Company registration No 04095614 (England & Wales)

IRONVELD PLC

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015

CONTENTS

DIRECTORS

Giles Clarke - Chairman

Giles Clarke is Chairman of the England and Wales Cricket Board, Westleigh Investments Holdings Limited, Amerisur Resources plc, Kennedy Ventures Plc and of several private organisations. He founded Majestic Wine in 1981 and built it into a national chain of wine warehouses. He also co-founded Pet City in 1990, which he expanded nationwide before it was listed and subsequently sold in 1996 for £150 million and co-founded Safestore which was sold in 2003 for £40 million.

Peter Cox - Chief Executive

Peter Cox started his career in the mining industry 37 years ago as a learner surveyor. After studying mining engineering as a JCI bursar, he worked for that company in various positions at gold and platinum mines, ending as a senior section manager. In 1987, he joined a privately owned mining and exploration company, Severin Southern Sphere Mining, as consulting engineer and general manager. Since mid-1991 he has been the managing director of Goldline Global Consulting (Pty) Ltd, an engineering consulting company which serves the mining industry worldwide. He holds a Mine Surveyor's and a Mine Manager's Certificate of Competency. He has a number of achievements to his name, including being the youngest certificated surveyor in South African mining history and designing the country's narrow reef opencast mining method.

Vred von Ketelhodt – Chief Financial Officer

Vred has over 20 years experience in the global metals and mining sector working as both a Mining Engineer and Corporate Finance professional. Vred has extensive corporate and project finance experience and has negotiated the provision of significant project debt and acquisition finance facilities for metals and mining ventures globally. He has also worked for a number of years in the investment banking sector managing venture capital and private equity investment funds. He gained early career experience in the metals and mining sector as a mining engineer with responsibility for mining operations and metal production leading production teams in the South Africa mining sector. Vred is a South African citizen, holds a BSc Eng degree and has an MBA from Heriot-Watt, Edinburgh, Scotland.

Nicholas Harrison - Non-Executive Director

Nicholas Harrison qualified as an accountant with Arthur Andersen and subsequently held a number of senior positions with other professional services organisations. He was Finance Director of Pet City and has held finance director and chief executive positions in a number of private businesses. He is a director of Amerisur Resources plc, Kennedy Ventures Plc and a number of private organisations.

Rupert Fraser - Non-Executive Director

Rupert Fraser has over 20 years of experience in the investment banking industry. Rupert Fraser is a Senior Partner of Kildare partners. Previously he was head of Equities at Evolution Securities from 2009 to 2011, prior to which he spent 16 years at Dresdner Kleinwort, where in 2005 he was appointed Managing Director, Global Head of Equity Distribution. He is a founding partner of Kildare Partners.

ADVISORS

Company secretary	Kirsti Jane Pinnell
Company number	04095614 (England and Wales)
Registered office	Lakeside Fountain Lane St. Mellons Cardiff CF3 0FB
Nominated Adviser	Shore Capital and Corporate Limited Bond Street House 14 Clifford Street London W1S 4JU
Broker	Shore Capital Stockbrokers Limited Bond Street House 14 Clifford Street London W1S 4JU
Auditors	UHY Hacker Young Manchester LLP St James Building 79 Oxford Street Manchester M1 6HT
Bankers	HSBC 97 Bute Street Cardiff CF10 5NA Investec Bank Plc 2 Gresham Street London EC2V 7QP
Solicitors	Kuit Steinart Levy LLP 3 St Mary's Parsonage Manchester M3 2RD
Registrar	Capita IRG Plc Northern House Woodsome Park Fenay Bridge Huddersfield HD8 0LA

CHAIRMAN'S STATEMENT - STRATEGIC REPORT

Over the last twelve months we have made strong operational and financial progress towards commencing construction of the 15MW smelter, which will be cash flow positive from the start, and beginning production of High Purity Iron and Vanadium and Titanium slag by-products in 2016, all of which are important products with strong market demand.

A number of significant milestones were achieved in the period, financially de-risking the project further. In September of 2014 the Company had its 12I Tax Allowance Incentive application approved by the Republic of South Africa's Department of Trade and Industry (“DTI”) for the project which has been classified as a Greenfield Project with Qualifying Status from September 2014 until 30 September 2018, with the incentive value of the scheme is estimated to be R 54.6 million (approximately GBP 3.1 million).

In February the Company had its CIP grant application for the project approved by the DTI. The CIP is a cost-sharing grant of 30% of the total infrastructure development costs up to a maximum of R. 13,276,500 (approximately GBP 740,000) and relates to the development of external road infrastructure, bulk electricity infrastructure and bulk water, including the design, engineering and associated preparatory activities required ahead of construction. Design of the electrical infrastructure was completed post period end, ahead of schedule and below budget while the necessary applications for the lease of land and water have been submitted.

The Company achieved two successful placings, raising £750,000, through the issue of 10,714,286 placing shares at a price of 7.0p each in November 2014 and £1.5m, through the placing of 23,076,920 new ordinary shares of 1p each at a price of 6.5p in June 2015. The proceeds of the placings were used towards progressing due diligence with both the debt funders who could provide a significant portion of the project’s funding and potential Broad-Based Black Economic Empowerment ("BBBEE") partner funders. Post period end our BBBEE partners received an indicative term sheet from the IDC for the BBBEE’s full capital contribution to the project. As per the BBBEE’s Code of Good Practice and the Mining Charter, its shareholding amounts to 26% in the smelting project.

Operationally we continue to make positive progress towards production, with the approval of the 15 MW smelter EIA by the Limpopo Department of Economic Development, Environment and Tourism received. The award of the mining right for the mining of iron ore, vanadium and heavy minerals over the farms Cracouw 391 LR, Aurora 397 and Harriets Wish 393 LR was a huge achievement for the team. Upon execution of the right, the Company is required to commence mining within 120 days. In addition the Company has applied for the mining right on farms Nonnewerth, LaPucella and Altona for the mining of iron ore by Pan Palladium. A decision by the Department of Mineral Resources on the Mining Right Application is expected late in 2015.

Planning is at an advanced stage on the ground with draft construction contracts in circulation and requests for quotes for mining operations. Contracts are currently the subject of due diligence by the senior debt providers and will be concluded upon completion of the due diligence.

Offtake negotiations with potential partners for all three products remain ongoing and we are encouraged by the high levels of interest. Market demand for our products remains robust, particularly given its multiple industrial uses. We are confident that our projected annual output of 42,000 tonnes of HPI, 415 tonnes of vanadium in slag grading 36% V and 8,269 tonnes of titanium in slag grading 65% TiO_2 per annum will fill an important gap in the market.

