Bluebird Merchant Ventures Limited

Six months to
31 December 2016

CHIEF EXECUTIVES STATEMENT

2016 Highlights

- Bluebird listed on the London Stock Exchange on 13 April 2016
- On 30 November 2016 the Company acquired the 75% of the Batangas Gold Project (**Batangas** or the **Project** or the **BGP**), which it did not already own. Given that the Company now owns 100% of MRL Gold Inc (**MRL**), which owns 100% of the Batangas Gold Project, the investment in the Project is now fully consolidated (at 30 June 2016 it was accounted for as an investment).

Batangas Gold Project

The Batangas Gold Project is located 120 km south of Manila on the Island of Luzon in the Republic of the Philippines. It includes two Mineral Production Sharing Agreements (**MPSA's**), Lobo MPSA 176-2002-IV and Archangel MPSA 177-2002-IV, that contain all of the identified resources. Indicated and Inferred Resources total 445,000 Au oz. In addition the project includes 9 granted Exploration Permits (**EP's**) and 3 EP applications.

The two MPSA's and the majority of the EP's are owned by the Philippines company, Egerton Gold Philippines Inc (**EGPI**). Another Philippines company, MRL Gold Inc. holds a direct and indirect contractual right interest in EGPI and is 100% owned by the Company.

Up to 30 November 2016 the Group's investment in the Batangas Gold Project was held via a 25% shareholding in Red Mountain Mining Singapore Pte and accordingly was treated as an Investment. Since 30 November 2016, given the Group's interest has moved to 100%, the investment has been fully consolidated and reclassified as an exploration asset (refer notes to the accounts 6,11 and 12).

A Pre-Feasibility Study (**PFS**) was completed during the 2016 calendar year. It is intended that this will be upgraded into a Definitive Feasibility Study (**DFS**), dependent upon ongoing permitting issues.

Ore Trading

The Company has a direct 40% interest in White Tiger Minerals Corporation Inc (**WTMR**). WTMR has not been processing ore at present until a clearer picture emerges from the DENR regarding mining policy in general.

Outlook

During the recent election in the Republic of the Philippines the newly elected President Duterte said that he admired the Australian and Canadian approach to mining. This has been mirrored by the newly appointed head of the DENR, Ms Regina "Gina" Lopez. She has quite rightly said that mining companies must adhere to the mining and environmental laws of the Philippines and has ordered a review of all mining companies active in the country. Whilst this has caused some uncertainty in the industry, the Group continues to take these issues seriously in its future plans. The Group believes it has a strong policy on environmental issues and is not breaking any environmental laws.

The Batangas Gold Project is not yet in production so any change in regulations can be incorporated in the Group's future operating plans. President Duterte has also appointed a new head of the Mines and Geosciences Bureau, Mario Luis J. Jacinto, who will oversee the implementation of mining projects in the country. He is regarded as being generally supportive of the industry. Whilst the review is underway that Group feels it prudent to look at other projects to diversify risk.

The Group has actively been investigating acquisitions, which are advanced brownfield gold projects outside the Philippines, but within Asia, in both emerging markets and also in developed countries. The Group expects to update the market in due course.

Board of Directors

Lastly, Mr Daniel Fox-Davies resigned as a director of the Company on 31 December 2016. The board of directors has greatly appreciated his efforts as a board member and we wish him well in his other ventures.

Charles Barclay
Chief Executive Officer

REPORT OF THE DIRECTORS

The Directors are pleased to present their report for the six months ended 31 December 2016.

The Company

Bluebird Merchant Ventures Limited, the parent company, is registered and domiciled in the British Virgin Islands.

Principal activity and business review

The Group's principal activity during the six months ended 31 December 2016 continued to be investing in exploration and mining ventures and investing in commodity trading, principally copper, gold and silver.

Share Capital

The issued share capital of the Company is comprised of ordinary shares of nil par value. Each share carries the right to one vote per share. The liability of the members of the Company is limited to the amount unpaid, if any, on the shares held by them. All issued shares of the Company are fully paid.

At 31 December 2016 the issued share capital of the Company stood at 196,003,411. 397,822 new shares were issued during the six months ended 31 December 2016. Details relating to Share Capital are set out in note 17 to the Group accounts.

Company Listings

The Company's ordinary shares have been traded on the Official List of the Main Market of the London Stock Exchange since 13 April 2016.

