



13 August 2018

Avesoro Resources Inc.

TSX: ASO

AIM: ASO

**FINANCIAL HIGHLIGHTS FOR THE THREE AND SIX MONTHS
ENDED JUNE 30, 2018**

Avesoro Resources Inc., (“Avesoro” or the “Company”), the TSX and AIM listed West African gold producer, is pleased to announce the release of its unaudited financial results for the quarter (the “Quarter” or “Q2”) and six months (“H1”) ended June 30, 2018.

**Financial Highlights:
H1 2018**

- Gold production of 128,319 ounces, in line with full year 2018 guidance of 220,000 – 240,000 ounces and a 318% increase versus H1 2017 (“HoH”);
- Revenues of US\$165.9 million from gold sales of 125,838 ounces at an average realised gold price of US\$1,318 per ounce, versus revenues of US\$39 million and gold sales of 30,375 ounces in H1 2017;
- Operating cash costs US\$658 per ounce sold in H1 2018, an improvement of 37% HoH;
- All in sustaining cash costs (“AISC”) of US\$932 per ounce sold in H1 2018, a 40% HoH improvement;
- Company EBITDA margin of 39%, with EBITDA of US\$64.6 million versus EBITDA of US\$1.1 million in H1 2017;
- Operating cash flows of US\$47.9 million, compared to an outflow of US\$7.4 million in H1 2017; and
- Cash of US\$12.7 million and debt of US\$134.5 million at June 30, 2018.

Q2 2018

- Gold production of 60,231 ounces in the Quarter, a decrease of 12% on the previous quarter, as a result of planned lower grades at the Youga mine;
- Revenues of US\$74.5 million from gold sales of 57,285 ounces in Q2 2018 at an average realised gold price of US\$1,302 per ounce;
- Operating cash costs of US\$698 per ounce sold in Q2 2018;
- AISC of US\$985 per ounce sold in Q2 2018;
- Company EBITDA margin of 33%, with EBITDA of US\$24.4 million in the Quarter; and
- Operating cash flows of US\$8.5 million in the Quarter.

Serhan Umurhan, Chief Executive Officer of Avesoro, commented: “We delivered a strong operational and financial performance during the first half of 2018 producing over 128,000 ounces of gold across our two mines at an operating cash cost of US\$658 and all-in-sustaining cost of US\$932 per ounce sold. Both New Liberty and Youga are performing in line with expectations helping the Company to generate US\$47.9 million in cash flow so far this year. Following a particularly strong Q1 2018 performance, the Youga mine is now performing at a normalised production rate. New Liberty’s performance continues to improve with a further seven percent increase in gold production during the Quarter and unit cost reductions in all key areas of operations.

We continue to make good progress with our substantial exploration drilling programme across both Liberia and Burkina Faso, with 89,900 metres of diamond drilling having been completed across our portfolio so far this year, representing 52% of the full year budget. We expect these activities to provide further increases in shareholder value in addition to the 29% increase in mineral reserves at Youga already announced earlier in the Quarter.

We now look forward to delivering another strong performance in the second half of 2018 and we maintain our full year production guidance of 220,000 – 240,000 ounces of gold at an all-in-sustaining cost of between US\$960 and US\$1,000 per ounce sold.”

Table 1: Consolidated Financial Highlights

Metric	Q2 2018	Q1 2018	Q2 2018 vs Q1 2018	H1 2018	H1 2017	H1 2018 vs H1 2017
Gold production, oz	60,231	68,088	-12%	128,319	30,735	318%
Gold sold, oz	57,285	68,553	-16%	125,838	31,390	301%
Operating cash costs, US\$/oz sold	698	624	12%	658	1,043	-37%
All in Sustaining Costs, US\$/oz sold	985	889	11%	932	1,543	-40%
Average Realised Gold Price, US\$/oz	1,302	1,333	-2%	1,315	1,243	6%
Revenues, US\$m	74.5	91.4	-18%	165.9	39.0	325%
EBITDA**, US\$m	24.4	40.2	-39%	64.6	1.1	5,773%
EBITDA margin, %	33	44	-26%	39	3	1,281%
Cash flow from operations, US\$m	8.5	39.4	-78%	47.9	-7.4	747%
Capital spend, US\$m	13.2	13.6	-3%	26.8	12.0	123%
Cash, US\$m	12.7	23.0	-45%	12.7	2.8	354%
Debt, US\$m	134.5	137.3	-2%	134.5	119.6	12%

Operating cash costs, AISC and EBITDA, are non-GAAP measures and are defined in the notes section of this announcement.

Table 2: Key Operational Financial Highlights

Metric	Q2 2018	Q1 2018	Q2 2018 vs Q1 2018	H1 2018	H1 2017	H1 2018 vs H1 2017
New Liberty						
Gold production, oz	29,808	27,870	7%	57,678	30,735	88%
Mining cost, US\$/t	2.42	2.51	-4%	2.47	2.38	4%
Processing cost, US\$/t	24.53	24.52	0%	24.53	27.34	-10%
Operating cash costs, US\$/oz sold	781	846	-8%	813	1,043	-22%
All in Sustaining Costs, US\$/oz sold	1,038	1,095	-5%	1,066	1,543	-31%
Youga						
Gold production, oz	30,423	40,218	-24%	70,641	48,922	44%
Mining cost, US\$/t	1.90	2.40	-21%	2.11	1.57	34%
Processing cost, US\$/t	18.64	19.63	-5%	19.14	18.76	2%
Operating cash costs, US\$/oz sold	616	470	31%	530	537	-1%
All in Sustaining Costs, US\$/oz sold	852	707	21%	767	821	-7%

Outlook

During the second half of 2018, the Company expects to see further improvements in unit cost performance as mining volumes increase following the commissioning of additional heavy mining equipment at both New Liberty and Youga and also the increased plant throughputs that have been enabled through process plant optimisation activities undertaken during H1 2018.

The Company maintains its full year production guidance of 220,000 – 240,000 ounces of gold at an operating cash cost of US\$620 to US\$660 per ounce sold and all-in-sustaining cost of between US\$960 and US\$1,000 per ounce sold.

Following the Mineral Resource and Reserve upgrade for Youga published during Q2 2018, the Company's extensive drilling campaigns continue to progress at pace in both Liberia and Burkina Faso with 89,900 metres of diamond drilling completed during H1 2018. The Company now looks forward to further updating the market on the results of its Mineral Resource upgrade work at New Liberty during Q3 2018 and its infill drilling campaign at the Ndablama deposit during Q4 2018.

