	-	(737)	(737)
At 30 June 2017	7,671	18,211	-	(8,282)	17,600
Exchange differences on Translation of foreign operations	-	-	-	(1,270)	(1,270)
Issue of share capital	1,232	950	-	-	2,182
Credit for equity settled share based payments	-	-	-	31	31
Loss for the year	-	-	-	(535)	(535)
Balance at 30 June 2018	8,903	19,161	-	(10,056)	18,008

IRONVELD PLC
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)
FOR THE YEAR ENDED 30 JUNE 2018

Total equity:	**Owners of the Company**	**Non-controlling interest**	**Total equity**
	£'000	**£'000**	**£'000**
As at 1 July 2016	12,651	3,337	15,988
Exchange differences on Translation of foreign operations	2,380	586	2,966
Issue of share capital	3,225	-	3,225
Credit for equity settled share based payments	81	-	81
Loss for the year	(737)	-	(737)
At 30 June 2017	17,600	3,923	21,523
Exchange differences on Translation of foreign operations	(1,270)	(235)	(1,505)
Issue of share capital	2,182	-	2,182
Credit for equity settled share based payments	31	-	31
Loss for the year	(535)	(1)	(536)
At 30 June 2018	18,008	3,687	21,695

IRONVELD PLC
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2018

Equity attributable to the equity holders of the Company:

	Share Capital £'000	Share Premium £'000	Other Reserves £'000	Retained Earnings £'000	Total Equity £'000
As at 1 July 2016	6,500	16,136	21	(3,730)	18,927
Credit for equity settled share based payments	-	-	-	81	81
Expiry of share warrants	-	21	(21)	-	-
Issue of share capital	1,171	2,054	-	-	3,225
Loss for the year	-	-	-	(458)	(458)
At 30 June 2017	7,671	18,211	-	(4,107)	21,775
Credit for equity settled share based payments	-	-	-	31	31
Issue of share capital	1,232	950	-	-	2,182
Loss for the year	-	-	-	(460)	(460)
Balance at 30 June 2018	8,903	19,161	-	(4,536)	23,528

IRONVELD PLC
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

	Note	2018 £'000	2017 £'000
Net cash from operating activities	**21**	(362)	(641)
Investing activities			
Purchases of property, plant and equipment		(1)	(1)
Purchase of investments		(386)	-
Purchase of exploration and evaluation assets		(1,263)	(914)
Interest received		41	1
Net cash used in investing activities		(1,609)	(914)
Financing activities			
Proceeds on issue of shares (net of costs)		2,632	2,552
Repayment of borrowings		(889)	(312)
Net cash generated by financing activities		1,767	2,240
Net (decrease)/increase in cash and cash equivalents		(228)	685
Cash and cash equivalents at the beginning o of the year	**21**	788	113
Effect of foreign exchange rates		(43)	(10)
Cash and cash equivalents at end of year	**21**	517	788

IRONVELD PLC
COMPANY CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2018

		2018	**2017**
	Noted	£'000	£'000
Net cash from operating activities	**21**	(586)	(390)
Investing activities			
Payments to acquire investments		(1,842)	(1,976)
Net cash used in investing activities		(1,842)	(1,976)
Financing activities			
Proceeds on issue of shares (net of costs)		2,632	2,552
Net cash generated by financing activities		2,632	2,552
Net increase in cash and cash equivalents		204	186
Cash and cash equivalents at the beginning of the year	**21**	260	74
Cash and cash equivalents at end of year	**21**	464	260

1. General information

Ironveld Plc is a public company incorporated in the United Kingdom under the Companies Act 2006 whose shares are listed on the Alternative Investment Market of the London Stock Exchange. The address of the registered office is given on page 2. The nature of the Group's operations and its principal activities are set out in note 3 and in the Strategic Report on pages 3 to 4.

Adoption of new and revised Standards

There were no new or amended IFRS standards or IFRIC interpretations adopted for the first time in these financial statements that had a material impact on the financial statements.

At the date of authorisation of these financial statements, the following accounting standards, amendments to existing standards and interpretations are not yet effective and have not been adopted early by the Group.

IFRS 2 (amended)	Classification and Measurement of Share-based Payment Transactions
IFRS4 (amended)	Applying IFRS9 Insurance contracts
IFRS 9 (2014)	IFRS 9 Financial Instruments (2014)
IFRS 10 &IAS 28 (amended)	Sale or Contribution of Assets between investors and its Associates
IFRS 15 (Clarification)	Revenue from Contracts with Customers
IFRS 16	Leases
IFRS 17	Insurance contracts
IFRIC 22	Foreign currency transactions and advance consideration
IAS40 (amended)	Transfer of Investment property

Annual Improvements to IFRSs 2014-2016 Cycle.