CHAIRMAN'S STATEMENT - STRATEGIC REPORT (continued)

HPI, vanadium and titanium are important products with strong market demand and extensive industrial uses. HPI is generally sold as a powder and used to manufacture sintered components, soft magnetic components, brazing, surface coatings, friction, printing and welding products, as well as chemistry and polymer filtrations. Vanadium while predominately used in the steel industry has extensive applications in the grid energy storage market where vanadium redox flow battery systems are coming onto the market. Titanium which is used in the pigment industry as well as in the steel and alloying industries is a key part of a new battery technology.

The company has continued its Keep a Girl Child in School programme and has partnered with the Imbumva Foundation and the Nelson Mandela Foundation to provide hygiene support to 605 female students at schools in the project area. The company has received supporting letters from both parents and girls as to the impact the project has made on their lives. In the coming year the company intends to start a programme for male students encouraging academic and sporting achievement.

Financial

The group recorded a loss before tax of £0.9m (2014: £1m) and cash balances of £1.4m (2014: £0.7m) at the end of the period. The Company does not plan to pay a dividend for the year ended 30 June 2015.

Management

Post period end, we were delighted to strengthen the management team and welcome Mr Vred von Ketelhodt as CFO and Mr Thamaga Mphahlele as CEO designate to Ironveld Smelting (Pty) Ltd, a subsidiary of Ironveld plc, responsible for managing operations and the team during the development of the project. Mr von Ketelhodt has a 25 year career in the mining industry with significant management, financial and project management expertise and has been providing consultancy services to the Company since February 2013. Thamaga is a registered professional electrical engineer, most recently at Eskom SOC in a variety of technical engineering roles.

During the period under review Mr Terry McConnachie resigned as a director of the Company. We would like to thank Terry for his commitment to Ironveld and we wish him all the best for the future.

Outlook

We are currently fully engaged with debt providers and upon financial close will immediately commence construction of the 15MW Smelter. Final preparations including construction contracts for the smelter, ancillary equipment and power and water are all in hand. We continue to make excellent headway both on the ground and with our funding requirements.

The Board is confident that the project will generate significant cash flow and we would like to thank all of our shareholders for their support as we enter a transformational period for the Company. We look forward to updating shareholders in the near future.

Giles Clarke
Chairman
18 November 2015

DIRECTORS' REPORT

The Directors present their annual report, together with the audited financial statements for the year ended 30 June 2015. The Corporate Governance Statement set out on pages 8 and 9 forms part of this report.

Principal activity

The principal activity of the Group for the period continued to be mining, exploration, processing and smelting of Vanadiferous and Titaniferous Magnite in South Africa. The principal activity of the Company for the period was that of a holding company.

Dividends

The Directors do not propose the payment of a dividend for the period.

Directors and their interests

The Directors, who served during the period were as follows:-

G Clarke
N Harrison
T McConnachie (resigned 19 March 2015)
P Cox
R Fraser
V von Ketelhodt (appointed 7 July 2015)

The beneficial and other interests of the Directors at the period end and their families in the shares of the Company and its subsidiary undertakings were as follows:

	30 June 2015 1p ordinary shares Number	**30 June 2014 1p ordinary shares Number**
G Clarke	16,752,151	15,927,099
N Harrison	11,973,633	11,023,581
P Cox	259,161	259,161
R Fraser	500,052	-

Mr G Clarke and Mr N Harrison's interests in 9,173,581 (2014 - 9,023,581) shares are through their shareholding in Westleigh Investments Holdings Limited.

On 9 July 2015 N Harrison and G Clarke were each issued a further 346,687 ordinary 1p shares.

Details of Directors' interest in share options are provided in the Directors' remuneration report on page 10 and 11.

Mr G Clarke and Mr N Harrison have an interest in 8,399,966 (2014 - 8,399,966) shares through share warrants held by Westleigh Investments Holdings Limited.

DIRECTORS' REPORT (continued)

Political contributions and charitable donations

The Group made no political contributions during this or the preceding period.

Substantial shareholdings

As at 21 September 2015 the Company had been notified of the following holdings of 3% or more of its issued share capital other than the Directors' direct holdings on page 5:

	Number of ord shares	Percentage
HSBC Global Custody Nominee (UK)	44,597,645	13.9%
Rene Nominees (IoM) Limited	39,810,142	12.4%
Chase Nominees Limited	24,400,734	7.6%
Hargreaves Lansdown (Nominees)	23,321,116	7.2%
Fiske Nominees Limited	21,288,216	6.6%
GHC Nominees Limited	16,771,388	5.2%
Barclayshare Nominees Limited	13,432,488	4.2%
HSDL Nominees Limited	12,772,001	4.0%
TD Direct Investing Nominees	10,293,227	3.2%

Going concern

The Group's present resources and existing facilities, are only considered adequate to meet committed overhead expenditure for the foreseeable future. The Directors are presently fully engaged with debt providers to raise the further funds which will allow them to commit to the next phase of the project and the Directors are confident that sufficient funds can be raised for this additional planned activity.

The Directors therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being twelve months from the date of the approval of the financial statements and are also optimistic that the Group will be able to raise further funds when required for any additional planned activities. The company is committed to developing the project and is actively engaged in raising finance to allow the development to proceed. For this reason, the Board continues to adopt the going concern basis in the preparation of the financial statements.

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were in place during the period and remain in force at the date of this report.

Statement of disclosure to auditors

Each of the persons who is a Director at the date of approval of this annual report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he ought to have taken as a director in order to make himself aware of the relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

This report was approved by the Board on 18 November 2015 and signed on its behalf by:

K J Pinnell
Company secretary

CORPORATE GOVERNANCE STATEMENT

Code of best practice

The Board acknowledges the importance of the UK Corporate Governance Code ("the Code") and has reviewed the Group's consistency with the provisions of the Code as appended to the Listing Rules of the Financial Conduct Authority. This statement explains how the Group has voluntarily applied principles of the Code and confirms that it has consistently complied with these throughout the period.

The Board of Directors

The Group is controlled and led by the Board of Directors with an established schedule of matters reserved for their specific approval. The Board meets regularly throughout the year and is responsible for the overall Group strategy, acquisition and divestment policy, approval of major capital expenditure and consideration of significant financial matters. It reviews the strategic direction of the Company and its individual subsidiaries, their annual budgets, their progress towards achievement of these budgets and their capital expenditure programmes.