Analyst and Investor Call

The company will be hosting a conference call and webcast for investors and analysts on August 13, 2018 at 08:00 EST / 13:00 BST

The access details for the conference call are as follows:

Location	Phone Type	Phone Number
United Kingdom	Freephone	0800 358 9473
United Kingdom, Local	Local	+44 333 300 0804
United States	Freephone	+1 855 857 0686
United States, Local	Local	+1 631 913 1422
Canada	Freephone	+1 416 216 4189
Canada, Local	Local	+1 844 747 9618

Password: 33464313#

Webcast URL:

<http://arkadinemea-events.adobeconnect.com/e2w8a53msk4o/event/registration.html>

Financial Statements and MD&A

The Financial Statements are appended to this announcement. Both the Financial Statements and the accompanying Management Discussion and Analysis are available for review at the Company's website, www.avesoro.com and on www.sedar.com.

In preparing the Company's interim financial statements for the period ended June 30, 2018, Management noted an error in the calculation of the fair valuation of related party loans with Mapa Insaat ve Ticaret A.S. that requires the restatement of the audited consolidated statement of financial position as at December 31, 2017 and unaudited interim consolidated statement of financial position as at March 31, 2018. The impact of the restatement of the audited consolidated statement of financial position as at December 31, 2017 is to increase the current portion of borrowings by US\$2.0 million, increase the non-current portion of borrowings by US\$3.2 million and reduce the capital contribution in equity by US\$5.2 million. The impact of the restatement of the unaudited interim consolidated statement of financial position as at March 31, 2018 is to increase the current portion of borrowings by US\$2.8 million, increase the non-current portion of borrowings by US\$4.9 million and reduce the capital contribution in equity by US\$7.7 million. The adjustments have no impact on profit nor cash flows for the year ended December 31, 2017 nor for the three months ended March 31, 2018. The repayment terms, rates and amounts payable pursuant to the loan agreements are unchanged.

The Company will re-file on SEDAR the restated audited consolidated financial statements as of and for the year ended December 31, 2017 and the restated unaudited interim consolidated financial statements as of and for the three months ended March 31, 2018.

Notes

Non-GAAP Financial Measures: The Company has included certain non-GAAP financial measures in this press release, including operating cash costs and all-in sustaining costs ("AISC") per ounce of gold sold and EBITDA. These non-GAAP financial measures do not have any standardised meaning. Accordingly, these financial measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with International Financial Reporting Standards ("IFRS").

Operating cash costs and AISC are a common financial performance measure in the mining industry but have no standard definition under IFRS. Operating cash costs are reflective of the cost of production. AISC include operating cash costs, net-smelter royalty, corporate costs, sustaining capital expenditure, sustaining exploration expenditure and capitalised stripping costs. The Company reports cash costs on an ounces of gold sold basis.

The Company calculates EBITDA as net profit or loss for the period excluding finance costs, income tax expense and depreciation. EBITDA does not have a standardised meaning prescribed by IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. EBITDA excludes the impact of cash costs of financing activities and taxes and the effects of changes in working capital balances and therefore is not necessarily indicative of operating profit or cash flow from operations as determined under IFRS.

Other companies may calculate these measures differently and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Market Abuse Regulation (MAR) Disclosure

Certain information contained in this announcement would have been deemed inside information for the purposes of Article 7 of Regulation (EU) No 596/2014 until the release of this announcement.

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About Avesoro Resources Inc.

Avesoro Resources is a West Africa focused gold producer and development company that operates two gold mines across West Africa and is listed on the Toronto Stock Exchange ("TSX") and the AIM market operated by the London Stock Exchange ("AIM"). The Company's assets include the New Liberty Gold Mine in Liberia ("New Liberty") and the Youga Gold Mine in Burkina Faso ("Youga").

New Liberty has an estimated Proven and Probable Mineral Reserve of 7.4Mt with 717,000 ounces of gold grading 3.03g/t and an estimated Measured and Indicated Mineral Resource of 9.6Mt with 985,000 ounces of gold grading 3.2g/t and an estimated Inferred Mineral Resource of 6.4Mt with 620,000 ounces of gold grading 3.0g/t. The foregoing Mineral Reserve and Mineral Resource estimates and additional information in connection therewith, prepared in accordance with CIM guidelines, is set out in an NI 43-101 compliant Technical Report dated November 1, 2017 and entitled "New Liberty Gold Mine, Bea Mountain Mining Licence Southern Block, Liberia, West Africa" and is available on SEDAR at www.sedar.com.

Youga has an estimated Proven and Probable Mineral Reserve of 11.2Mt with 660,100 ounces of gold grading 1.84g/t and a combined estimated Measured and Indicated Mineral Resource of 16.64Mt with 924,200 ounces of gold grading 1.73g/t and an Inferred Mineral Resource of 13Mt with 685,000 ounces of gold grading 1.70g/t. The foregoing Mineral Reserve and Mineral Resource estimates and additional information in connection therewith, prepared in accordance with CIM guidelines, is set out in an NI 43-101 compliant Technical Report dated July 31, 2018 and entitled "Mineral Resource and Mineral Reserve Update for the Youga Gold Mine, Burkina Faso" and is available on SEDAR at www.sedar.com.

For more information, please visit www.avesoro.com

Qualified Persons

The Company's Qualified Person is Mark J. Pryor, who holds a BSc (Hons) in Geology & Mineralogy from Aberdeen University, United Kingdom and is a Fellow of the Geological Society of London, a Fellow of the Society of Economic Geologists and a registered Professional Natural Scientist (Pr. Sci.Nat) of the South African Council for Natural Scientific Professions. Mark Pryor is an independent technical consultant with over 25 years of global experience in exploration, mining and mine development and is a "Qualified Person" as defined in National Instrument 43 -101 "Standards of Disclosure for Mineral Projects" of the Canadian Securities Administrators and has reviewed and approved this press release. Mr. Pryor has verified the underlying technical data disclosed in this press release.

