29 April 2016

GoldBridges Global Resources Plc

("GoldBridges" or the "Company")

Results for the year ended 31 December 2015

GoldBridges, the underground gold mining and development company, is pleased to announce its 2015 results.

Highlights

Company Highlights

- Detailed plans developed internally using advice from external consultants leading to a revised approach to the development of the mine and a reduction in capex requirement. Expansion capex now reduced to an external funding requirement of US$20-US$30m, of which US$10m was raised in 2016.

- Approximately 570m of development undertaken on second transportation decline to date.

- Transportation decline on track for completion by May 2016, allowing an underground production run rate of 500,000 t/ year.

- The Company is actively pursuing the balance of funds, the expected requirement is in H2 2017.

Financial Highlights

- 20,890 oz of gold sold (2014: 27,959oz), a reduction of 7,069oz.

- Turnover decreased in the year to US$24m (2014: US$35.2m), principally a reflection of the time and resources spent on the development of the underground workings.

- Decrease in finished gold stockholding to 1,819oz (2014: 7,307oz), a reflection of decreased production.

- Average gold price achieved (including silver as a by-product), US$1,151/oz, (2014: US$1,258/oz).

- Adjusted EBITDA (Earnings before interest, tax, depreciation and amortisation), of US$(2.3m) (2014: positive US$5.3m).

- Loss of US$10.2m (2014: US$(0.25m)), and a total comprehensive loss to include exchange differences of US$(40m) (2014: US$(9m)).

- Equity raising of US$5.1m completed in April 2015.

- Net asset value decreased as the Kazakh Tenge devalued against the US dollar – however, no practical impact on the Company's value.

Operational Highlights

- Gold poured 15,534oz, (2014: 32,994oz) a 52.9% decrease year-on-year, principally due to the winding down of the open pit and development of the underground.

- Gold grade 1.12g/t, (2014: 1.81g/t). The reduction is a reflection of the processing of the lower grade ore from the open pit and use of low grade ore stock piles, in order to maximise throughput while the underground developments continue.

- Cash cost of production US$837/oz (2014: US$834/oz).

- Gold recovery rate 76.04% (2014: 83.3%) was due to variable grade and ore composition. Recovery is expected to increase again to over 80% after plant improvements.

Aidar Assaubayev, CEO of GoldBridges, commented:

"While our gold production from Sekisovskoye fell year on year, we regard 2015 as a successful year of transition for GoldBridges. Our open pit mine wound down and is set to close, as planned, and we are pleased to report that significant progress has been made in developing our new underground mine. This operation will secure our long term future and we expect our gold production to begin to increase again in H2 2016. "

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Information on the Company

GoldBridges is a gold mining, exploration and development group based in Kazakhstan. Whilst the Company was initially established to exclusively develop and operate the Sekisovskoye gold and silver mine in the East Kazakhstan Region, it is now actively targeting additional gold mining opportunities in Kazakhstan. This includes the adjacent prospective Karasuyskoye Ore Fields, on which GoldBridges was recently awarded the tender to perform further confirmatory testing in order to gain the sub-soil user licence.

The Company holds a 100 per cent shareholding in DTOO Gornorudnoe Predpriatie Sekisovskoye ("DGPS") which holds a subsoil use contract in relation to the Sekisovskoye deposit, covering a total area of 0.855km^2. The subsoil use contract for Sekisovskoye is valid until 2020 and the Company currently intends to seek to extend the contract in accordance with its terms. The Company also holds a 100 per cent shareholding in DTOO Altai Ken-Bayitu LLP which owns and operates the processing plant at the Sekisovskoye deposit. The Sekisovskoye deposit is located at the village of Sekisovka, approximately 40km north of the town of Ust-Kamenogorsk, the capital city of the East Kazakhstan Region.

The company is in transition moving from open pit production to underground development of the mine. The operations are expected to be fully underground from H2 2016 onwards.

As at 31 May 2014, the Company's proven and probable reserves consisted of 2.3Moz of gold and 3.0Moz of silver, and the Company's measured, indicated and inferred resources consisted of 5.1Moz of gold and 3.5Moz of silver, in each case as classified in accordance with JORC.