The function of the Chairman is to supervise the Board and to ensure its effective control of the business, and that of the Chief Executive is to manage the Group on the Board's behalf.

All Board members have access, at all times, to sufficient information about the business, to enable them to fully discharge their duties. Also, procedures exist covering the circumstances under which the Directors may need to obtain independent professional advice.

The Board has established the following committees to fulfil specific functions:

The Audit Committee comprises Giles Clarke, Nicholas Harrison and Rupert Fraser, it has been established to determine the terms of engagement of the group's auditors and will determine, in consultation with the auditors, the scope of the audit. The Audit Committee will receive and review reports from management and the group's auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the group. The Audit Committee will have unrestricted access to the group's auditors and internal control procedures.

Due to the nature and size of the Group at present it would not be appropriate for the Group to have its own internal audit department reporting directly to the Audit Committee, this situation is reviewed annually.

The Remuneration Committee comprises Giles Clarke, Nicholas Harrison and Rupert Fraser, it has been established to review the scale and structure of the executive directors' and senior employees' remuneration and the terms of their respective service or employment contracts, including share option schemes and other bonus arrangements. The remuneration and terms and conditions of the non-executive directors of the Company will be set by the Board.

The Nomination Committee comprises Giles Clarke, Nicholas Harrison and Rupert Fraser, it has been established to review the structure, size and composition (including the skills, knowledge and experience) required of the Board compared to its current position and make recommendations to the Board with regard to any changes.

Status of Non-executive directors

None of the Non-Executive Directors would be deemed independent under the UK Corporate Governance Code. However, the Non-Executive Directors have considerable experience which the Company draws upon on a regular basis. In addition, the Non-Executive Directors are sufficiently independent of management so as to be able to exercise independent judgment and bring an objective viewpoint and, thereby, protect and promote the interest of shareholders.

CORPORATE GOVERNANCE STATEMENT (continued)

Internal control

The Board is responsible for ensuring that the Group maintains adequate internal control over the business and its assets.

The effectiveness of the Group's system of internal financial controls, for the period to 30 June 2015 and for the period to the date of approval of the financial statements, has been reviewed by the Directors. Whilst they are aware that although no system can provide for absolute assurance against material misstatement or loss, they are satisfied that effective controls are in place.

On the wider aspects of internal control, relating to operational and compliance controls and risk management, the Board, in setting the control environment, identifies, reviews, and regularly reports on the key areas of business risk facing the Group.

The Group Board and subsidiary Boards maintain close day to day involvement in all of the Group's activities which enables control to be achieved and maintained. This includes the comprehensive review of both management and technical reports, the monitoring of interest rates, environmental considerations, government and fiscal policy issues, employment and information technology requirements and cash control procedures. In this way, the key risk areas can be monitored effectively and specialist expertise applied in a timely and productive manner.

Relations with shareholders

The Company maintains effective contact with its principal shareholders and welcomes communications from its private investors.

DIRECTORS' REMUNERATION REPORT

Compliance

This report by the Remuneration Committee, on behalf of the Board, contains full details of the remuneration of each Director during the period under review.

Directors' remuneration policy

The Remuneration Committee aims to ensure that the remuneration packages offered are competitive and are designed to attract, retain and motivate executives of the right calibre.

Emoluments of the Directors

	Fees/Salary £000	Benefits in kind £000	2015 Total £000	2014 Total £000
G Clarke**	45	-	45	45
N Harrison*	45	-	45	45
T McConnachie****	32	-	32	45
R Fraser *	45	-	45	45
P Cox***	140	-	140	173
	307	-	307	353

* Member of the Remuneration Committee
** Member and Chairman of the Remuneration Committee
*** Highest-paid Director during the year
**** Resigned 19 March 2015

Pensions

No pension contributions were made during the year (2014 - £Nil).The Non-Executive Directors' appointments are not pensionable.

Details of the individual share options held by the Directors as at 30 June 2015, are as follows:

Director	Option price (p)	Date of Grant	Expiry date	1 July 2014	(Exercised)/ Granted	30 June 2015
P Cox	LTIP - 1p	16/08/2012	16/08/2022	1,427,894	-	1,427,894
G Clarke	LTIP - 1p	16/08/2012	16/08/2022	1,427,894	-	1,427,894
N Harrison	LTIP - 1p	16/08/2012	16/08/2022	1,427,894	-	1,427,894
P Cox	LTIP - 1p	14/11/2012	14/11/2022	6,663,505	-	6,663,505
R Fraser	LTIP - 1p	16/04/2013	16/04/2023	1,000,000	-	1,000,000
G Clarke	LTIP - 1p	07/11/2013	07/11/2023	600,000	-	600,000
P Cox	LTIP - 1p	07/11/2013	07/11/2023	600,000	-	600,000
N Harrison	LTIP - 1p	07/11/2013	07/11/2023	600,000	-	600,000

DIRECTORS' REMUNERATION REPORT (continued)

Directors' share options (continued)

The share options are exercisable as follows:-

1/3 on the first anniversary of grant.
1/3 on the second anniversary of grant.
1/3 on the third anniversary of grant.

The market price of the Company's shares at 30 June 2015 was 5.63p with a range of 4.5p to 11.5p during the year.

There were no movements in the Directors' share options during the year or after the year end.

G Clarke
Chairman of the Remuneration Committee

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Directors to prepare such financial statements for each financial period. Under that law the Directors are required to prepare group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and have also chosen to prepare the parent company financial statements under IFRSs as adopted by the European Union. Under Company law the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting polices;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the Company's ability to continue as a going concern.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' responsibility statement

We confirm that to the best of our knowledge:

1. the financial statements, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the undertakings included in the consolidation taken as a whole; and

2. the strategic report includes a fair review of the development and performance of the business and the position of the company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

3. the annual report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's performance, business model and strategy.

On behalf of the Board

P Cox
Director
18 November 2015

INDEPENDENT AUDITORS' REPORT

UHY Hacker Young
Chartered Accountants

Registered Auditor
UHY Hacker Young Manchester LLP
St. James Building
79 Oxford Street
Manchester M1 6HT

To the members of Ironveld Plc

We have audited the financial statements of Ironveld Plc for the period ended 30 June 2015 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and the Parent Company Balance Sheets, the Consolidated and Company Cash Flow Statements, the Consolidated and Company Statements of Changes in Equity and the related notes 1 to 27. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (ÒIFRSsÓ) as adopted by the European Union.