The adoption of these standards, amendments and interpretations is not expected to have a material impact on the Group and Company’s result for the year or equity.

2.1 Significant accounting policies

The financial statements are based on the following policies which have been consistently applied:

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

The financial statements have been prepared on the historical cost basis. The principal accounting policies are set out below:

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all entities controlled by the Company (its subsidiaries) made up to the year end. Control is achieved where the Company has power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control and ceases when the Company loses control of the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2.1 Significant accounting policies (continued)

Basis of consolidation (continued)

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders are initially measured at their proportionate share of the fair value of the acquiree’s identifiable net assets. Subsequent to acquisition, the carrying value of the non-controlling interests is the amount of initial recognition plus the non-controlling interests' share of the subsequent changes in equity.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

Business combinations

Acquisitions of subsidiaries are accounted for using acquisition accounting. The consideration for each acquisition is measured at the fair value of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control in the acquiree. Acquisition-related costs are recognised in the income statement as incurred.

Exploration and evaluation

Costs incurred prior to acquiring the rights to explore are charged directly to the income statement.

Licence acquisition costs and all other costs incurred after the rights to explore an area have been obtained, such as the direct costs of exploration and appraisal (including geological, drilling, trenching, sampling, technical feasibility and commercial viability activities) are accumulated and capitalised as intangible exploration and evaluation (“E&E”) assets, pending determination. Amounts charged to project partners in respect of costs previously capitalised are deducted as contributions received in determining the accumulated cost of E&E assets.

E&E assets are not amortised prior to the conclusion of the appraisal activities. At completion of appraisal activities, if financial and technical feasibility is demonstrated and commercial reserves are discovered then, following development sanctions, the carrying value of the relevant E&E asset will be reclassified as a development and production asset in intangible assets after the carrying value has been assessed for impairment and, where appropriate adjusted. If after completion of the appraisal of the area it is not possible to determine technical and commercial feasibility or if the legal rights have expired or if the Group decide to not continue activities in the area, then the cost of unsuccessful exploration and evaluation are written off to the income statement in the relevant period.

The Group's definition of commercial reserves for such purposes is proved and probable reserves on an entitlement basis. Proved and probable reserves are the estimated quantities of minerals which geological, geophysical and engineering data demonstrate with a specified degree of certainty to be recoverable in future years from the known reserves and which are considered to be commercially producible.

Such reserves are considered commercially producible if management has the intention of developing and producing them and such intention is based upon:

- a reasonable expectation that there is a market for substantially all of the expected production;
- a reasonable assessment of the future economics of such production;
- evidence that the necessary production, transmission and transportation facilities are available or can be made available; and
- agreement of appropriate funding; and
- the making of the final investment decision.

2.1 Significant accounting policies (continued)

Exploration and evaluation (continued)

On an annual basis a review for impairment indicators is performed. If an indicator of impairment exists an impairment review is performed. The recoverable amount is then considered to be the higher of the fair value less costs of sale or its value in use. Any identified impairment is written off to the income statement in the period identified.

Development and production assets

Development and production assets, classified within property, plant and equipment, are accumulated generally on a field basis and represents the cost of developing the commercial reserves discovered and bringing them into production, together with the E&E expenditure incurred in finding the commercial reserves transferred from intangible assets.

Depreciation of producing assets

The net book values of producing assets are depreciated generally on the field basis using the unit or production method by reference to the ratio of production in the period and the related commercial reserves of the field, taking into account the future development expenditure necessary to bring those reserves to production.

Research and development

Research expenditure is recognised as an expense in the period in which it is incurred.

An internally-generated asset arising from any development is recognised only if all of the following conditions are met:

- an asset is created that can be identified;
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, net of discounts and value added tax.

Taxation

The tax expense represents the sum of the tax payable and deferred tax.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in the calculation of the taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised on all appropriate taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible timing differences can be utilised. The carrying amount of deferred tax assets is reviewed at each balance sheet date.

Deferred tax is calculated at the tax rates that are expected to be applicable in the period when the liability or asset is realised and is based on tax laws and rates substantially enacted at the balance sheet date. Deferred tax is charged in the income statement except where it relates to items charged/credited in other comprehensive income, in which case the tax is also dealt with in other comprehensive income.