Results and dividends

The Group reported a loss for the six month period ended 31 December 2016 of US$ 679,276 (six months ended 31 December 2015 loss US$488,228).

The Directors do not recommend the payment of a dividend in respect of the period ended 31 December 2016.

Events after the reporting period

There were no material events that took place after the reporting date.

Principal risks and uncertainties

Financial risk and capital management disclosures are provided within the notes to the financial statements.

Creditor payments

It is the group's policy to agree the terms of payment with suppliers when entering into contracts and to meet its contractual obligations accordingly. The Group does not follow any specific published code or standard on payment practice.

Going Concern

In the future there can be no guarantee that sufficient funds can be raised or that the funds raised will meet the group's requirements. The Directors will continue to mitigate the group's Going Concern risk by minimising corporate overheads where possible. These conditions indicate a continued material uncertainty that may cast significant doubt over the group's ability to continue as a Going Concern. However the Directors believe that the group will be successful in mitigating such risks and accordingly have prepared the financial statements on a going concern basis.

Aidan Bishop
Director

CONSOLIDATED INCOME STATEMENT
For the half year ended 31 December 2016

	Note	6 mths ended 31 Dec 2016 Unaudited USD	6 mths ended 31 Dec 2015 Unaudited USD
Revenue		51,603	-
Cost of sales		50,911	-
Gross loss		692	-
Administrative expenses		373,327	477,722
Share based payments	16	14,615	-
Share of loss of associates	10	-	10,506
Net impairment of assets	6	271,985	-
Operating loss		(659,235)	(488,228)
Exchange loss		20,041	-
Loss before taxation		(679,276)	(448,228)
Income tax expense	9	-	-
Loss for the year from continuing operations		(679,276)	(488,228)
Loss for the year		(679,276)	(488,228)
Attributable to:			
Equity shareholders of the parent company		(679,276)	(488,228)
Earnings per share:			
Basic loss per share		0.0034	0.104
Diluted loss per share		0.0034	0.104
EBITDA[1]	5	(659,236)	(488,228)

[1] EBITDA represents earnings before exceptional items, finance items, depreciation and amortisation. EBITDA is not defined by IFRS but is commonly used as an indication of underlying cash generation.

The accompanying accounting policies and notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 6 months ended 31 December 2016

	Note	6 mths ended 31 Dec 2016 Unaudited USD	6 mths ended 31 Dec 2015 Unaudited USD
Loss for the period		(679,276)	(488,228)
Total comprehensive loss for the period		(679,276)	(488,228)
Attributable to:			
Equity holders of the parent		(679,276)	(488,228)
Non-controlling interest		-	-
Total comprehensive loss for the period		(679,276)	(488,228)

The accompanying accounting policies and notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
For the period ended 31 December 2016

	Note	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
Non current assets			
Property, plant and equipment		107	-
Investments	10	-	1,700,000
Exploration assets	11	5,000,000	-
		5,000,107	1,700,000
Current assets			
Trade and other receivables	12	190,204	132,290
Cash and cash equivalents	13	25,659	49
		215,863	132,339
Current liabilities			
Trade and other payables	14	449,282	362,113
Other financial liabilities	15	-	1,667,817
		449,282	2,029,930
Non current liabilities			
Financial liabilities	15	590,034	-
Net assets		4,176,654	(197,591)
Equity			
Issued share capital	17	3,075,665	397,991
Reserves	18	2,808,546	-
Retained earnings		(1,694,395)	(582,420)
Total equity attributable to the parent		4,189,816	(184,429)
Non-controlling interest		(13,162)	(13,162)
Total equity		4,176,654	(197,591)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the 6 months ended 31 December 2016