In the year ended 31 December 2015, the Company's consolidated revenue was US$24million and its EBITDA was US$(2.3) million.

Chairman's Statement

During the year, we continued with the move from the open pit gold mine at Sekisovskoye to a solely underground operation, and this process is to be completed in the near term. Mid-year, we announced our decision to access our substantial gold reserves by developing a decline underground, rather than by sinking a shaft as described in the Venmyn Deloitte CPR that we released in November 2014.

In that report, the overall capital expenditure (capex) outlay was estimated to be US$130m for the shaft based solution. Based on our current plans, the overall capex requirement to achieve 100,000oz of production in three years is now only estimated to be US$42m, of which only US$20-US$30m needs to be externally funded. US$10m of this total has already been successfully raised.

As previously announced, GoldBridges has already commenced development of the new transportation decline, improving access to its significant deeper gold reserves. Development of the decline is well underway.

Construction of the portal in the open pit, which is in the process of being closed, has already commenced. As part of the preparation of the underground mine for more extensive mining in 2016, the company is in the process of sourcing the capital equipment required from various providers. It will include the purchase of larger 30 tonne underground trucks, a load-haul-dumper and associated equipment. A drilling rig is already commissioned for underground works. On completion of the second decline development, the company will have the capacity to significantly increase gold production from Sekisovskoye. This is expected to have a marked effect on production in H2 2016.

Unsurprisingly, our gold production fell from 32,994oz in 2014 to 15,534oz in 2015 as the open pit part of Sekisovskoye wound down and is expected to close.

In April 2015, we announced a successful capital raising of £3.4m (US$5.1m), through the placing of 123m new shares at a price of 2.8p/share, and we thank our existing and new shareholders for their support and belief in our business. The net proceeds of this placing have been used to fund working capital and the expansion of our underground mine.

In terms of the gold market, we have witnessed another challenging year as the gold price fell by around US$200/oz during the course of 2015, putting more pressure on higher cost producers. Currently the gold price is in the range of US$1,200-1,250oz.

Fortunately for Kazakh mine operators, our local currency, the Tenge, fell from around 182KZT to 339KZT to the US dollar in 2015 and has further weakened to current levels of about 340KZT to the US dollar. This devaluation was due to the National Bank of Kazakhstan taking the decision to allow the currency to float. This was as a result of weakening currencies of some of Kazakhstan's key trading partners, such as China and Russia, and the National Bank of Kazakhstan will now target inflation rate control rather than its currency valuation. Given that a significant portion of our operating costs are Tenge denominated, while the sales of gold are linked to US dollar prices, this has aided us in lowering costs in US dollar terms.

With recent currency based developments in mind, we continue to believe that we are located in the right country in terms of our gold operations, and will continue to focus on Kazakhstan and other neighbouring Central Asia countries for our business development going forwards. Kazakhstan is immensely resource rich, has a motivated and able mining workforce, and is becoming even more cost effective. Changes to mining code are underway with the overarching aim to attract more direct foreign investment in the country. All in all, we continue to see a strong natural resources long term future in Kazakhstan, notwithstanding near term difficulties faced by weaker commodity prices.

Finally, may I thank all our employees and our Management team for their hard work and also thank our shareholders for their continued support.

Kanat Assaubayev

Chairman

Chief Executive Officer and Operational Review

Overview

During 2015, our operational performance at Sekisovskoye was affected by the winding down of our open pit operations and the management and team re-focusing on developing the decline to access our higher grade underground reserves. This necessitated the closure of operations for 2 months at the ore mining facility. This was required in order to make modifications and upgrades to transition to the underground operation. Our reduced gold production together with the lower global price of gold has led inevitably to a decrease in revenue, however we have maintained tight control of costs, which will have a positive impact as the Company revenue increases in the medium term. Management has taken the opportunity to review the assets and operations and made impairments as necessary.

Expansionary capex significantly reduced

Many of our achievements during 2015 were focussed on the continued development of our underground mine. As previously discussed, during 2015 we made the decision to develop a decline underground rather than to sink a shaft to access our higher grade gold reserves at depth. To that end, we re-developed our underground mining access approach and, in early 2016, reported that we had finalised our new capital expenditure budget. In order to expand and further develop our underground mine, expand our processing plant and to produce 100,000oz of gold annually, we will need to spend US$42m excluding contingency.