Forward Looking Statements

Certain information contained in this press release constitutes forward looking information or forward looking statements within the meaning of applicable securities laws. This information or statements may relate to future events, facts, or circumstances or the Company's future financial or operating performance or other future events or circumstances. All information other than historical fact is forward looking information and involves known and unknown risks, uncertainties and other factors which may cause the actual results or performance to be materially different from any future results, performance, events or circumstances expressed or implied by such forward-looking statements or information. Such statements can be identified by the use of words such as "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "would", "project", "should", "believe", "target", "predict" and "potential". No assurance can be given that this information will prove to be correct and such forward looking information included in this press release should not be unduly relied upon. Forward looking information and statements speak only as of the date of this press release.

Forward looking statements or information in this press release include, among other things, statements regarding full year 2018 production guidance of 220,000 to 240,000 ounces of gold at an operating cash cost of between US\$620 to US\$660 per ounce sold and an all-in sustaining cost of between US\$960 and US\$1,000 per ounce sold, statements regarding improvements in its unit cost base, increased mining rates, increased plant throughputs, publishing of an updated Mineral Resource and Mineral Reserve for New Liberty during Q3 2018 and the Ndablama deposit during Q4 2018.

In making the forward looking information or statements contained in this press release, assumptions have been made regarding, among other things: general business, economic and mining industry conditions; interest rates and foreign exchange rates; the continuing accuracy of Mineral Resource and Reserve estimates; geological and metallurgical conditions (including with respect to the size, grade and recoverability of Mineral Resources and Reserves) and cost estimates on which the Mineral Resource and Reserve estimates are based; the supply and demand for commodities and precious and base metals and the level and volatility of the prices of gold; market competition; the ability of the Company to raise sufficient funds from capital markets and/or debt to meet its future obligations and planned activities and that unforeseen events do not impact the ability of the Company to use existing funds to fund future plans and projects as currently contemplated; the stability and predictability of the political environments and legal and regulatory frameworks including with respect to, among other things, the ability of the Company to obtain, maintain, renew and/or extend required

permits, licences, authorizations and/or approvals from the appropriate regulatory authorities; that contractual counterparties perform as agreed; and the ability of the Company to continue to obtain qualified staff and equipment in a timely and cost-efficient manner to meet its demand.

Actual results could differ materially from those anticipated in the forward looking information or statements contained in this press release as a result of risks and uncertainties (both foreseen and unforeseen), and should not be read as guarantees of future performance or results, and will not necessarily be accurate indicators of whether or not such results will be achieved. These risks and uncertainties include the risks normally incidental to exploration and development of mineral projects and the conduct of mining operations (including exploration failure, cost overruns or increases, and operational difficulties resulting from plant or equipment failure, among others); the inability of the Company to obtain required financing when needed and/or on acceptable terms or at all; risks related to operating in West Africa, including potentially more limited infrastructure and/or less developed legal and regulatory regimes; health risks associated with the mining workforce in West Africa; risks related to the Company's title to its mineral properties; the risk of adverse changes in commodity prices; the risk that the Company's exploration for and development of mineral deposits may not be successful; the inability of the Company to obtain, maintain, renew and/or extend required licences, permits, authorizations and/or approvals from the appropriate regulatory authorities and other risks relating to the legal and regulatory frameworks in jurisdictions where the Company operates, including adverse or arbitrary changes in applicable laws or regulations or in their enforcement; competitive conditions in the mineral exploration and mining industry; risks related to obtaining insurance or adequate levels of insurance for the Company's operations; that Mineral Resource and Reserve estimates are only estimates and actual metal produced may be less than estimated in a Mineral Resource or Reserve estimate; the risk that the Company will be unable to delineate additional Mineral Resources; risks related to environmental regulations and cost of compliance, as well as costs associated with possible breaches of such regulations; uncertainties in the interpretation of results from drilling; risks related to the tax residency of the Company; the possibility that future exploration, development or mining results will not be consistent with expectations; the risk of delays in construction resulting from, among others, the failure to obtain materials in a timely manner or on a delayed schedule; inflation pressures which may increase the cost of production or of consumables beyond what is estimated in studies and forecasts; changes in exchange and interest rates; risks related to the activities of artisanal miners, whose activities could delay or hinder exploration or mining operations; the risk that third parties to contracts may not perform as contracted or may breach their agreements; the risk that plant, equipment or labour may not be available at a reasonable cost or at all, or cease to be available, or in the case of labour, may undertake strike or other labour actions; the inability to attract and retain key management and personnel; and the risk of political uncertainty, terrorism, civil strife, or war in the jurisdictions in which the Company operates, or in neighbouring jurisdictions which could impact on the Company's exploration, development and operating activities.

Although the forward-looking statements contained in this press release are based upon what management believes are reasonable assumptions, the Company cannot provide assurance that actual results or performance will be consistent with these forward-looking statements. The forward looking information and statements included in this press release are expressly qualified by this cautionary statement and are made only as of the date of this press release. The Company does not undertake any obligation to publicly update or revise any forward looking information except as required by applicable securities laws.

Condensed Interim Consolidated Financial Statements (Unaudited)

Avesoro Resources Inc.

For the Three and Six Months Ended June 30, 2018 and 2017
(stated in thousands of US dollars)

Registered office: 199 Bay Street
Suite 5300
Commerce West Street
Toronto
Ontario, M5L 1B9
Canada

Company registration number: 776831-1

Company incorporated on: 1 February 2011

Avesoro Resources Inc.**Interim Consolidated Statements of Income and Comprehensive Income**

(stated in thousands of US dollars)