2.1 Significant accounting policies (continued)

Leases

Rentals payable under operating leases are charged to the income statement on a straight line basis over the lease term.

Property, plant and equipment

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less the estimated residual value of each asset over its expected useful life, as follows:

Plant and machinery	10% - 25% straight line basis or reducing balance basis

Foreign currencies

The individual financial statements of each group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purposes of the consolidated financial statements, the results and financial position of each group company are expressed in pounds sterling, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in the income statement in the period in which they arise.

When presenting the consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at the exchange rates prevailing at the balance sheet date. Income and expense items are translated at average exchange rates for the period, unless exchange rates have fluctuated significantly in which case the rates at the date of the transactions are used. Exchange differences arising are recognised in other comprehensive income and accumulated in equity (attributed to non-controlling interests where appropriate).

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated using the closing rate.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Other receivables
Other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method except for short-term receivables when recognition of interest would be immaterial. Appropriate allowances for the estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and demand deposits, and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

2.1 Significant accounting policies (continued)

Financial instruments (continued)

Financial liability and equity
Interest bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accrual basis in the income statement using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

The Group classifies financial instruments, or their component parts, on initial recognition as a financial asset, financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial instruments are initially recognised at fair value and are subsequently amortised using the effective interest method. Fair value is estimated from available market data and reference to other instruments considered to be substantially the same.

Trade and other payables
Trade payables and other financial liabilities are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method.

The Group's activities expose it primarily to the financial risks of changes in interest rates on borrowings.

Investments

Investments in subsidiaries are stated at cost less any provision for the permanent diminution in value.

Share-based payments

The Group issues equity-settled share-based payments to certain employees and other parties. Equity settled share-based payments are measured at fair value at the date of grant. In respect of employee related share based payments, the fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest. In respect of other share based payments, the fair value is determined at the date of grant and recognised when the associated goods or services are received.

Operating segments

The Group considers itself to have one operating segment in the year and further information is provided in note 3.

Going concern

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and the Group will have adequate resources to continue in operating existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further details are provided in the note 2.2 and in the Strategic Report on pages 3 to 4. The financial statements therefore do not include the adjustments that would result if the Group and Company were unable to continue as a going concern.

2.2 Critical accounting estimates and judgements

The Group makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Fair value of acquisition

On acquisition of a subsidiary, the Company is required to estimate the fair value of the assets and liabilities acquired and the consideration paid. The estimate in respect of exploration and evaluation assets is affected by many factors including the future viability of commercial reserves which have been based on the judgement of directors supported by third party technical reports.

Going concern

In September 2018, the Company announced that it commenced the supply of unrefined ore to a potential off-take partner ("The Off-taker"), who is a specialist subsidiary of an international steel group. The Off-taker requested a sample of 10,000 tons for commercial scale testing (the "Commercial Sample"). Initial grade analysis indicated that the Company's ore should be suitable for processing by the Off-taker and since the Commercial sample was requested, the Company has been shipping ore. The Company is being paid for the Commercial sample, such that the Company's associated operating costs should be covered.

Should the Commercial Sample be successfully processed, the Off-taker has indicated that they may request to undertake a longer-term test of a significantly larger sample taken across the licence holdings of the Company for viability testing. It is anticipated that this extended testing programme could last for up to 12 months. Upon the successful conclusion of those extended tests, the Company could expect to enter into a long-term commercial off-take agreement with the Off-taker that sets it on a path to executing its stated strategy of mining its ore and processing on site.

At the date of approval of these financial statements the initial testing of 10,000 tons remains incomplete and will not be finalised until after the approval of these financial statements. The Group's present resources and existing facilities are only considered adequate to meet committed overhead expenditure for the period to February 2019 by which time the Directors anticipate completion of the initial testing and intend to enter into longer-term testing for a period of 12 months. Such extended testing is anticipated to provide sufficient funding for a period in excess of 12 months from the date of these financial statements.

Should the Off-taker not enter into longer-term testing then the Company will need to find alternative funding for the committed expenditure of the Company and the Directors are confident that sufficient funds can be raised for this purpose and for any additional planned activity to allow the next phase of the project.

Therefore the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future, being twelve months from the date of the approval of the financial statements. The Group is committed to developing the Project and is actively engaged in raising finance to allow the full development to proceed. For this reason, the Board continues to adopt the going concern basis in the preparation of the financial statements.