This report is made solely to the Companyõs members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Companyõs members those matters we are required to state to them in an auditorsÕ report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Companyõs members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditors

As explained more fully in the Statement of Directors Responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit an express and opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Boardõs Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the ýnancial statements sufýcient to give reasonable assurance that the ýnancial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the groupõs and the parent companyõs circumstances and have been consistently applied and adequately disclosed; the reasonableness of signiýcant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistences with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

UHY Hacker Young
Chartered Accountants

Opinion on the financial statements

In our opinion:

Å the financial statements give a true and fair view of the Group and the parent Company's affairs as at 30 June 2015 and of the Group's and the parent Company's loss for the year then ended;

Å the financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and

Å the ýnancial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, the information given in the Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the Companies Act 2006 we are required to report to you if, in our opinion:

Å adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or

Å the parent company financial statements to be audited are not in agreement, with the accounting records and returns; or

Å certain disclosures of Directors' remuneration specified by law are not made; or

Å we have not received all the information and explanations we require for our audit.

Michael Wasinski
Senior Statutory Auditor
for and on behalf of

18 November 2015

UHY Hacker Young Manchester LLP
Chartered Accountants
Statutory Auditor

CONSOLIDATED INCOME STATEMENT

		Note	2015 £000	2014 £000
Administrative expenses			(520)	(660)
Operating loss			(520)	(660)
Investment revenues		**6**	1	10
Finance costs		**7**	(74)	(100)
Loss before tax			(593)	(750)
Tax		**8**	(288)	(409)
Loss from continuing operations			(881)	(1,159)
Profit from discontinued operations		**9**	-	120
Loss for the period		**4**	(881)	(1,039)
Attributable to:				
Owners of the company			(828)	(930)
Non-controlling interests			(53)	(109)
			(881)	(1,039)
Loss per share				
From continuing operations	**- Basic**	**10**	(0.28p)	(0.37p)
	- Diluted	**10**	n/a	n/a
From continuing and discontinued operations	**- Basic**	**10**	(0.28p)	(0.33p)
	- Diluted	**10**	n/a	n/a

There is no difference between the results as disclosed above and the results on an historical cost basis.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2015 £000	2014 £000
Loss for the period	(881)	(1,039)
Exchange difference on translation of foreign operation	(555)	(2,294)
Total comprehensive income for the period	(1,436)	(3,333)
Attributable to:		
Owners of the company	(1,225)	(2,485)
Non-controlling interests	(211)	(848)
	(1,436)	(3,333)

CONSOLIDATED BALANCE SHEET

	Note	2015 £000	2014 £000
Non-current assets			
Goodwill	12	-	-
Other intangible assets	13	21,743	21,787
Property, plant and equipment	14	14	22
		21,757	21,809
Current assets			
Trade and other receivables	16	77	211
Cash and bank balances		1,407	738
		1,484	949
Total assets		23,241	22,758
Current liabilities			
Trade and other payables	17	(185)	(234)
Borrowings	18	(1,149)	-
		(1,334)	(234)
Non-current liabilities			
Borrowings	18	-	(1,465)
Deferred tax liabilities	19	(6,058)	(6,069)
		(6,058)	(7,534)
Total liabilities		(7,392)	(7,768)
Net assets		15,849	14,990
Equity			
Share capital	21	6,474	6,097
Share premium	22	16,056	14,097
Other reserves	22	21	21
Retained earnings	22	(9,750)	(8,635)
Equity attributable to owners of the company		12,801	11,580
Non-controlling interests	26	3,048	3,410
Total equity		15,849	14,990

These financial statements were approved by the Board and authorised for issue on 18 November 2015.

Signed on behalf of the Board

P Cox
Director **Company Registration No: 04095614**

PARENT COMPANY BALANCE SHEET

	Note	2015 £000	2014 £000
Non-current assets			
Investments	**15**	17,776	16,362
Current assets			
Trade and other receivables	**16**	86	61
Cash and bank balances		1,381	718
		1,467	779
Total assets		19,243	17,141
Current liabilities			
Trade and other payables	**17**	(169)	(172)
Total liabilities		(169)	(172)
Net assets		19,074	16,969
Equity			
Share capital	**21**	6,474	6,097
Share premium	**22**	16,056	14,097
Other reserves	**22**	21	21
Retained earnings	**22**	(3,477)	(3,246)
Total equity (Attributable to owners of the Company)		19,074	16,969

These financial statements were approved by the Board and authorised for issue on 18 November 2015

Signed on behalf of the Board

P Cox
Director **Company Registration No: 04095614**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to owners of the company	**Share Capital £000**	**Share Premium £000**	**Other Reserve £000**	**Retained Earnings £000**	**Total Equity £000**
Balance at 1 July 2013	6,080	14,097	21	(5,600)	14,598
Other comprehensive income	-	-	-	(2,294)	(2,294)
Issue of share capital	17	-	-	-	17
Credit to equity for equity-settled share based payments	-	-	-	189	189
Loss for the period	-	-	-	(930)	(930)
Balance at 30 June 2014	6,097	14,097	21	(8,635)	11,580
Other comprehensive income	-	-	-	(555)	(555)
Issue of share capital	377	1,959	-	-	2,336
Changes in non-controlling interest	-	-	-	47	47
Credit to equity for equity-settled share based payments	-	-	-	221	221
Loss for the year	-	-	-	(828)	(828)
Balance at 30 June 2015	6,474	16,056	21	(9,750)	12,801

Total equity	**Owners of the company £000**	**Non-controlling Interest £000**	**Total Equity £000**
Balance at 1 July 2013	14,598	4,258	18,856
Other comprehensive income	(2,294)	(739)	(3,033)
Issue of share capital	17	-	17
Credit to equity for equity-settled share based payments	189	-	189
Loss for the period	(930)	(109)	(1,039)
Balance at 30 June 2014	11,580	3,410	14,990
Other comprehensive income	(555)	(158)	(713)
Issue of share capital	2,336	-	2,336
Changes in non-controlling interest	47	(151)	(104)
Credit to equity for equity-settled share based payments	221	-	221
Loss for the year	(828)	(53)	(881)
Balance at 30 June 2015	12,801	3,048	15,849