Unaudited

	Three months ended June 30, 2018 \$'000	Three months ended June 30, 2017 \$'000	Six months ended June 30, 2018 \$'000	Six months ended June 30, 2017 \$'000
Gold sales (Note 2)	74,530	19,313	165,900	39,012
Cost of sales				
- Production costs (Note 2)	(43,195)	(16,567)	(92,181)	(34,062)
- Depreciation (Note 2)	(20,390)	(7,428)	(37,000)	(14,179)
Gross profit/(loss)	10,945	(4,682)	36,719	(9,229)
Expenses				
Administrative and other expenses (Note 3)	(2,405)	(1,395)	(4,009)	(2,980)
Exploration and evaluation costs	(4,513)	(371)	(6,524)	(867)
Loss on lease termination	-	-	(566)	-
Profit/(Loss) from operations	4,027	(6,448)	25,620	(13,076)
Derivative liability (loss)/gain	-	(13)	105	(175)
Foreign exchange loss	(817)	(167)	(1,912)	(164)
Finance costs	(2,832)	(2,853)	(7,173)	(5,623)
Finance income	-	3	174	6
Profit/(Loss) before tax	378	(9,478)	16,814	(19,032)
Tax for the period (Note 4)	(3,267)	-	(9,856)	-
Net profit/(loss) after tax	(2,889)	(9,478)	6,958	(19,032)
Attributable to:				
- Owners of the Company	(4,172)	(9,478)	3,847	(19,032)
- Non-controlling interest (Note 13)	1,283	-	3,111	-
Other comprehensive income/(loss)				
Items that may be reclassified subsequently to profit or loss:				
Fair value gains/(losses) on investments	(9)	14	22	(4)
Currency translation differences	(3)	(244)	(40)	(193)
Total comprehensive income/(loss)				
Attributable to:				
- Owners of the Company	(4,184)	(9,708)	3,829	(19,229)
- Non-controlling interest	1,283	-	3,111	-
	(2,901)	(9,708)	6,940	(19,229)
Earnings/(Loss) per share, basic and diluted (US\$) (Note 5)	(0.051)	(0.178)	0.047	(0.357)

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

Avesoro Resources Inc.**Interim Consolidated Statements of Financial Position**

(stated in thousands of US dollars)

Unaudited

	June 30, 2018 \$'000	December 31, 2017 \$'000 (as restated - see Note 1)
Assets		
Current assets		
Cash and cash equivalents	12,686	17,787
Trade and other receivables (Note 6)	32,532	25,286
Inventories (Note 7)	40,030	36,932
Other assets	1,486	1,710
	86,734	81,715
Non-current assets		
Property, plant and equipment (Note 8)	243,403	249,552
Intangible assets - Exploration and evaluation assets (Note 9)	3,359	-
Investments	-	21
Deferred tax asset	2,602	4,554
Other assets	1,301	1,196
	250,665	255,323
Total assets	337,399	337,038
Liabilities		
Current liabilities		
Borrowings (Note 10)	25,750	37,964
Trade and other payables	49,964	41,003
Income tax payable	9,392	12,358
Finance lease liability (Note 11)	254	1,913
Derivative liability	-	105
Provisions	3,143	523
	88,503	93,866
Non-current liabilities		
Borrowings (Note 10)	107,685	101,335
Trade and other payables	-	463
Finance lease liability (Note 11)	770	5,875
Provisions	9,738	10,439
	118,193	118,112
Total liabilities	206,696	211,978
Equity		
Share capital (Note 12)	353,686	353,653
Capital contribution	53,549	54,022
Share based payment reserve	8,407	7,840
Acquisition reserve	(33,060)	(33,060)
Fair value reserve	-	(487)
Cumulative translation reserve	(506)	(466)
Deficit	(256,774)	(260,156)
Equity attributable to owners	125,302	121,346
Non-controlling interest (Note 13)	5,401	3,714
Total equity	130,703	125,060
Total liabilities and equity	337,399	337,038

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

Avesoro Resources Inc.**Interim Consolidated Statements of Cash Flows**

(stated in thousands of US dollars)

Unaudited

	Six months ended June 30, 2018 \$'000	Six months ended June 30, 2017 \$'000
Operating activities		
Net profit/(loss) after tax	6,958	(19,032)
Tax for the period	9,856	-
Profit/(Loss) before tax	16,814	(19,032)
Items not affecting cash:		
Share-based payments (Note 3)	567	590
Depreciation (Note 8)	37,171	14,339
Unrealized foreign exchange loss/(gain)	1,125	(186)
Derivative liability loss/(gain)	(105)	175
Interest expense	7,173	5,623
Loss on lease termination	566	-
Changes in non-cash working capital		
Increase in trade and other receivables	(7,246)	(8,732)
Increase/(decrease) in trade and other payables	6,008	(1,351)
(Increase)/decrease in inventories	(3,098)	1,209
Income taxes paid	(11,066)	-
Cash flows from/(used in) operating activities	47,909	(7,365)
Investing activities		
Payments to acquire property, plant and equipment	(23,447)	(12,002)
Payments to acquire intangible assets	(3,359)	-
Decrease/(increase) in other assets	119	(603)
Proceeds from sale of available for sale investment	44	-
Cash flows used in investing activities	(26,643)	(12,605)
Financing activities		
Proceeds from borrowings (Note 10b)	6,150	15,600
Payments to borrowings (Note 10)	(24,045)	-
Finance charges	(5,540)	(6,269)
Dividend payment to non-controlling interest	(1,424)	-
Payment of finance leases	(1,254)	-
Proceeds from exercise of stock options (Note 12)	33	-
Cash flows (used in)/from financing activities	(26,080)	9,331
Impact of foreign exchange on cash balance	(287)	21
Net decrease in cash and cash equivalents	(5,101)	(10,618)
Cash and cash equivalents at beginning of period	17,787	13,429
Cash and cash equivalents at end of period	12,686	2,811

Significant non-cash transactions during the six months ended June 30, 2018 includes the acquisition of new heavy mining equipment for \$10.3 million in exchange for new related party loans (Note 10c) and the termination of the generators held as finance leases (Note 8).

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

Avesoro Resources Inc.
Interim Consolidated Statements of Changes in Equity

(stated in thousands of US dollars)

Unaudited

	Total Equity Attributable to Owners							Non-controlling Interest	Total Equity
	Share capital	Capital contribution (as restated - see Note 1)	Share-based payment reserve	Acquisition reserve	Fair value reserve	Cumulative translation reserve	Deficit		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at January 1, 2017	283,506	48,235	6,770	-	(453)	(400)	(232,682)	-	104,976
Loss for the period	-	-	-	-	-	-	(19,032)	-	(19,032)
Other comprehensive loss for period	-	-	-	-	(4)	(193)	-	-	(197)
Total comprehensive loss for period	-	-	-	-	(4)	(193)	(19,032)	-	(19,229)
Share-based payments	-	-	590	-	-	-	-	-	590
Balance at June 30, 2017	283,506	48,235	7,360	-	(457)	(593)	(251,714)	-	86,337
Balance at January 1, 2018	353,653	59,230	7,840	(33,060)	(487)	(466)	(260,156)	3,714	130,268
Restatement of related party loans	-	(5,208)	-	-	-	-	-	-	(5,208)
Balance at January 1, 2018, as restated	353,653	54,022	7,840	(33,060)	(487)	(466)	(260,156)	3,714	125,060
Profit for the period	-	-	-	-	-	-	3,847	3,111	6,958
Other comprehensive income/(loss) for period	-	-	-	-	22	(40)	-	-	(18)
Total comprehensive income/(loss) for period	-	-	-	-	22	(40)	3,847	3,111	6,940
Exercise of stock options (Note 12)	33	-	-	-	-	-	-	-	33
Share-based payments	-	-	567	-	-	-	-	-	567
Dividends paid to non-controlling interest	-	-	-	-	-	-	-	(1,424)	(1,424)
Related party loans (Note 10)	-	1,698	-	-	-	-	-	-	1,698
Payment of related party loans (Note 10b)	-	(2,171)	-	-	-	-	-	-	(2,171)
Reserve transfer on sale of investment	-	-	-	-	465	-	(465)	-	-
Balance at June 30, 2018	353,686	53,549	8,407	(33,060)	-	(506)	(256,774)	5,401	130,703