Fair value of share based payments

Calculation of the fair value of the share based payments issued requires estimates to be used for the share price volatility, the risk free rate and the model used to calculate the fair value.

2.2 Critical accounting estimates and judgements (continued)

Exploration and evaluation assets

The Group has adopted a policy of capitalising the costs of exploration and evaluation and carrying the amount without impairment assessment until impairment indicators exist (as permitted by IFRS 6). The directors consider that the Group remains in the exploration and evaluation phase and therefore, under IFRS 6, the directors have to make judgements as to whether any indicators of impairment exist and the future activities of the Group. No such indicators of impairment were identified and therefore no impairment review has been carried out.

Deferred tax assets

The directors must judge whether the future profitability of the Group is likely in making the decision whether or not to recognise a deferred tax asset in respect of taxation losses. No deferred tax assets have been recognised in the year.

Useful lives of property, plant and equipment

Property, plant and equipment are amortised or depreciated over their useful lives. Useful lives are based on the management's estimates of the period that the assets will generate revenue, which are based on judgement and experience and periodically reviewed for continued appropriateness. Changes to estimates can result in significant variations in the carrying value and amounts charged to the consolidated income statement in specific periods.

3. Business and geographical segments

Information reported to the Group Directors for the purposes of resource allocation and assessment of segment performance is focused on the activity of each segment and its geographical location. The directors consider that there is only one business segment, which is the activity of prospecting, exploration and mining based in South Africa.

4. Operating loss

Operating loss for the year is shown after charging:	**Year ended**	**Year ended**
	2018	**2017**
	£’000	**£’000**
Net foreign exchange gains/(losses)	-	3
Depreciation on tangible assets	2	6
Lease payments under operating leases	43	34

Auditors remuneration		
Fees payable to the auditors for the audit of the Company's accounts	35	28
Fees payable to the Company's auditors and its associates for other services:-		
The audit of the Company’s subsidiaries	13	8
Tax compliance services	13	3
Other assurance services	33	8

5. Staff costs

	Year ended 2018 £'000	Year ended 2017 £'000
Wages and salaries	423	429
Social security costs	19	17
Share based payments	31	81
Directors fees	399	206
	872	733

The average monthly number of employees, including Directors, during the period was as follows:	2018 Number	2017 Number
Administration and management	15	14
Directors remuneration and other fees	534	341
The aggregate remuneration paid to the highest paid Director was	261	132

Further details of the Directors' remuneration are given in the Directors' Remuneration Report on pages 9 and 10.

6. Investment revenues

	Year ended 2018 £'000	Year ended 2017 £'000
Interest on bank deposits	41	1

7. Finance costs

	Year ended 2018 £'000	Year ended 2017 £'000
Loan interest and similar charges	7	185

8. Tax

	Year ended 2017 £'000	Year ended 2016 £'000
a) Tax charge for the period		
Corporation tax:		
Current period	-	-
Deferred tax (note 17)	-	-
	-	-
b) Factors affecting the tax charge for the period		
Loss on ordinary activities for the period before taxation	(535)	(737)
Loss on ordinary activities for the period before taxation multiplied by effective rate of corporation tax of 19% (2017 – 19.75%)	(102)	(146)
Non- deductible expenses	-	16
Unused tax losses not recognised	102	130
Tax expense for the period	-	-

c) Factors that may affect future tax charges - The Group has estimated unutilised tax losses amounting to £3,850,000 (2017 - £3,100,000) the values of which are not recognised in the balance sheet. The losses represent a potential deferred taxation asset of £760,000 (2017 - £630,000) which would be recoverable should the Group make sufficient suitable taxable profits in the future.

In addition, the Group has pooled exploration costs incurred of £7,610,000 (2017 - £6,150,000) which are expected to be deductible against future trading profits of the Group.

9. (Loss)/earnings per share

	2018 £'000	2017 £'000
Loss attributable to the owners of the Company	(535)	(737)
Loss per share – Basic and diluted		
Continuing operations	(0.10p)	(0.20p)

The calculation of basic earnings per share is based on 529,515,251 (2017 – 360,142,884) ordinary shares, being the weighted average number of ordinary shares in issue during the year.

Where the Group reports a loss for the current period, then in accordance with IAS 33, the share options are not considered dilutive. Details of such instruments which could potentially dilute basic earnings per share in the future are included in note 19.