	Attributable to the owners of the Parent					
	Share Capital	Reserves	Retained Earnings	Total	Non-Controlling Interest	Total Equity
	USD	USD	USD	USD	USD	USD
At 30 June 2015	**290,270**	**-**	**(94,192)**	**196,078**	**(13,162)**	**182,916**
Loss for the year	**-**	**-**	**(488,228)**	**(488,228)**	**-**	**(488,228)**
Total comprehensive loss	**-**	**-**	**(488,228)**	**(488,228)**	**-**	**(488,228)**
Issue of shares	**107,721**	**-**	**-**	**107,721**	**-**	**107,721**
Total transactions with owners	**107,721**	**-**	**(488,228)**	**(380,507)**	**-**	**(380,507)**
At 31 December 2015	**397,991**	**-**	**(582,420)**	**(184,429)**	**(13,162)**	**(197,591)**
At 30 June 2016	**2,948,717**	**45,439**	**(1,015,119)**	**1,979,037**	**(13,162)**	**1,965,875**
Loss for the period	**-**	**-**	**(679,276)**	**(679,276)**	**-**	**(679,276)**
Total comprehensive loss	**-**	**-**	**(679,276)**	**(679,276)**	**-**	**(679,276)**
Issue of shares	**126,948**	**-**	**-**	**126,948**	**-**	**126,948**
Reserves	**-**	**2,763,107**	**-**	**-**	**-**	**2,763,107**
Total transactions with owners	**126,948**	**2,763,107**	**(679,276)**	**(552,328)**	**-**	**2,210,779**
At 31 December 2016	**3,075,665**	**2,808,546**	**(1,694,395)**	**4,189,816**	**(13,162)**	**4,176,654**

The accompanying accounting policies and notes form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT
For the period ended 31 December 2016

	Note	6 mths ended 31 Dec 2016 Unaudited USD	6 mths ended 31 Dec 2015 Unaudited USD
Cash flows from operating activities			
Cash receipts from customers		-	-
Cash paid to suppliers & employees		(414,942)	(477,673)
Cash generated from operations		(414,942)	(477,673)
Net cash from operating activities		**(414,942)**	**(477,673)**
Cash flows from investing activities			
Loans to associates and related parties		-	(108,145)
Investment in RMMS		-	(703,472)
Investment in associates		-	-
Net cash used in investing activities		**-**	**(811,617)**
Cash flows from financing activities			
Net proceeds from equity issued		66,647	107,721
Proceeds from short term debt		115,035	222,581
Proceeds from issuance of long term debt		-	951,289
Net cash used in financing activities		**181,682**	**1,281,591**
Net increase in cash		**(233,260)**	**(7,699)**
Cash and cash equivalents at start of period		258,919	7,748
Cash and cash equivalents at end of the period		25,659	49

NOTES TO THE FINANCIAL STATEMENTS
For the six months ended 31 December 2016

1. BASIS OF PREPARATION AND ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The Group financial statements consolidate those of the Company and of its subsidiaries listed in note 25; the Group financial statements have been prepared in accordance with IFRS and International Financial Reporting Interpretations Committee ('**IFRIC**') interpretations as adopted by the European Union at 31 December 2016.

Going Concern

Loans

The Group has loans or liabilities which total USD$ 1,039,316 as at 31 December 2016.

Ability to secure financing for Batangas Gold Project

The rationale behind listing the Company was largely to raise capital for the Batangas Gold Project.

The PFS for the Batangas Gold Project has been completed and the Batangas Gold Project requires ongoing funding for the DFS costs and for working capital.

Financing discussions in the 2016 calendar year have been very challenging in the mining sector. The Company does not see any significant change in this environment in the 2017 financial year and there is no guarantee that the Batangas Gold Project can be funded. The directors have track records of raising capital in the past, but there is no certainty that funds can be raised in the future.

Loss of Batangas Gold Exploration Project Permits

The Batangas Gold Project is located in the Philippines and EGPI will need regulatory approval from the Philippine government for the Group's planned development, mining and processing activities.

Obtaining governmental permits necessary to conduct all mining operations in the Philippines is a complex, lengthy and time-consuming process and may require substantial expenditure. The duration and success of permit applications are contingent on many factors, some of which are beyond the Group's control, particularly where local authorities' consents are required to be obtained prior to the issue of the relevant permit by the MGB. Delay in obtaining the required permits and authorisations will impact the Group's operations and may have a negative affect on working capital.

EGPI needs additional governmental permits & approvals to continue the development of the Batangas Gold Project

In order to commence construction of the mine at the Batangas Gold Project, EGPI requires an ECC to be issued as a precedent to the assessment and approval of the DMF. An ECC is issued based upon approval of the EIA. Technical evaluation of the EIA is well advanced. However, no guarantees can be given that the final review of the EIA will result in a positive recommendation to issue the ECC or, if a positive recommendation is given, that it will result in the issuance of the ECC in a timely fashion, particularly given the recent appointment of a new Secretary of the DENR.