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

Avesoro Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

For the three and six months ended June 30, 2018 and 2017

(in thousands of US dollars unless otherwise stated)

1 Nature of operations and basis of preparation

Avesoro Resources Inc. ("Avesoro" or the "Company"), was incorporated under the Canada Business Corporations Act on February 1, 2011. The focus of Avesoro's business is the exploration, development and operation of gold assets in West Africa, specifically the New Liberty Gold Mine in Liberia and the Youga gold mine in Burkina Faso.

On December 18, 2017 the Company completed the acquisition of the Youga gold mine and the Balogo satellite deposit in Burkina Faso through the acquisition of the entire issued share capital of MNG Gold Burkina SARL, Cayman Burkina Mines Ltd., MNG Gold Exploration Ltd., AAA Exploration Burkina Ltd. and Jersey Netiana Mining Ltd. and their subsidiaries from Avesoro Jersey Limited ("AJL"), the Company's majority shareholder, for a total consideration of US\$70.2 million comprised of the issuance of US\$51.5 million of new common shares in the Company and a cash component of US\$18.7 million.

These condensed interim consolidated financial statements ("interim financial statements") have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting". They do not include all disclosures that would otherwise be required in a complete set of financial statements. They follow accounting policies and methods of their application consistent with the audited consolidated financial statements for the year ended December 31, 2017. Accordingly, they should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2017.

These interim financial statements were authorised by the Board of Directors on August 10, 2018.

Restatement of Consolidated Statement of Financial Position as at December 31, 2017

In preparing the Company's interim financial statements for the period ended June 30, 2018, Management identified an error in the calculation of the fair valuation of related party loans with Mapa Insaat ve Ticaret A.S. The error requires the restatement of the audited consolidated statement of financial position as at December 31, 2017. The impact of the restatement of the audited consolidated statement of financial position is to increase the current portion of borrowings by \$2.0 million, increase the non-current portion of borrowings by \$3.2 million and reduce the capital contribution in equity by \$5.2 million. The adjustment has no impact on profit nor cash flows for the year ended December 31, 2017. The repayment terms, rates and amounts payable pursuant to the loan agreements are unchanged.

	As previously stated at December 31, 2017 \$'000	Increase/ (Decrease) \$'000	As restated at December 31, 2017 \$'000
Liabilities			
Borrowings, current portion	35,999	1,965	37,964
Borrowings, non-current portion	98,092	3,243	101,335
Equity			
Capital contribution	59,230	(5,208)	54,022

New accounting policies

The Company adopted the following revised or new IFRS standards that have been issued effective January 1, 2018. The impact of the standards on the Company's accounting policies and financial statements is discussed below:

Avesoro Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

For the three and six months ended June 30, 2018 and 2017

(in thousands of US dollars unless otherwise stated)

1 Nature of operations and basis of preparation (continued)

IFRS 9, Financial Instruments introduces new requirements for the classification and measurement of financial assets and liabilities. IFRS 9 replaced the multiple classification and measurement models for financial assets that exist under IAS 39 Financial Instruments, and the basis on which financial assets are measured will determine their classification as either, at amortized cost, fair value through profit and loss, or fair value through other comprehensive income.

Although the investment in Stellar Diamonds plc remains measured at fair value with fair value gains or losses recognised in other comprehensive income, on disposal of the investment the cumulative change in fair value remains in other comprehensive income and is not recycled to the income statement. The adoption of IFRS has no other material impact on the consolidated financial statements.

IFRS 15 Revenue from Contracts with Customers provides that an entity should recognize revenue to depict the transfer of goods to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods. The Company has assessed the impact of this change on the amount of revenue recognised and determined it to be not significant.

Going concern

The condensed interim consolidated financial statements have been prepared on a going concern basis. As at June 30, 2018, the Company has net current liabilities of \$1.8 million and has approximately \$28.6 million of debt repayments due in the next twelve months.

The free cash generation of the Company significantly improved following the acquisition of the Youga gold mine and the Balogo satellite deposit in December 2017 and the continuing improvement of operations at New Liberty. Accordingly, the Company expects to meet its current liabilities through its free cash generation capacity. In addition, the Company has an undrawn facility of \$20 million with AJL as at June 30, 2018 which it can call upon for general working capital purposes.

The Company's forecasts and projections show that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, it continues to adopt the going concern basis of accounting in preparing the consolidated financial statements.

2 Segment information

The Company is engaged in the exploration, development and operation of gold projects in the West African countries of Liberia, Burkina Faso and Cameroon. Information presented to the Chief Executive Officer for the purposes of resource allocation and assessment of segment performance is focused on the geographical location of mining operations. The reportable segments under IFRS 8 are as follows:

- New Liberty operations;
- Burkina operations which include the Youga gold mine and the Balogo satellite deposit;
- Exploration; and
- Corporate.