Under IAS 33, the share warrants in issue during the year were not considered to be diluting as the market price throughout the period was below the exercise price of the warrants in issue. Further details are provided in note 19.

10. Loss attributable to owners of the parent Company

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent Company is not presented as part of these accounts. The parent Company's loss for the financial year amounted to £460,000 (2017 - £458,000).

11. Intangible assets

	Exploration and evaluation assets £'000
Group	
Cost:	
At 1 July 2016	21,509
Additions	1,120
Exchange differences	4,121
At 30 June 2017	26,750
Additions	1,320
Exchange differences	(1,852)
At 30 June 2018	26,218
Amortisation:	
At 1 July 2016, 30 June 2017 and 30 June 2018	-
Net book value at 30 June 2018	26,218
Net book value at 30 June 2017	26,750

The Group's exploration and evaluation assets all relate to South Africa.

In respect of the exploration and evaluation assets which remain in the appraisal phase, the Group has performed a review for impairment indicators, as required by IFRS 6 and in the absence of such indicators no impairment review was carried out.

12. Property plant and equipment

	Plant and machinery £'000
Group	
Cost:	
At 1 July 2017	39
Additions	1
Exchange differences	(3)
At 30 June 2018	37
Depreciation:	
At 1 July 2017	34
Charge for the period	2
Exchange differences	(3)
At 30 June 2018	33
Net book value at 30 June 2018	4
Net book value at 30 June 2017	5

	Plant and machinery £'000
Cost:	
At 1 July 2016	32
Additions	1
Exchange	6
At 30 June 2017	39
Depreciation:	
At 1 July 2016	23
Charge for the period	6
Exchange differences	5
At 30 June 2017	34
Net book value at 30 June 2017	5
Net book value at 30 June 2016	9

All non-current assets in 2018 and 2017 were located in South Africa.

13. Investments

Group – Other investment

	2018	2017
	£'000	£'000
Loans to other entities	386	-

The investment represents the Rand 7million refundable deposit to Siyanda Smelting and Refining Proprietary Limited which the Group has paid in exchange for a period of exclusivity to conclude a potential acquisition of the company. The deposit is interest free and becomes refundable should the acquisition not proceed.

Company – Subsidiary undertakings

	Loans	Equity	Total
	£'000	£'000	£'000
Cost:			
As at 1 July 2016	-	18,954	18,954
Additions	861	1,398	2,259
At 30 June 2017	861	20,352	21,213
Transfers	54	(54)	-
Additions	1,847	31	1,878
At 30 June 2018	2,762	20,329	23,091
Net book value 30 June 2018	2,762	20,329	23,091
Net book value 30 June 2017	861	20,352	21,213

13. Investments (continued)

The loans represent loans to Ironveld Holdings (Propriety) Limited of £2,687,000 which incur interest at a rate not exceeding the base lending rate applicable in England and Wales. Under the initial terms of the loan, £2,500,000 is repayable 31 December 2019 with the remainder due 31 December 2020. Also included in loans are loans to Ironveld Mauritius Limited of £75,000 which is interest free.

The Company has investments in the following principal subsidiaries. To avoid a statement of excessive length, details of the investments which are not significant have been omitted:

Name of company	Shares	Proportion of voting rights held	Nature of business
Ironveld Mauritius Limited	Ordinary	*100%	Holding Company
Ironveld Holdings (Pty) Limited	Ordinary	100%	Holdings Company
Ironveld Mining (Pty) Limited	Ordinary	100%	Mining and exploration
Ironveld Middelburg (Pty) Limited	Ordinary	100%	Ore processing and smelting
Ironveld Smelting (Pty) Limited	Ordinary	74%	Ore processing and smelting
HW Iron (Pty) Limited	Ordinary	68%	Prospecting and mining
Lapon Mining (Pty) Limited	Ordinary	74%	Prospecting and mining
Luge Prospecting and Mining (Pty) Limited	Ordinary	74%	Prospecting and mining

* Held directly by Ironveld Plc all other holdings are indirect.

All subsidiary undertakings are incorporated in South Africa, other than Ironveld Mauritius Limited, which is incorporated in Mauritius.

Further details of non-wholly owned subsidiaries of the Group are provided in note 23.