Conclusion

The above areas of risk represent material uncertainties that may cast significant doubt over the ability of the Group to continue as a Going Concern and that it may be unable to realise all of its assets and discharge all of its liabilities in the normal course of business. Nevertheless, the Directors have a reasonable expectation that these risks can be managed, or will not come to pass, and accordingly the Financial Statements have been prepared on a Going Concern basis and do not include the adjustments that would result if the Group were unable to continue as a Going Concern.

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND SOURCES OF ESTIMATION UNCERTAINTY

Certain amounts included in the financial statements involve the use of judgement and/or estimation. These are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience. However, judgements and estimations regarding the future are a key source of uncertainty and actual results may differ from the amounts included in the financial statements.

3. ACCOUNTING POLICIES

Consolidation

The Group financial statements consolidate the results of the Company and its subsidiary undertakings using the acquisition accounting method. On acquisition of a subsidiary, all of the subsidiary's identifiable assets and liabilities which exist at the date of acquisition are recorded at their fair values reflecting their condition on that date. The results of subsidiary undertakings acquired are included from the date of acquisition. In the event of the sale of a subsidiary, the subsidiary results are consolidated up to the date of completion of the sale.

For acquisitions the costs of acquisition are recognised in the income statement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date irrespective of the extent of any Non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement as a gain.

Exchange differences arising from the translation of the net investment in foreign entities are taken to equity. All other transactions, balances and unrealised gains and losses on transactions between Group companies are eliminated, unless the unrealised loss provides evidence of an impairment of the asset transferred.

Segmental reporting

An operating segment is a component of the Group engaged in exploration or production activity that is regularly reviewed by the Board of Directors. The Group's operating segments are determined as the BVI, BGP and Commodity Trading.

The Group does not report geographic segments by location of customer as its business is the production of copper, gold and silver which is traded as a commodity on a worldwide basis. Sales are made into the bullion market, where the location of the ultimate customer is unknown.

Foreign currency translation

1. Functional and presentational currency

The functional currency of the entities within the Group is the US dollar, as the currency which most affects each company's revenue, costs and financing. The Group's presentation currency is also the US dollar.

2. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation at reporting period end exchange rates of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement.

Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and short term highly liquid investments and are measured at cost which is deemed to be fair value as they have short-term maturities.

Investment in Associates

Associate companies are companies in which the group has significant influence generally though holding, directly or indirectly, 20% or more of the voting power of the Group. Investments in associates are accounted for in the financial statements by applying the equity method of accounting whereby the investment is initially recorded at cost and adjusted thereafter for the post-acquisition change in the Group's share of net assets of the associate company. In addition, the Group's share of the profit or loss of the associate company is included in the Group's profit or loss.

Financial liabilities

Financial liabilities include loans and trade and other payables. In the statement of financial position these items are included within Non-current liabilities and Current liabilities. Financial liabilities are recognised when the Group becomes a party to the contractual agreements giving rise to the liability. Interest related charges are recognised as an expense in Finance costs in the income statement unless they meet the criteria of being attributable to the funding of construction of a qualifying asset, in which case the finance costs are capitalised.

Trade and other payables and loans are recognised initially at their fair value and subsequently measured at amortised costs using the effective interest rate, less settlement payments.

3. ACCOUNTING POLICIES (Continued)

Income taxes

Current income tax liabilities comprise those obligations to fiscal authorities in the countries in which the Group carries out operations and where it generates its profits. They are calculated according to the tax rates and tax laws applicable to the financial period and the country to which they relate. All changes to current tax assets and liabilities are recognised as a component of the tax charge in the income statement.

Deferred tax liabilities are provided for in full; deferred tax assets are recognised when there is sufficient probability of utilisation. Deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Provisions, contingent liabilities and contingent assets

Other provisions are recognised when the present obligations arising from legal or constructive commitment, resulting from past events, will probably lead to an outflow of economic resources from the Group which can be estimated reliably. Provisions are measured at the present value of the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the balance sheet date. All provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Share based payments

The Group may operate equity settled share based compensation plans, which may be settled in cash under certain circumstances.

All share based compensation is ultimately recognised as an expense in profit and loss with a corresponding credit to retained earnings, net of deferred tax where applicable. Where share based compensation is to be cash settled, such as certain share based bonus awards, the corresponding credit is made to accruals or cash. The Group may have certain share option schemes that may be settled in cash at the absolute discretion of the Board.