Avesoro Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

For the three and six months ended June 30, 2018 and 2017

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2 Segment information (continued)

Following is an analysis of the Group's results, assets and liabilities by reportable segment for the three months ended June 30, 2018:

	New Liberty operations	Burkina operations	Exploration	Corporate	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Profit/(Loss) for the period	(7,701)	12,476	(5,314)	(2,350)	(2,889)
Gold sales	37,194	37,336	-	-	74,530
Production costs					
- Mine operating costs	(23,435)	(21,222)	-	-	(44,657)
- Change in inventories	(135)	1,597	-	-	1,462
	(23,570)	(19,625)	-	-	(43,195)
Depreciation	(18,653)	(1,736)	(65)	(53)	(20,507)
Segment assets	232,806	94,472	4,356	5,765	337,399
Segment liabilities	(144,557)	(55,125)	(4,310)	(2,706)	(206,698)
Capital additions					11,095
- property, plant and equipment	7,273	3,822	-	-	11,095
- intangible assets	-	-	1,599	-	1,599

Following is an analysis of the Group's results, assets and liabilities by reportable segment for the six months ended June 30, 2018:

	New Liberty operations	Burkina operations	Exploration	Corporate	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Profit/(Loss) for the period	(13,737)	30,756	(6,351)	(3,710)	6,958
Gold sales	74,517	91,383	-	-	165,900
Production costs					
- Mine operating costs	(46,696)	(41,909)	-	-	(88,605)
- Change in inventories	(1,887)	(1,689)	-	-	(3,576)
	(48,583)	(43,598)	-	-	(92,181)
Depreciation	(31,200)	(5,800)	(117)	(54)	(37,171)
Capital additions					36,495
- property, plant and equipment	23,721	12,734	40	-	36,495
- intangible assets	-	-	3,359	-	3,359

Avesoro Resources Inc.**Notes to Condensed Interim Consolidated Financial Statements (Unaudited)****For the three and six months ended June 30, 2018 and 2017**

(in thousands of US dollars unless otherwise stated)

2 Segment information (continued)

Following is an analysis of the Group's results, assets and liabilities by reportable segment for the three months ended June 30, 2017:

	New Liberty operations	Burkina operations	Exploration	Corporate	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Loss for the period	(7,744)	-	(422)	(1,312)	(9,478)
Gold sales	19,313	-	-	-	19,313
Production costs					
- Mine operating costs	(16,688)	-	-	-	(16,688)
- Change in inventories	121	-	-	-	121
	(16,567)	-	-	-	(16,567)
Depreciation	(7,428)	-	(66)	(5)	(7,499)
Segment assets	219,718	-	255	2,985	222,958
Segment liabilities	(135,802)	-	(111)	(708)	(136,621)
Capital additions – property, plant and equipment	5,372	-	-	-	5,372

Following is an analysis of the Group's results, assets and liabilities by reportable segment for the six months ended June 30, 2017:

	New Liberty operations	Burkina operations	Exploration	Corporate	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Loss for the period	(15,375)	-	(1,001)	(2,656)	(19,032)
Gold sales	39,012	-	-	-	39,012
Production costs					
- Mine operating costs	(32,833)	-	-	-	(32,833)
- Change in inventories	(1,229)	-	-	-	(1,229)
	(34,062)	-	-	-	(34,062)
Depreciation	(14,180)	-	(150)	(10)	(14,340)
Capital additions – property, plant and equipment	12,580	-	-	-	12,580

Avesoro Resources Inc.**Notes to Condensed Interim Consolidated Financial Statements (Unaudited)****For the three and six months ended June 30, 2018 and 2017**

(in thousands of US dollars unless otherwise stated)

3 Administrative expenses

	Three months ended		Six months ended	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	\$'000	\$'000	\$'000	\$'000
Wages and salaries	591	375	1,127	752
Legal and professional	657	134	959	676
Depreciation	117	72	171	161
Share based payments	270	314	567	590
Other expenses	770	500	1,185	801
	2,405	1,395	4,009	2,980

Foreign exchange gains and losses have been reclassified as financing items rather than operational items. The above table has been restated to exclude the foreign exchange gain of US\$164 thousand for the six months ended June 30, 2017.

4 Income taxes

Tax for the period comprises of:

	Three months ended		Six months ended	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	\$'000	\$'000	\$'000	\$'000
Current tax	(3,554)	-	(7,884)	-
Deferred tax	287	-	(1,972)	-
	(3,267)	-	(9,856)	-

5 Earnings per share ("EPS")

	Three months ended		Six months ended	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	\$'000	\$'000	\$'000	\$'000
Net profit/(loss) after tax attributable to Owners of the Company	(4,172)	(9,478)	3,847	(19,032)
Weighted average number of outstanding shares for basic EPS	81,575,260	53,247,590	81,567,802	53,247,590
Dilutive share options	-	-	583,456	-
Weighted average number of outstanding shares for diluted EPS	81,575,260	53,247,590	82,151,258	53,247,590
Basic EPS (US\$)	(0.051)	(0.178)	0.047	(0.357)
Diluted EPS (US\$)	(0.051)	(0.178)	0.047	(0.357)

Avesoro Resources Inc.**Notes to Condensed Interim Consolidated Financial Statements (Unaudited)****For the three and six months ended June 30, 2018 and 2017**

(in thousands of US dollars unless otherwise stated)

6 Trade and other receivables

	June 30, 2018	December 31, 2017
	\$'000	\$'000
Trade receivable	316	416
Other receivable	14,676	10,690
Due from related parties (Note 14)	2,715	1,015
Pre-payments	14,825	13,165
	32,532	25,286

Other receivables include a VAT receivable from the Burkina Faso Government amounting to \$12.8 million as at June 30, 2018 (December 31, 2017: \$8.9 million).

7 Inventories

	June 30, 2018	December 31, 2017
	\$'000	\$'000
Gold doré	1,253	3,986
Gold in circuit	5,038	2,561
Ore stockpiles	3,368	6,688
Consumables	30,371	23,697
	40,030	36,932

Ore stockpiles as at June 30, 2018 are stated at their net realisable values after cumulative write-down at New Liberty of \$2.1 million (December 31, 2017: US\$2.9 million).