14. Trade and other receivables

	Group		*Company*	
	2018	**2017**	**2018**	**2017**
	£'000	**£'000**	**£'000**	**£'000**
Other receivables	158	751	21	482
Prepayments and accrued income	19	29	15	25
	177	780	36	507

Credit risk

The Group's principal financial assets are bank balances, cash balances, and other receivables. The Group's credit risk is primarily attributable to its other receivables of which £104,000 (2017 - £249,000) is due from a third party financial institution and further information is provided in note 18. The amounts presented in the balance sheet are net of allowances for doubtful receivables. Other receivables also includes £Nil (2017 - £450,000) in respect of placing proceeds not received by the year end.

15. Trade and other payables

	Group		*Company*	
	2018	**2017**	**2018**	**2017**
Trade payables	39	61	6	61
Taxation and social security costs	15	25	14	24
Other payables	5	113	5	5
Accruals and deferred income	354	132	38	115
	413	331	63	205
Due within 12 months	(413)	(331)	(63)	(205)
Due after more than 12 months	-	-	-	-

16. Borrowings

	Group		*Company*	
	2018	**2017**	**2018**	**2017**
	£'000	**£'000**	**£'000**	**£'000**
Other loans	-	889	-	-
The borrowings are repayable as follows:				
On demand or within one year	-	889	-	-
	-	889	-	-
Due for settlement within 12 months	-	(889)	-	-
Due for settlement after more than 12 months	-	-	-	-

Further details on loans are provided in note 18.

17. Deferred tax

	Group	
	2018	**2017**
	£'000	**£'000**
Balance at 1 July	5,580	4,699
Exchange differences	(386)	881
Balance at 30 June	5,194	5,580

The deferred tax liability is made up as follows:

	Group	
	2018	**2017**
	£'000	**£'000**
Fair value adjustments	5,194	5,580

18. Financial instruments

The Group's policies as regards derivatives and financial instruments are set out in the accounting policies in note 2. The Group does not trade in financial instruments.

Capital risk management

The Group manages its capital to ensure that they will be able to continue as a going concern whilst maximising the return to stakeholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2017.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 16, cash and cash equivalents and equity attributable to equity holders of the parent Company.

The Group is not subject to any externally imposed capital requirements.

Interest rate risk profile

The Group is exposed to interest rate risk because the Group borrows funds at both fixed and floating interest rates. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of the transactions concluded is spread where possible.

Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which has established an appropriate liquidity risk management framework for the management of the Group's short, medium and long term funding and liquidity management requirements. The Group manages liquidity risk by assessing required reserves and banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities. Details of additional undrawn bank facilities that the Group has at its disposal to manage liquidity are set out below.

Financial facilities

The Group did not have any secured bank loan or overdraft facilities during the current or comparative period.

Financial assets

The Group has no financial assets, other than short-term receivables and cash deposits of £517,000 (2017 - £788,000). The cash deposits attract variable rates of interest. At the year end the effective rate was 0.5% (2017 – 0.3%). The cash deposits held were as follows:-

	2018	2017
	£'000	£'000
Sterling – United Kingdom banks	429	251
USD – United Kingdom banks	7	3
South African Rand – United Kingdom banks	29	6
South African Rand – South African banks	52	528
	517	788

18. Financial instruments (continued)

Financial liabilities

The Group's financial liabilities consist of other loans. Interest rates charged on these are as follows:

	Weighted average effective Interest rate (%)	Within 1 year £'000
30 June 2018		
Variable interest rates - SA	-	-
30 June 2017		
Variable interest rates - SA	14.50	889

Other loans relate to a loan agreed on the acquisition of the Ironveld Group. The loan of £nil (2017 - £889,000) bears interest at 14.50%, was repaid during the year. The loan was secured against the assets of the Group.

Currency exposures

The Group undertakes transactions denominated in foreign currencies and is consequently exposed to fluctuations in exchange rates.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities were as follows:-

As at 30 June 2018	**Assets**	**Liabilities**
	£'000	**£'000**
British Pound Sterling (£)	449	63
USD ($)	7	7
South African Rand (R)	605	343
	1,061	413

As at 30 June 2017	**Assets**	**Liabilities**
	£'000	**£'000**
British Pound Sterling (£)	740	204
USD ($)	3	-
South African Rand (R)	786	1,016
	1,529	1,220

18. Financial instruments (continued)

Financial commitments and guarantee

Rehabilitation guarantees of £1,340,000 (R 24,278,412) have been issued to the Department of Mineral Resources for three subsidiaries, HW Iron Proprietary Limited, Lapon Mining Proprietary Limited and Luge Prospecting and Mining Company Proprietary Limited in order to comply with Section 41 of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002). Under this agreement the Group will pay deposits to a third party financial institution to be held pending discharge of any potential claim on this guarantee. At 30 June 2018 £104,000 (R 1,879,000) (2017 - £249,000 (R 4,206,000)) had been deposited in respect of this agreement and is included in other receivables. This represents a concentration of credit risk and the Group is exposed to currency risk on these amounts. As the project has not yet commenced then no liability is considered to exist at the reporting date.