COMPANY STATEMENT OF CHANGES IN EQUITY

Attributable to the owners of the company

	Share Capital £000	Share Premium £000	Other Reserve £000	Retained Earnings £000	Total Equity £000
Balance at 1 July 2013	6,080	14,097	21	(2,948)	17,250
Issue of share capital	17	-	-	-	17
Credit to equity for equity-settled share based payments	-	-	-	189	189
Loss for the period	-	-	-	(487)	(487)
Balance at 30 June 2014	6,097	14,097	21	(2,948)	16,969
Credit to equity for equity-settled share based payments	-	-	-	221	221
Issue of share capital	377	1,959	-	-	2,336
Loss for the year	-	-	-	(452)	(452)
Balance at 30 June 2015	6,474	16,056	21	(3,477)	19,074

CONSOLIDATED CASH FLOW STATEMENT

	Note	2015 £000	2014 £000
Net cash used in operating activities	**23**	(286)	(639)
Investing activities			
Purchases of property, plant and equipment		(1)	(25)
Purchase of exploration and evaluation assets		(840)	(1,416)
Interest received		1	9
Loan advanced		-	(43)
Net cash inflow on disposal of subsidiary (net of cash disposed)		-	1,370
Net cash used in investing activities		(840)	(105)
Financing activities			
Proceeds on issue of equity (net of costs)		2,129	17
New loans received		-	823
Repayment of borrowings		(333)	(79)
Net cash generated by financing activities		1,796	761
Net increase in cash and cash equivalents		670	17
Cash and cash equivalents at the beginning of the period		738	748
Effects of foreign exchange rates		(1)	(27)
Cash and cash equivalents at end of period	**23**	1,407	738

COMPANY CASH FLOW STATEMENT

	Note	2015 £000	2014 £000
Net cash from operating activities	**23**	(237)	(346)
Investing activities			
Interest received		1	7
Net cash inflow on disposal of subsidiary		-	1,451
Payments to acquire investments		(1,230)	(643)
Net cash generated by / (used in) investing activities		(1,229)	815
Financing activities			
Proceeds on issue of equity (net of costs)		2,129	17
Net cash generated from financing activities		2,129	17
Net increase in cash and cash equivalents		663	486
Cash and cash equivalents at the beginning of period		718	232
Cash and cash equivalents at end of period	**23**	1,381	718

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Ironveld Plc is a company incorporated in the United Kingdom under the Companies Act 2006. 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 and interpretations which have not been applied in these financial statements were in issue but not yet effective:

IAS 19 (amended)	Employee Benefits
IFRS 14	Regulatory Deferral Accounts
IFRS 15	Revenue from Contracts with Customers
IFRS 11 (amended)	Accounting for Acquisitions of Interests in Joint Operations
IAS 16 & 38 (amended)	Clarification of Acceptable Methods of Depreciation and Amortisation
IAS 16 and 41 (amended)	Bearer Plants
IFRS9	Financial Instruments (2014)
IAS 27 (amended)	Equity Method in Separate Financial Statements
IFRS 10 & IAS 28 (amended)	Sale or Contirbution of Assets
IFRS10 & 12 & IAS 28 (amended)	Investment Entities : Applying Consolidation Exception
IAS 1 (amended)	Disclosure Initiative

Annual Improvements IFRS's (2010-2012)
Annual Improvements IFRS's (2011-2013)
Annual Improvements IFRS's (2012-2014)

The Directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the company in future periods.

2. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

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 period 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.

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 acquireeŏs 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 recongnised 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 .

Non-current assets held for sale

Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met.

When the assets held for sale represents a discontinued operation then the results of that operation is disclosed as a discontinued item in the income statement and the comparative information is re-presented to be consistent with that presented in the current period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Goodwill

Goodwill arising on a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the entity over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is not amortised but is reviewed for impairment annually. Any impairment is immediately recognised in the income statement.

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.

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 all of 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
- the making of the final investment decision.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Development and production asset

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. Significant accounting policies (continued)

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at their fair value, or if lower, at the present value of future minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using a sum of digits method.

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

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 estimated residual value of each asset over its expected useful life, as follows:

Property alterations	10% straight line basis
Plant and machinery	10% - 25% straight line basis or reducing balance basis
Fixtures, fittings & equipment	10% - 25% straight line basis
Motor vehicles	25% 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.

Operating profit

Operating profit is stated after charging restructuring costs and goodwill impairments but before acquisition gains, investment revenues and finance costs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Software costs

Other intangible assets are stated at cost less amortisation. Amortisation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Software	25% straight line basis

Retirement benefit costs

Where the Group contributes to defined contribution pension schemes, the assets of the schemes are held separately from those of the Group in independently administered funds. Contributions payable for the period are charged in the income statement.

Investments

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

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.

Trade receivables

Trade 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.

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 a 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 long term borrowings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

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 two operating segments in the period 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 have adequate resources to continue in 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 below.

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.

Going concern

The Group's present resources and existing facilities, are only considered adequate to meet committed overhead expenditure for the foreseeable future. The Directors are presently fully engaged with debt providers to raise the further funds which will allow them to commit to the next phase of the project and the Directors are confident that sufficient funds can be raised for this additional planned activity.

The Directors therefore have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future, being twelve months from the date of the approval of the financial statements and are also optimistic that the Group will be able to raise further funds when required for any additional planned activities. The company is committed to developing the project and is actively engaged in raising finance to allow the 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 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.

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 with which to calculate the fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. Significant accounting policies (continued)

Critical accounting estimates and judgements (continued)

Exploration and evaluation asset

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 company. 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 period.

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. Loss for the period

Loss for the period is shown after charging / (crediting):	**2015 £000**	**2014 £000**
Net foreign exchange losses	4	55
Depreciation on tangible assets	8	6
Operating leases: -Land and buildings	25	19

Auditors remuneration		
Fees payable to the auditors for the audit of the company's accounts	24	24
Fees payable to the company's auditors and its associates for other services:-		
The audit of the company's subsidiaries	8	9
Tax compliance services	3	5
Other assurance services	6	12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. Staff costs

	2015 £000	2014 £000
Wages and salaries	652	729
Social security costs	17	6
Share based payments	221	189
	890	924
Directors remuneration and fees	307	353
The aggregate remuneration paid to the highest paid director was	140	173

The average monthly number of employees, including Directors, during the period was as follows:	2015 Number	2014 Number
Administration and management	14	13

Further details of the Directors' remuneration are given in the Directors' Remuneration Report on pages 10 and 11.