Avesoro Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

For the three and six months ended June 30, 2018 and 2017

(in thousands of US dollars unless otherwise stated)

8 Property, plant and equipment

	Mining assets \$'000	Stripping asset \$'000	Mine closure and rehabilitation \$'000	Assets held under finance lease \$'000	Machinery and equipment \$'000	Vehicles \$'000	Leasehold improvement \$'000	Total \$'000
Cost								
At January 1, 2017	175,290	-	2,223	13,629	16,392	1,884	83	209,501
Additions	8,322	16,229	544	2,025	27,752	996	-	55,868
Acquisitions	24,895	-	3,445	-	30,639	204	-	59,183
Impairment	-	-	-	(3,896)	-	-	-	(3,896)
Foreign exchange	-	-	-	-	10	8	3	21
At December 31, 2017	208,507	16,229	6,212	11,758	74,793	3,092	86	320,677
Additions	7,286	7,510	-	-	21,699	-	-	36,495
Disposals	-	-	-	(7,000)	-	-	-	(7,000)
At June 30, 2018	215,793	23,739	6,212	4,758	96,492	3,092	86	350,172
Accumulated depreciation								
At January 1, 2017	14,909	-	116	651	1,622	1,020	66	18,384
Charge for the period	23,754	1,838	296	2,933	3,622	303	19	32,765
Acquisitions	13,442	-	1,878	-	5,633	39	-	20,992
Impairment	-	-	-	(1,020)	-	-	-	(1,020)
Foreign exchange	-	-	-	-	3	-	1	4
At December 31, 2017	52,105	1,838	2,290	2,564	10,880	1,362	86	71,125
Charge for the period	21,292	6,305	691	1,130	7,522	231	-	37,171
Disposals	-	-	-	(1,527)	-	-	-	(1,527)
At June 30, 2018	73,397	8,143	2,981	2,167	18,402	1,593	86	106,769
Net book value								
At December 31, 2017	156,402	14,391	3,922	9,194	63,913	1,730	-	249,552
At June 30, 2018	142,396	15,596	3,231	2,591	78,090	1,499	-	243,403

Avesoro Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

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(in thousands of US dollars unless otherwise stated)

9 Intangible assets - Exploration and evaluation assets

	June 30, 2018	December 31, 2017
	\$'000	\$'000
Gassore East	1,904	-
Ouaré	1,455	-
	3,359	-

Gassore East is a new minable mineralisation located 2 kilometres from the Youga processing plant.

Ouaré, located 36 kilometres north east of the Youga processing plant, is the subject of an infill drilling campaign to upgrade the confidence level and classification of the existing mineral resources.

Resource modelling and pit design from the National Instrument 43-101 – Standards of Disclosure of Mineral Projects published on June 19, 2018 shows these two satellite deposits will add further mine life to the Youga Gold Mine.

10 Borrowings

	June 30, 2018	December 31, 2017
	\$'000	\$'000 (as restated – see Note 1)
Current		
Bank loan - Senior Facility Tranche A	14,692	14,741
Bank loan - Senior Facility Tranche B	-	9,737
Shareholder loan – Other	-	8,106
Related party loan	11,058	5,380
	25,750	37,964
Non-current		
Bank loan - Senior Facility Tranche A	58,566	58,668
Bank loan - Subordinated Facility	11,049	10,846
Shareholder loan - Working Capital Facility	12,665	14,938
Shareholder loan - Other	4,026	-
Related party loan	21,379	16,883
	107,685	101,335

(a) Bank loans

On December 17, 2013 the Company entered into an agreement for an \$88 million project finance loan facility with Nedbank Limited and FirstRand Bank Limited (collectively the “Lenders”), (the “Senior Facility”), and also entered into a subordinated loan facility agreement for \$12 million with RMB Resources (the “Subordinated Facility”). On December 9, 2015 the Company entered into an agreement for an additional \$10 million Tranche B Senior Facility (“Tranche B Facility”, together with the Senior Facility and the Subordinated Facility the “Loan Facilities”) provided by the Lenders. These Loan Facilities, which have been fully drawn, financed the development of the Company's New Liberty Gold Mine. \$22.4 million of the Senior Facility principal has been repaid to date including \$10 million during the six months ended June 30, 2018.

Avesoro Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

For the three and six months ended June 30, 2018 and 2017

(in thousands of US dollars unless otherwise stated)

10 Borrowings (continued)

(b) Shareholder loan

Working Capital Facility

In 2017, the Group borrowed \$18.8 million from AJL through a working capital facility to meet liabilities arising on the termination of legacy procurement contracts, make advanced payments to suppliers to secure lower unit cost pricing and to accelerate the acquisition of capital items that will increase process plant throughput at New Liberty.

The loan payable to AJL is recognised at fair value calculated as its present value at a market rate of interest and subsequently measured at amortised cost. The difference between fair value and loan amount is credited to equity as a capital contribution as the loan is from its majority shareholder.

New loans of \$6.2 million during the six months ended June 30, 2018 were allocated to an increase in loan payable of \$4.9 million and additional capital contribution of \$1.2 million. Principal repayments totalling \$10 million were made during the six months ended June 30, 2018 of which \$7.8 million was allocated as a reduction to the loan payable and \$2.2 million as a reduction to capital contribution.

Interest expense on the non-current loan payable to AJL for the six months ended June 30, 2018 was \$0.6 million (six months ended June 30, 2017: \$nil).

Other

The other shareholder loan payable to AJL was assumed on acquisition of the Youga gold mine and Balogo satellite deposit of which \$4.1 million was repaid during the six months ended June 30, 2018.

(c) Related party loan

In 2017 the Company entered into equipment and finance facility agreements with Mapa İnşaat ve Ticaret A.Ş. ("Mapa"), a company controlled by Mehmet Nazif Günel, Non-Executive Chairman of the Company, to facilitate the purchase of heavy mining equipment. The loan principal of these agreements includes a mark-up of 2.5% over the cost incurred by Mapa in procuring the equipment. The equipment finance loans are unsecured, with interest charged at 6.5% per annum on the US\$ denominated loan and 5.5% per annum on the Euro denominated loan amount. The loans are repayable in cash in eight equal semi-annual instalments, the first of which will fall due six months after utilisation of the loan.

As discussed in Note 1, Management noted an error in the calculation of the fair valuation of related party loans with Mapa İnşaat ve Ticaret A.Ş. The impact of the adjustment to restate the consolidated statement of financial position as at December 31, 2017 is to increase the current portion of borrowings by \$2.0 million, increase the non-current portion of borrowings by \$3.2 million and reduce the capital contribution in equity by \$5.2 million.

During the six months ended June 30, 2018, the Company entered into further equipment and finance facility agreements with Mapa amounting to \$10.3 million. Similar to the loans entered into in 2017, these loans were initially recognised at fair value calculated as its present value at a market rate of interest and subsequently measured at amortised cost. The difference of \$0.5 million between the loan amount of \$10.3 million and fair value of \$9.8 million has been credited to equity as a capital contribution from a related party.