19. Share capital

Group and Company

	2018	2017
	£'000	£'000
Allotted, called up and fully paid		
567,891,279 (2017 – 444,641,279) ordinary shares of 1p each	5,679	4,447
322,447,158 (2017 - 322,447,158) deferred shares of 1p each	3,224	3,224
	8,903	7,671

In July 2017, the Company issued 35,000,000 ordinary shares of 1p each raising £700,000 before expenses.

In November 2017, the Company issued 78,250,000 ordinary shares of 1p each raising £1,565,000 before expenses.

In December 2017, the Company issued 10,000,000 ordinary shares of 1p each raising £200,000 before expenses.

Unlike ordinary shares, the deferred shares have no voting rights, no dividend rights and on a return of capital or winding up are entitled to a return of amounts credited as paid. The deferred shares are not transferrable and beneficial interest in the deferred shares can be transferred to such persons as the Directors may determine as custodian for no consideration without sanction of the holder.

19. Share capital (continued)

Share options

The Company has a share option scheme for certain employees and former employees of the Group. The share options in issue during the period were as follows:

Date Granted	Exercise Price	As at 1 July 2017	Granted in year	Exercised in year	Lapsed / Cancelled	As at 30 June 2018
		£'000	£'000	No	No	No
21 May 2010	10p	1,600,000	-	-	-	1,600,000
16 August 2012	1p	5,949,558	-	-	-	5,949,558
14 November 2012	1p	6,663,505	-	-	-	6,663,505
16 April 2013	1p	1,033,334	-	-	-	1,033,334
7 November 2013	1p	2,086,667	-	-	-	2,086,667
1 May 2014	1p	200,000	-	-	-	200,000
1 October 2015	1p	2,500,000	-	-	-	2,500,000
27 January 2016	1p	445,545	-	-	-	445,545

The exercise period of the options is as follows:

Date granted	Expiry date	Exercise period
21 May 2010	21 May 2020	To May 2020
16 August 2012	16 August 2022	The options are exercisable 1/3 on the first anniversary of the grant, 1/3 on the second anniversary of the grant and the final 1/3 on third anniversary of the grant
14 November 2012	14 November 2022	
16 April 2013	16 April 2023	
7 November 2013	7 November 2023	
1 May 2014	1 May 2024	
1 October 2015	1 October 2025	
27 January 2016	27 January 2026	

Of the options granted on 1 October 2015, 1,000,000 are exercisable following first commercial production from the proposed 15 MW smelter.

The Group recognised a share based payment expense of £31,000 (2017 - £81,000) in the period. No options were granted in the year

19. Share capital (continued)

Share warrants

On the 1 November 2016 40,000,003 new share warrants were issued pursuant to a share warrant instrument dated 26 October 2016. One warrant was issued to each placee in respect of each placing share issued at that date and each warrant allowed the holder to subscribe for one ordinary share in Ironveld Plc and were exercisable at 6.75 pence at any time during the 12 months from the date of issue of the warrants. The Company shall procure that the ordinary shares issued pursuant to the exercise of warrants are admitted to trading on AIM. The warrants themselves will not be dealt with or admitted to trading on any market and are only transferable in limited circumstances by their holders. No placing proceeds were allocated to the issue of the warrants.

All issued warrants lapsed in the year.

20. Reserves

Group	**Share premium account £'000**	**Retained earnings £'000**
At 1 July 2017	18,211	(8,282)
Loss for the period	-	(535)
Exchange difference on translation of foreign operations	-	(1,270)
Issue of share capital	950	-
Credit for equity settled share based payments	-	31
At 30 June 2018	19,161	(10,056)

Retained earnings is made up of cumulative profits and losses to date, share based payments, adjustments arising from changes in non-controlling interests and exchange differences on translation of foreign operations.