If any equity settled share based awards are ultimately settled in cash, then the amount of payment equal to the fair value of the equity instruments that would otherwise have been issued is accounted for as a repurchase of an equity interest and is deducted from equity. Any excess over this amount is recognised as an expense.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. No adjustment to the expense recognised in prior periods is made if fewer share options are ultimately exercised than originally granted.

4. SEGMENTAL REPORTING

For the 6 months ended 31 Dec 2016	**BVI**	**BGP**	**Commodity Trading**
INCOME STATEMENT	**USD**	**USD**	**USD**
Revenue	-	692	50,911
Provision for impairment	-	66,030	(50,911)
Loan written off	-	-	(205,955)
Administrative costs	357,983	50,000	-
Loss from continuing operations	(357,983)	(115,338)	(205,955)
Loss for the period	(357,983)	(115,338)	(205,955)
Total comprehensive loss for the period	(357,983)	(115,338)	(205,955)

4. SEGMENTAL REPORTING (Continued)

For the 6 months ended 31 December 2015	BVI	BGP	Commodity Trading
INCOME STATEMENT	**USD**	**USD**	**USD**
Revenue	-	-	-
Administrative costs	477,673	-	-
Share of loss from associate	-	-	10,555
Finance income	-	-	-
Loss from continuing operations	(477,673)	-	(10,555)
Loss for the period	(477,673)	-	(10,555)
Total comprehensive loss for the period	(477,673)	-	(10,555)

At 31 December 2016	BVI	BGP	Commodity Trading
STATEMENT OF FINANCIAL POSITION	**USD**	**USD**	**USD**
Property, Plant & Equipment	-	107	-
Exploration assets	-	5,000,000	-
Trade and other receivables	-	173,523	16,681
Cash and cash equivalents	23,095	2,564	-
Total assets	23,095	5,176,194	16,681
Current liabilities	123,635	325,647	-
Non current liabilities	292,932	297,102	-
Net assets	(393,472)	4,553,445	16,681

At 31 December 2015	BVI	BGP	Commodity Trading
STATEMENT OF FINANCIAL POSITION	**USD**	**USD**	**USD**
Investment in RMMS	-	1,700,000	-
Investment in WTMR	-	-	132,290
Trade and other receivables	-	-	-
Cash and cash equivalents	49	-	-
Total assets	49	1,700,000	132,290
Current liabilities	362,113	1,200,000	-
Non current liabilities	467,817	-	-
Net assets	(829,881)	500,000	132,290

5. EBITDA

Earnings before interest, tax, depreciation and amortisation (**EBITDA**) represents profit before depreciation/amortisation, interest and taxes, as well as excluding any exceptional items and profit or loss from discontinued operations and changes in fair value of forward contracts.

5. EBITDA (Continued)

Reconciliation of loss before taxation to EBITDA

	6 mths ended 31 Dec 2016 Unaudited USD	6 mths ended 31 Dec 2015 Unaudited USD
Loss before taxation	(679,277)	(488,228)
Exchange loss	(20,041)	-
EBITDA	(659,236)	(488,228)

6. IMPAIRMENT OF ASSETS

Net Impairment of the MRL Investment

In accordance with IAS 36 Impairment of Assets, at each reporting date the Company assesses whether there are any indicators of impairment of non-current assets. When circumstances or events indicate that non-current assets may be impaired, these assets are reviewed in detail to determine whether their carrying value is higher than their recoverable value, and where this is the result, an impairment is recognised. Recoverable value is the higher of value in use (**VIU**) and fair value less costs to sell. VIU is estimated by calculating the present value of the future cash flows expected to be derived from the asset cash generating unit (**CGU**). Fair value less costs to sell is based on the most reliable information available, including market statistics and recent transactions. The MRL investment has been identified as a CGU.

When calculating the VIU certain assumptions and estimates were made. Changes in these assumptions can have a significant effect on the recoverable amount and therefore the value of the impairment recognised. Should there be a change in the assumptions which indicated the impairment assessment; this could lead to a revision of the recorded impairment losses in future periods.