Interest expense on the related party loan to Mapa for the six months ended June 30, 2018 was \$1.2 million (six months ended June 30, 2017: \$nil). Interest repayment was \$0.8 million during the six months ended June 30, 2018 (six months ended June 30, 2017: \$nil).

Avesoro Resources Inc.**Notes to Condensed Interim Consolidated Financial Statements (Unaudited)****For the three and six months ended June 30, 2018 and 2017**

(in thousands of US dollars unless otherwise stated)

11 Finance lease liability

The finance lease liability as at June 30, 2018 relates to the fuel storage facility at New Liberty Gold Mine following termination of the lease arrangement on the generators at nil consideration. Such assets have been classified as finance leases as the rental period amounts to a major portion of the estimated useful economic life of the lease assets and the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased assets.

	June 30, 2018	December 31, 2017
	\$'000	\$'000
Gross finance lease liability		
- Within one year	362	2,820
- Between two and five years	903	7,191
	1,265	10,011
Future finance cost	(241)	(2,223)
Present value of lease liability	1,024	7,788
Current portion	254	1,913
Non-current portion	770	5,875

12 Equity**(a) Authorised**

Unlimited number of common shares without par value.

(b) Issued

	Shares	\$'000
Balance at January 1, 2017	53,247,590	283,506
Issued to AJL on acquisition of Youga gold mine (i)	20,334,928	51,459
Equity financing (i)	7,974,490	20,248
Share issuance costs (i)	-	(1,568)
Exercise of stock options (ii)	3,750	8
Share consolidation adjustment	(498)	-
Balance at December 31, 2017	81,560,260	353,653
Exercise of stock options (ii)	15,000	33
Balance at June 30, 2018	81,575,260	353,686

The Company's number of outstanding and issued shares, stock options and warrants are retrospectively presented to reflect a 100:1 share consolidation which became effective on January 16, 2018.

Avesoro Resources Inc.**Notes to Condensed Interim Consolidated Financial Statements (Unaudited)****For the three and six months ended June 30, 2018 and 2017**

(in thousands of US dollars unless otherwise stated)

12 Equity (continued)

- (i) The Company acquired the Youga gold mine and the Balogo satellite deposit on December 18, 2017 for a total consideration of US\$70.2 million which comprises of the issuance of 20,334,928 new common shares in the Company at a price of GBP£1.90 per share and a cash component of US\$18.7 million. The cash component was funded through the issuance of 7,974,490 new common shares at a price of GBP£1.90 per share through a private placement. The directly attributable costs of issuance of these new common shares amounted to \$1.6 million.
- (ii) During the three months ended June 30, 2016, the Company issued 15,000 new common shares on exercise of 15,000 stock options at a price of GBP£1.575 per stock option. In 2017, the Company issued 3,750 new common shares on exercise of 3,750 stock options at a price of GBP£1.575 per stock option.

(c) Stock options

Information relating to stock options outstanding at June 30, 2018 is as follows:

	Six months ended June 30, 2018		Year ended December 31, 2017	
	Number of options	Weighted average exercise price per share Cdn\$	Number of options	Weighted average exercise price per share Cdn\$
Beginning of the period	2,829,428	4.96	1,242,695	9.12
Options granted	61,000	4.58	1,745,000	3.41
Options exercised	(15,000)	2.66	(3,750)	2.66
Options expired	(10,862)	72.00	(5,570)	105.00
Options forfeited	(127,508)	3.66	(148,947)	17.86
Share consolidation adjustment	(5)	-	-	-
End of the period	2,737,045	4.76	2,829,428	4.96

13 Non-controlling interest

Non-controlling interest represents the Government of Burkina Faso's 10% share of Burkina Mining Company and Netiana Mining Company, the subsidiaries which respectively holds the Youga gold mine and the Balogo satellite deposit.

Avesoro Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements (Unaudited)

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(in thousands of US dollars unless otherwise stated)

14 Related party transactions

(a) Borrowings

Principal repayments of the shareholder loan to AJL, new and repayments of equipment finance loans with Mapa and interest repayments to Mapa in relation to the equipment finance loans during the six months ended June 30, 2018 are disclosed in Note 10.

(b) Acquisition of heavy mining equipment

In addition to the heavy mining equipment financed by Mapa, the Company also acquired five mining trucks from Mapa for US\$0.4 million during the six months ended June 30, 2018 to supplement the hauling capacity at Balogo.

(c) Provision/(purchases) of goods and services

The Company also provided/(purchased) the following services from related parties:

	Three months ended		Six months ended	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
	\$'000	\$'000	\$'000	\$'000
<i>Technical and managerial services provided by the Company to:</i>				
Avesoro Services (Jersey) Limited, a subsidiary of Company's parent company	-	109	-	214
<i>Technical and support staff services provided by the Company to:</i>				
MNG Gold Liberia Inc., a subsidiary of Company's parent company	146	-	146	-
<i>Sale of consumables by the Company to:</i>				
MNG Gold Liberia Inc., a subsidiary of Company's parent company	538	-	538	-
<i>Drilling services provided to the Company by:</i>				
Zwedru Mining Inc., a subsidiary of Company's parent company	(967)	(234)	(1,854)	(377)
<i>Drilling services provided to the Company by:</i>				
Faso Drilling Company SA., a subsidiary of Company's parent company	(2,397)	-	(3,847)	-
<i>Charter plane services provided to the Company by:</i>				
MNG Gold Liberia Inc., a subsidiary of Company's parent company	(90)	-	(180)	-
<i>Travel services provided to the Company by:</i>				
MNG Turizm ve Ticaret A.S., an entity controlled by the Company's Chairman	(6)	(7)	(6)	(15)
<i>Management services provided by the Company to:</i>				
Atmaca Services Liberia Inc., a subsidiary of Company's parent company	-	2,000	-	2,000

Avesoro Resources Inc.**Notes to Condensed Interim Consolidated Financial Statements (Unaudited)****For the three and six months ended June 30, 2018 and 2017**

(in thousands of US dollars unless otherwise stated)

14 Related party transactions (continued)

Included in trade and other receivables is a receivable from related parties of \$2.7 million as at June 30, 2018 (December 31, 2017: \$1.0 million).

Included in trade and other payables is \$2.8 million payable to related parties as at June 30, 2018 (December 31, 2017: \$0.5 million).