Company	**Share premium account £'000**	**Retained earnings £'000**
At 1 July 2017	18,211	(4,107)
Loss for the period	-	(460)
Issue of share capital	950	-
Credit for equity settled share based payments	-	31
At 30 June 2018	19,161	(4,536)

The balance classified as share premium is the premium on the issue of the Group's equity share capital, comprising 1p ordinary shares and 1p deferred shares less any costs of issuing the shares.

21. Cash generated from operations

Group	2018	2017
	£'000	£'000
Operating loss	(570)	(553)
Depreciation on property, plant and equipment	2	6
Share based payment expense	-	21
Operating cash flows before movements in working capital	(568)	(526)
Movement in receivables	138	20
Movement in payables	75	51
Cash used in operations	(355)	(455)
Interest paid	(7)	(186)
Net cash used in operations	(362)	(641)

Cash and cash equivalents	2018	2017
	£'000	£'000
Cash and bank balances	517	788

Company	2018	2017
	£'000	£'000
Operating loss	(467)	(458)
Share based payment expense	-	21
Operating cash flows before movements in working capital	(467)	(437)
Movement in receivables	21	21
Movement in payables	(140)	26
Net cash used in operations	(586)	(390)

Cash and cash equivalents	2018	2017
	£'000	£'000
Cash and bank balances	464	260

22. Related party transactions

Group

During the year the Group incurred £261,000 (2017 - £132,000) for consultancy services to Goldline Global Consulting (Pty) Limited, a company in which P Cox is materially interested. At 30 June 2018, £216,000 remained unpaid in accruals.

During the year the Group incurred £138,000 (2017 - £74,000) for consultancy services to Novem Consulting, a private company in which V Von Ketelhodt is materially interested. At 30 June 2018, £84,000 remained unpaid in accruals.

Group and Company

The key management personnel of the Group are the directors. Directors' remuneration is disclosed in Note 5.

During the year the Company paid £48,000 (2017 - £48,000) for accounting services to Westleigh Investments Limited, a company in which G Clarke and N Harrison are materially interested.

During the year the Company paid £20,000 (2017 - £nil) for consultancy services to Merlin Partnership LLP, a company in which G Clarke is materially interested.

23. Non-controlling interest

	2018	2017
	£'000	£'000
At 1 July	3,923	3,337
Exchange adjustments	(235)	586
Share of loss for the period	(1)	-
At 30 June	3,687	3,923

23. Non-controlling interest (continued)

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

	Proportion of voting rights and shares held 2018 – (2017)	Profit/(loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		2018	2017	2018	2017
		£'000	£'000	£'000	£'000
HW Iron (Pty) Limited	32% (32%)	-	-	1,173	1,221
Lapon Mining (Pty) Limited	26% (26%)	-	-	2,517	2,704
Other non-controlling interests		(1)	-	(3)	(2)
		(1)	-	3,687	3,923

Summarised financial information in respect of each of the Group's subsidiaries that have material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations. The accounts of the subsidiaries have been translated from their presentational currency of South African Rand (R) using the R: GBP exchange rate prevailing at 30 June 2018 of 18.1197 (2017 – 16.8652).

HW Iron (Proprietary) Limited

	2018	2017
	£'000	£'000
Current assets	-	248
Non-current assets	7,007	7,125
Current liabilities	(1,916)	(2,021)
Non-current liabilities	(1,427)	(1,534)
Equity attributable to owners of the Company	2,491	2,597
Non-controlling interest	1,173	1,221
Revenue	-	-
Expenses	(1)	-
Profit/(loss) for the year	(1)	-
Attributable to the owners of the Company	(1)	-
Attributable to non-controlling interests	-	-
Net cash inflow from operating activities	230	(45)
Net cash outflow from investing activities	(265)	(213)
Net cash inflow from financing activities	35	258
Net cash inflow	-	-

23. Non-controlling interest (continued)

Lapon Mining (Proprietary) Limited

	2018	2017
	£'000	£'000
Current assets	-	-
Non-current assets	14,976	15,831
Current liabilities	(1,530)	(1,384)
Non-current liabilities	(3,766)	(4,046)
Equity attributable to owners of the Company	7,163	7,697
Non-controlling interest	2,517	2,704
Revenue	-	-
Expenses	(1)	-
Profit/(loss) for the year	(1)	-
Attributable to the owners of the Company	(1)	-
Attributable to non-controlling interests	-	-
Net cash inflow from operating activities	(1)	-
Net cash outflow from investing activities	(241)	(13)
Net cash inflow from financing activities	242	13
Net cash inflow	-	-

24. Control

The Directors consider that there is no overall controlling party.