6. Investment revenues

	2015 £000	2014 £000
Interest on bank deposits	1	10

7. Finance costs

	2015 £000	2014 £000
Loan interest and similar charges	74	100
	74	100

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

8. Tax

a) Tax charge for the period	**2015 £000**	**2014 £000**
Corporation tax:		
Current period	-	-
Deferred tax (note 19)	288	409
	288	409

b) Factors affecting the tax charge for the period	2015 £000	2014 £000
Loss on ordinary activities for the period before taxation	(593)	(750)
Loss on ordinary activities for the period before taxation multiplied by effective rate of corporation tax of 20.75% (2014 - 20.75%)	(123)	(156)
Effects of :		
Non-deductible expenses	27	39
Unused tax losses not recognised	384	526
Tax expense for the period	288	409

c) Factors that may affect future tax charges - The Group has estimated unutilised tax losses/expenses amounting to £5,798,000 (2014 - £4,566,000) the values of which are not recognised in the balance sheet. The losses represent a potential deferred taxation asset of £1,623,000 (2014 - £1,278,000) which would be recoverable should the Group make sufficient suitable taxable profits in the future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

9. Disposal of subsidiary - prior period

On 20 September 2013 the group disposed of Mercury Recycling Limited, which carried out all of the Group's waste recycling operations. The disposal was effected in order to generate cash flow for the group's other operations. The operations of Mercury Recycling Limited were recognised in the prior period accounts as a discontinued operation having satisfied the criteria set out in IFRS 5 at the prior period end.

The results of the discontinued operation for the year to 30 June 2014, included in the consolidated income statement, were as follows:-

	2014
	£000
Revenue	454
Expenses	(436)
Profit / (loss) before tax	18
Attributable tax expense	-
Profit on disposal of discontinued operation	102
Profit / (loss) attributable to discontinued operations (Attributable to owners of the Company)	120

During the year to 30 June 2014, Mercury Recycling Limited contributed outflow of £34,000 to the group's net operating cash flows, paid £Nil in respect of investing activities and paid £79,000 in respect of financing activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. (Loss)/earnings per share

	2015 £000	2014 £000
Loss attributable to the owners of the Company	(828)	(930)
Adjustment to exclude discontinued operations	-	120
Loss from continuing operations	(828)	(1,050)

(Loss)/earnings per share - Basic		
Continuing operations	(0.28p)	(0.37p)
Discontinued operations	n/a	0.04p
Continuing and discontinued operations	(0.28p)	(0.33p)

(Loss)/earnings per share - Diluted		
Continuing operations	n/a	n/a
Discontinued operations	n/a	0.04p
Continuing and discontinued operations	n/a	n/a

The calculation of basic earnings per share is based on 296,115,053 (2014 - 286,168,781) ordinary shares, being the weighted average number of ordinary shares in issue during the period.

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 21.

Under IAS 33, the share warrants in issue during the period were not considered to be diluting as the market based vesting conditions of the warrants had not been met at the year end. Further details are provided in note 21.

11. 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 £452,000 (2014 - £487,000).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. Goodwill

Group	Goodwill £000
Cost:	
At 1 July 2013	4,122
Disposal	(4,122)
At 30 June 2014 and at 30 June 2015	**-**
Accumulated impairment losses:	
At 1 July 2013	4,122
On disposal	(4,122)
At 30 June 2014 and at 30 June 2015	**-**
Carrying amount:	
At 30 June 2015 and at 30 June 2014	-

13. Other intangible assets

Group	Exploration and evaluation assets £000	Computer software £000	Total £000
Cost:			
At 1 July 2013	24,749	4	24,753
Additions	1,370	-	1,370
Disposal	-	(4)	(4)
Exchange differences	(4,332)	-	(4,332)
At 30 June 2014	21,787	-	21,787
Additions	980	-	980
Exchange differences	(1,024)	-	(1,024)
At 30 June 2015	21,743	-	21,743
Amortisation:			
At 1 July 2013	-	4	4
On disposal	-	(4)	(4)
At 30 June 2014 and 30 June 2015	-	-	-
Net book value at 30 June 2015	21,743	-	21,743
Net book value at 30 June 2014	21,787	-	21,787

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 and in the absence of such indicators no impairment review was carried out.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

14. Property, plant and equipment

Group	**Plant and machinery £000**
Cost:	
At 1 July 2014	30
Additions	1
Exchange differences	(2)
At 30 June 2015	29
Depreciation:	
At 1 July 2014	8
Charge for the period	8
Disposals	(1)
At 30 June 2015	15
Net book value at 30 June 2015	14

	Plant and machinery £000
Cost:	
At 1 July 2013	7
Additions	25
Exchange differences	(2)
At 30 June 2014	30
Depreciation:	
At 1 July 2013	3
Charge for the period	6
Exchange differences	(1)
At 30 June 2014	8
Net book value at 30 June 2014	22

All non-current assets in 2015 and 2014 were located in South Africa.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. Investments

Company	**Subsidiary undertakings £000**
Cost:	
At 1 July 2013	19,613
Additions	703
Disposals	(3,954)
At 30 June 2014	16,362
Additions	1,414
At 30 June 2015	17,776
Provisions for impairment	
At 1 July 2013	2,504
On disposal	(2,504)
At 30 June 2014 and at 30 June 2015	-
Net book value at 30 June 2015	17,776
Net book value at 30 June 2014	16,362

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. Investments (continued)

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 and shares held	Nature of business
Subsidiary undertakings			
Ironveld Mauritius Limited**	Ordinary	100%+	Holding Company
Ironveld Holdings (Proprietary) Limited*	Ordinary	100%	Holding Company
Ironveld Mining (Proprietary) Limited*	Ordinary	100%	Mining and exploration
Ironveld Smelting (Proprietary) Limited*	Ordinary	74%	Ore processing and smelting
HW Iron (Proprietary) Limited*	Ordinary	71%	Prospecting and mining
Lapon Mining (Proprietary) Limited*	Ordinary	74%	Prospecting and mining
Luge Prospecting and Mining (Proprietary) Limited*	Ordinary	74%	Prospecting and mining

* Incorporated in South Africa

** Incorporated in Mauritius

+ Held directly by Ironveld Plc

Further details of non-wholly owned subsidiaries of the Group are provided in note 26.

Envirolite Limited, Envirolite Midlands Limited, WEEE Recycling Limited and Battnet Limited were dormant companies which have been dissolved since the date of the last financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

16. Trade and other receivables

	Group		*Company*	
	2015	**2014**	**2015**	**2014**
	£000	**£000**	**£000**	**£000**
Amounts owed from Group undertakings	-	-	24	11
Other debtors	68	203	56	44
Prepayments and accrued income	9	8	6	6
	77	211	86	61

Credit risk

The Group's principal financial assets are bank balances and other receivables. The Group's credit risk is primarily attributable to its other receivables and no significant concentration was identified. The amounts presented in the balance sheet are net of allowances for doubtful receivables.