The Company acquired 100% of MRL on 30 November 2016. Accordingly the assets and liabilities of MRL were fully consolidated as at 31 December 2016. The valuation of exploration assets in MRL's balance sheet is $19,898,349 as at 31 December 2016. However this has been written down to $5,000,000 as at 31 December 2016 in the consolidated financial report. No charge is reflected in the consolidated statement of comprehensive income as a gain of $17,661,456 was incurred on the assignment of debts, in connection with the acquisition, from various parties, including RMX and RMMS, to the Company for a gross consideration of $1.00. An amount of $2,763,107 has been transferred to reserves.

Impairment of the loan to CRRR Mineral Trading Inc (CRRR)

At 31 December 2016 WTMR had made a secured loan to CRRR of USD$ 205,955. This has been fully provided for in the accounts of WTMR as at 31 December 2016.

Impairment of the loan to Bluebird Merchant Ventures Limited

At 31 December 2016, Bluebird Merchant Ventures Inc made an unsecured loan to Bluebird Merchant Ventures Limited of USD$ 229,724. This was fully provided for in the 2016 financial year.

7. LOSS FOR THE PERIOD BEFORE TAX

	6 mths ended 31 Dec 2016 Unaudited USD	6 mths ended 31 Dec 2015 Unaudited USD
Loss for the year has been arrived at after charging		
Audit services	10,000	36,878

8. REMUNERATION OF KEY MANAGEMENT PERSONNEL

In accordance with IAS 24 – Related party transactions, key management personnel, including all Executive and Non-executive Directors, are those persons having authority and responsibility for planning, directing and controlling the

8. REMUNERATION OF KEY MANAGEMENT PERSONNEL (Continued)

activities of the Group. The Company uses the same definition as for Persons Discharging Managerial Responsibility (**PDMRs**), an up-to-date list of whom can be found on the Company's website.

	6 mths ended 31 Dec 2016 Unaudited USD	6 mths ended 31 Dec 2015 Unaudited USD
Wages and salaries and fees	264,787	10,050
Share based payments	-	-
Total remuneration of key management personnel	264,787	10,050

9. TAXATION

The Group contains entities with tax losses and deductible temporary differences for which no deferred tax asset is recognised. A deferred tax asset has not been recognised because the entities in which the losses and allowances have been generated either do not have forecast taxable in the foreseeable future, or the losses have restrictions whereby their utilisation is considered to be unlikely.

10. INVESTMENTS

	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
Investments		
Investments in associates – RMMS	-	1,700,000
Investments in associates - WTMR	-	-
Total Investments	-	1,700,000

	6 mths ended 31 Dec 2016 Unaudited USD	6 mths ended 31 Dec 2015 Unaudited USD
Investments - RMMS		
Cost at 1 July 2016	1,859,990	996,528
Additions	-	703,472
Less: share of profit/loss	691	-
Less: investment sold	(1,860,681)	-
As 31 December 2016	-	1,700,000
Investments in associates - WTMR		
Cost at 1 July 2016	-	6,344
Additions	-	-
Less: share of profit/loss	50,911	(6,344)
Less: impairment	(50,911)	-
As 31 December 2016	-	-

10. INVESTMENTS (Continued)

Red Mountain Mining Singapore Pte Limited

The Company had a 25% interest in Red Mountain Mining Singapore Limited (RMMS) as at 30 June 2016. The Company sold its interest in RMMS on 30 November 2016.

Investments in associates - White Tiger Mineral Resources Corporation

A summary of the balance sheet of White Tiger Mineral Resources Corporation is shown below:

	31 Dec 2016 USD	31 Dec 2015 USD
Cash	13,275	6,457
Receivables	2,382	98,653
Total current assets	15,657	105,110
Fixed costs	-	1,602
Total non current assets	-	1,602
Total assets	15,657	106,712
Trade and other payables	214	117,116
Total current liabilities	214	117,116
Total non current liabilities	-	-
Total liabilities	214	117,116
Net assets	15,443	(10,404)
Issued capital	27,802	27,802
Retained earnings	(12,359)	(38,206)
Total equity	15,443	(10,404)

11. EXPLORATION ASSETS

	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
Exploration assets (MRL/EGPI)	19,898,349	-
Less: Provision for Impairment	(14,898,349)	-

Total Exploration Assets	5,000,000	-

12. TRADE AND OTHER RECEIVABLES

	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
GST/VAT	159,443	-
Other receivables	14,080	-
Loans to associates - WTMR	-	115,609
Loans to related parties	16,681	16,681
Total trade and other receivables	190,204	132,290

13. CASH AND CASH EQUIVALENTS

	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
Cash at bank and in hand	25,659	49
Cash and cash equivalents	25,569	49

14. TRADE AND OTHER PAYABLES

	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
Trade payables	345,462	326,475
Amounts due to related parties	103,820	35,638
Total trade and other payables	449,282	362,113

15. OTHER FINANCIAL LIABILITIES

	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
Current financial liabilities		
Loan notes (2 November 2015 Issue)	-	92,932
Convertible note (Vistra Trust (S) Pte Limited)	-	220,000
Loan (Red Mountain Mining Limited)	-	1,200,000
Loan notes (12 September 2015 Issue)	-	154,885
Total current financial liabilities	-	1,667,817

15. OTHER FINANCIAL LIABILITIES (Continued)

	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
Non current financial liabilities		
Loan notes (2 November 2015 Issue)	92,932	-
Advance – Aidan Bishop	100,000	-
Advance – Charles Barclay	100,000	-
Deferred tax liability (MRL)	177,632	-
Retirement liability (MRL)	119,470	-
Total non current financial liabilities	590,034	-

16. SHARE BASED PAYMENTS

Share based payments

	6 mths ended 31 Dec 2016 Unaudited		6 mths ended 31 Dec 2015 Unaudited	
	Number	Weighted Average Award value	Number	Weighted Average Award value USD
Granted during the period	191,304	5.75p	-	-

Warrants

	6 mths ended 31 Dec 2016 Unaudited		6 mths ended 31 Dec 2015 Unaudited	
	Number	Weighted Average Exercise price	Number	Weighted Average Exercise price
Outstanding at the beginning	5,912,707	5.75p	-	-
Granted during the period	-	-	-	-
Excised during the period	-	-	-	-
Cancelled during the period	-	-	-	-
Outstanding at the period end	5,912,707	5.75p	-	-
Exercisable at the period end	5,912,707	5.75p	-	-

17. SHARE CAPITAL

Share capital

	At 31 Dec 2016		At 31 Dec 2015	
	Number	USD	Number	USD
Share capital				
Opening balance	195,605,589	2,948,717	2	2
Issued during the year	397,822	126,948	4,702,970	397,989

Closing balance	196,003,411	3,075,665	4,702,972	397,991

18. RESERVES

	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
Opening balance	45,439	-
Increase in share based payment reserve	-	-
Increase in revaluation reserve	2,763,107	-
Closing balance	2,808,546	-

19. EVENTS AFTER THE REPORTING PERIOD

There are no material post balance date events.

20. RELATED PARTY TRANSACTIONS

	31 Dec 2016 Unaudited USD	31 Dec 2015 Unaudited USD
Amounts loaned to related parties		
Loans to related parties	16,681	16,681
Loans to associates – WTMR	-	115,609

$16,681 has been lent to Ms Joy Bishop (and her related parties), a related party of Mr Aidan Bishop, to acquire shares in White Tiger Mineral Resources Inc.

$205,955 (at 31 December 2015 $115,609) has been loaned to White Tiger Mineral Resources Inc. This has been fully provided for.

Amounts due to related parties

Parties associated with Andrew DL Wright	24,475	35,237
Messrs Bishop & Tarr (Loan Notes)	92,932	92,932
Loan from Vistra Trust (S) Pte Limited	-	220,000
Jonathan Morley-Kirk	5,109	-
Colin Patterson	16,666	-
Aidan Bishop	125,000	-
Charles Barclay	125,000	-
D Fox-Davies	3,679	-
Clive Sinclair-Poulton	3,890	-

21. SHARES IN GROUP UNDERTAKINGS

During the period the principal trading subsidiaries of the Company, including those indirectly held by the Company, are shown in the following table.

Name of entity	Nature of business	Country of registration	Percentage of ordinary share capital held 31 Dec 2016	31 Dec 2015
Bluebird Merchant Ventures Inc	Non-trading	Philippines	99%	99%
White Tiger Mineral Resources Inc	Commodity Trading	Philippines	40%	40%
Red Mountain Mining Singapore Ltd	Batangas Gold Project	Singapore	-	15%
MRL Gold Inc	Batangas Gold Project	Philippines	100%	-
Egerton Gold Philippines Inc	Batangas Gold Project	Philippines	40%	-