17. Trade and other payables

	Group		*Company*	
	2015	**2014**	**2015**	**2014**
	£000	**£000**	**£000**	**£000**
Trade payables	3	4	3	4
Taxation and social security costs	76	89	65	41
Other payables	5	5	5	5
Accruals and deferred income	101	136	96	122
	185	234	169	172
Due within 12 months	(185)	(234)	(169)	(172)
Due after more than 12 months	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. Borrowings

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Other loans	1,149	1,465	-	-

The borrowings are repayable as follows:	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
On demand or within one year	1,149	-	-	-
In the second year	-	1,465	-	-
	1,149	1,465	-	-
Due for settlement within 12 months	(1,149)	-	-	-
Due for settlement after more than 12 months	-	1,465	-	-

Other loans represent loans agreed on the acquisition of the Ironveld Group. The first loan of £210,000 (2014 - £563,000) was interest free until 31 December 2013 (thereafter 1% over LIBOR). The loan is repayable no later than 31 December 2015 and is unsecured. The second loan of £939,000 (2014 - £902,000) bears interest at the South African current prime rate, is repayable no later than 30 June 2016 and is secured. Further details are provided in note 20.

19. Deferred tax

	Group	
	2015	2014
	£000	£000
Balance at 1 July	6,069	6,891
Exchange differences	(299)	(1,231)
Income statement - tax charge	288	409
Balance at 30 June	6,058	6,069

The deferred tax liability is made up as follows:

	Group	
	2015	2014
	£000	£000
Accelerated tax depreciation	6,058	6,069

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. 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 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 2014.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in note 18, 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.

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 maintaining adequate 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 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. The group has two loan facilities of South African Rand 4m and Rand 15m that have been drawn at the year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. Financial instruments (continued)

Financial assets

The Group has no financial assets, other than short-term receivables and cash deposits of £1,407,000 (2014 - £738,000). The cash deposits attract variable rates of interest. At the year end the effective rate was 0.09% (2014 - 1.34%). The cash deposits held were as follows:-

	2014	2013
	£000	£000
Sterling - United Kingdom banks	1,378	656
South African Rand - United Kingdom banks	3	62
South African Rand - South African banks	26	20
	1,407	738

Financial liabilities

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

	Weighted average effective interest rate %	1-5 years £000	5+ years £000	Total £000
30 June 2015				
Variable interest rates - SA	5.66	1,149	-	1,149
30 June 2014				
Variable interest rates - SA	6.01	1,465	-	1,465

Financial liabilities represent loans agreed on the acquisition of the Ironveld Group. The first loan of £210,000 (2014- £563,000) was interest free until 31 December 2013 (thereafter 1% over LIBOR ï presently 1.59%) and is repayable no later than 31 December 2015. The second loan of £939,000 (2014 - £902,000) bears interest at the South Africa current prime rate and is repayable no later than 30 June 2016. This first loan is unsecured and the second loan is secured and further details are provided in note 21.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. Financial instruments (continued)

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 2015	**Assets**	**Liabilities**
	£000	**£000**
British Pound Sterling (£)	1,430	169
South African Rand (ZAR)	44	1,165
	1,474	1,334

As at 30 June 2014	**Assets**	**Liabilities**
	£000	**£000**
British Pound Sterling (£)	700	172
South African Rand (ZAR)	241	1,527
	941	1,699

21. Share capital

Group and Company

	2015	**2014**
	£000	**£000**
Allotted, called up and fully paid		
321,919,252 ordinary shares of 1p each	3,250	2,873
322,447,158 deferred shares of 1p each	3,224	3,224
	6,474	6,097

During the year 556,894 ordinary shares of 1p each were issued on the exercise of share options. On 8 December 2014 the company undertook a placing for the issue of 10,714,286 ordinary 1p shares at 7p to raise £702,000 net of expenses. On 18 June 2015 the company undertook a placing for the issue of 23,076,920 ordinary 1p shares at 6.5p to raise £1,420,000 net of expenses.

On 8 December 2014 the company issued 2,000,208 shares to directors and 568,528 to consultants. On 9 March 2015 the company issued 753,296 shares to consultants.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21. 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 1July 2014 No	Granted in year No	Exercised in year No	Lapsed/ Cancelled No	As at 30 June 2015 No
21 May 2010	10p	1,600,000	-	-	-	1,600,000
16 August 2012	1p	6,758,698	-	(523,561)	-	6,235,137
14 November 2012	1p	6,663,505	-	-	-	6,663,505
16 April 2013	1p	1,066,667	-	(33,333)	-	1,066,667
7 November 2013	1p	2,230,000	-	-	-	2,230,000
1 May 2014	1p	600,000	-	-	-	600,000

The exercise period of the above options is as follows:

Date granted	Expiry date	Exercise period
21 May 2010	21 May 2020	to 21 May 2020
16 August 2012	16 August 2022	The options are exercisable 1/3 on the first anniversary of grant, 1/3 on the second anniversary of grant and the final 1/3 on the first anniversary of grant
14 November 2012	14 November 2022	
16 April 2013	16 April 2013	
7 November 2013	7 November 2023	
1 May 2014	1 May 2024	

The group recognised a total share based payment expense of £221,000 (2014 - £189,000) in the period.

Share warrants

As at 1 July 2014 and at 30 June 2015 the warrants in issue were; 8,399,966 issued at a price of 0.25p each with an expiry date of 24 September 2016.

The share warrants were issued as part of the Placing pursuant to the terms of a warrant instrument executed by the Company and dated 24 September 2010. Under the warrant Instrument, 8,399,966 warrants were created, with each Warrant granting the holder the right to subscribe for one Ordinary Share at a price of 10p per share (subject to adjustment in limited circumstances such as a subdivision or consolidation of the Company's share capital) payable in cash on exercise.

The warrants are exercisable within six years of being issued subject to the average closing market price of the Company's shares having been at least 15p per Ordinary Share over a period of at least 30 consecutive days (unless the Board waives this condition). 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.

Warrants represent subscription rights for ordinary shares in Ironveld Plc.

Warrants may be exercised in whole or in part (and from time to time) prior to the final exercise date. The warrants are non-transferable.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21. Share capital (continued)

In addition to the above warrants, Sylvania Metals Pty Limited entered into a loan facility of 15,000,000 South African Rand, in consideration for which the Company has undertaken to grant Sylvania warrants with effect from 16 August 2012 as a guarantee. Sylvania are entitled, pursuant to these warrants, to subscribe for such number of 1 pence Ordinary Shares as results from dividing £1,500,000 by the volume weighted average price of the Company's shares on AIM for the 90 business days ending on the business day immediately prior to the date of exercise, with such warrants being exercisable during the period commencing on 1 July 2016 and ending on the earlier of repayment in full of the loan facility monies or the fifth anniversary of Admission.

Such Warrants are only exercisable to the extent that any amount is then outstanding under the loan facility. The Company shall procure that any shares issued pursuant to the exercise of the warrants are admitted to trading on AIM. The proceeds derived from the exercise of the warrants will be used only to repay the associated loan.

22. Reserves

Group	**Warrant reserve £000**	**Share premium account £000**	**Retained earnings £000**
At 1 July 2014	21	14,097	(8,635)
Loss for the period	-	-	(828)
Exchange difference on translation of foreign operation	-	-	(555)
Adjustment arising from change in non-controlling interest	-	-	47
Issue of share capital	-	1,959	-
Credit for equity settled share based payments	-	-	221
At 30 June 2015	21	16,056	(9,750)

Company	**Warrant reserve £000**	**Share premium account £000**	**Retained earnings £000**
At 1 July 2014	21	14,097	(3,246)
Loss for the period	-	-	(452)
Issue of share capital	-	1,959	-
Credit for equity settled share based payments	-	-	221
At 30 June 2015	21	16,056	(3,477)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

22. Reserves (continued)

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.

The warrant reserve represents the estimated fair value of share warrants issued at issue.

23. Cash generated from operations

Group	**2015** **£000**	**2014** **£000**
Operating loss - continuing	(520)	(660)
Operating profit - discontinued	-	18
Depreciation on property, plant and equipment	8	47
Share based payment expense	221	189
Profit on disposal of subsidiary	-	(2)
Loss on disposal of property, plant and equipment	-	16
Operating cash flows before movements in working capital	(291)	(392)
Movement in receivables	(16)	17
Movement in payables	24	(164)
Cash used in operations	(283)	(539)
Interest paid	(3)	(100)
Net cash used in operations	(286)	(639)

Cash and cash equivalents	**2015** **£000**	**2014** **£000**
Cash and bank balances	1,407	738
	1,407	738

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

23. Cash generated from operations (continued)

Company	**2015**	**2014**
	£000	**£000**
Operating loss	(452)	(494)
Share based payment expense	127	129
Profit on disposal of subsidiary	-	(1)
Operating cash flows before movements in working capital	(325)	(366)
Movement in receivables	(25)	(35)
Movement in payables	113	55
Net cash used in operations	(237)	(346)

Cash and cash equivalents	**2015**	**2014**
	£000	**£000**
Cash and bank balances	1,381	718

24. Financial Commitments

(a) At the balance sheet date, the Group had outstanding operating lease arrangements for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Land and buildings		**Other**	
	2015	**2014**	**2015**	**2014**
	£000	**£000**	**£000**	**£000**
Within one year	-	15	-	-

(b) The Group had no capital commitments contracted for but not provided for in the financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25. Related party transactions

Group and Company

During the year the Company paid £36,000 (2014 - £36,000) to Westleigh Investments Holdings Limited for accounting services, a company in which G Clarke and N Harrison are materially interested

All transactions are considered to be on terms equivalent to those that prevail in arm's length transactions.

26. Non-controlling interest

	2015	2014
	£000	£000
At 1 July	(3,410)	(4,258)
Exchange adjustments	158	739
Adjustment arising from change in non-controlling interest	151	-
Share of loss for the period	53	109
At 30 June	(3,048)	(3,410)

On 13 August 2014 the Group paid £105,000 to acquire additional shares in HW Iron (Proprietary) Limited, thereby increasing its interest from 71% to 73%. On 30 November 2014 the Group transferred part of its holding in Ironveld Smelting (Proprietary) Limited to certain project partners, resulting in a decrease in its interest from 100% to 74%, for £nil consideration.

The difference between the consideration paid/received and the change in non-controlling interest has been adjusted against retained earnings attributable to the owners of the Group in accordance with IFRS 10.

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	Loss allocated to non-controlling interest		Accumulated non-controlling interest	
	2015 (2014)	2015	2014	2015	2014
	£000	£000	£000	£000	£000
Ironveld Smelting (proprietary) Limited	26% (0%)	(19)	-	(105)	-
HW Iron (Proprietary) Limited	27% (29%)	(15)	(56)	851	975
Lapon Mining (Proprietary) Limited	26% (26%)	(9)	(53)	2,311	2,435
Luge Prospecting and Mining (Proprietary) Limited	26% (26%)	(10)	-	(9)	-
		(53)	(109)	3,048	3,410

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26. Non-controlling interest (continued)

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 (Zar) using the Zar : GBP exchange rate prevailing at 30 June 2015 of 19.089 (2014 - 18.1907).

HW Iron (Proprietary) Limited

	2015	2014
	£000	£000
Current assets	1	151
Non-current assets	6,006	6,105
Current liabilities	(1,172)	(1,182)
Non-current liabilities	(1,682)	(1,709)
Equity attributable to owners of the Company	2,301	2,390
Non-controlling interest	851	975
Revenue	-	-
Expenses	53	181
Loss for the year	(53)	(181)
Attributable to the owners of the Company	(38)	(125)
Attributable to the non-controlling interests	(15)	(56)
Dividends paid to non-controlling interests	-	-
Net cash inflow from operating activities	143	-
Net cash outflow from investing activities	(188)	(1,182)
Net cash inflow from financing activities	46	1,182
Net cash inflow	1	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

26. Non-controlling interest (continued)

Lapon Mining (Proprietary) Limited

	2015 £000	2014 £000
Current assets	1	2
Non-current assets	13,843	14,400
Current liabilities	(1,077)	(1,005)
Non-current liabilities	(3,876)	(4,032)
Equity attributable to owners of the Company	6,579	6,930
Non-controlling interest	2,311	2,435
Revenue	-	-
Expenses	36	217
Loss for the year	(36)	(217)
Attributable to the owners of the Company	(27)	(164)
Attributable to the non-controlling interests	(9)	(53)
Dividends paid to non-controlling interests	-	-
Net cash inflow from operating activities	-	-
Net cash outflow from investing activities	(120)	(1,003)
Net cash inflow from financing activities	120	1,004
Net cash inflow	-	1

27. Control

The Directors consider that there is no overall controlling party.