This is a marked decrease on the US$130m estimated in our 2014 Venmyn Deloitte competent person's report, which assumed we would sink a shaft to access our reserves.

Of the US$42m expansionary capital expenditure required, GoldBridges only requires external financing of between US$20m and US$30m, as the remainder is expected to be generated from operational cash flows.

Our supportive shareholder, African Resources, which is indirectly owned by members of the Assaubayev family, has agreed to finance the development of the underground mine if other sources of funding are unsuitable. To that end, in February 2016, African Resources bought US$10m of five year, 10% coupon convertible bonds that can be redeemed at over 3p/share, a significant premium to the current share price. This demonstrates the family's continued support.

Projected capital expenditure, underground operation (US$m)

	Total	**2016**	**2017**	**2018**	**2019**	**2020**
Development capex	**46.0**	**14.6**	**16.2**	**10.2**	**2.5**	**2.5**
Prospecting drilling	**4.0**	0.9	-	0.1	1.5	1.5
Underground development	**4.4**	0.8	1.1	0.6	0.9	1.0
Infrastructure	**1.3**	1.3	-	-	-	-
Ore handling facilities	**20.6**	10.4	7.6	2.6	-	-
Process plant expansion and paste plant construction	**12.0**	-	6.0	6.0	-	-
Contingency	**3.7**	1.2	1.5	0.9	0.1	-

Underground mine development

In terms of decline development, significant progress was made in 2015 and early 2016. To date, a total of approximately 570m of development work has been undertaken on the new transportation decline. Also, construction of the portal has already commenced, with completion expected in May 2016.

By completing the initial development works of the new decline in May 2016, the Company expects to reduce the current haulage distance from 3km to 1.2km and to increase the ore throughput capacity to 45,000 tonnes per month. This should enable the company to mine at an annualised run rate of 500,000 tonnes per year from May 2016.

Work undertaken by Mining Plus

In H2 2015, Mining Plus, the international mine consultancy group, was retained by GoldBridges to undertake studies on the underground mining plans and to assist it in transitioning its Sekisovskoye mine into a large underground gold operation with 100,000oz annual output.

Mining Plus has expertise in geological modelling and geotechnical aspects for hard rock underground mines, combined with underground mine planning experience, particularly using decline haulage. It has offices in Australia, Canada and Peru and provides mining expertise from the conceptual stage of projects, through to feasibility study work, project delivery, commissioning, and mine closure.

Under the scope of this assignment, Mining Plus re-modelled the Sekisovskoye drilling data and reviewed all mining methods that could potentially be applicable to the underground mine development at Sekisovskoye. The studies had important findings. Firstly, Mining Plus identified that, while several mining methods are applicable at Sekisovskoye, the most efficient methods in terms of mining recovery, dilution and costs are long hole open stoping methods with either paste fill or with cemented aggregate fill. Both mining methods provide high selectivity and sequencing flexibility, giving GoldBridges the opportunity to extract higher grade ore earlier in the schedule. Secondly, the Mining Plus work identified the opportunity to increase the overall head grade of the ore mined by selectively mining the deposit, giving the Company increased flexibility.

These findings mean that GoldBridges could further reduce its cash cost of operation at full production, as it has the option of mining fewer tonnes at a higher grade. This could enhance the value of the project, over and above the US$226m that was estimated by Venmyn Deloitte in November 2014 using a gold price of US$1,100/oz and a 9.3% discount rate.

Sekisovskoye gold mine – Our operational track record

The operational performance of the Company's Sekisovskoye gold mine during 2015, against the prior year, is provided below. The key operational statistics of the mine operation are as follows:

		2015	2014
Ore mined	T	339,111	570,991
Gold grade	g/t	1.06	1.26
Silver grade	g/t	2.03	1.89
Contained gold	oz.	11,595	23,050
Contained silver	oz.	22,139	34,620

		2015	2014
Ore mined	T	79,276	82,045
Gold grade	g/t	2.55	2.96
Silver grade	g/t	3.7	4.05
Contained gold	oz.	6,492	7,807
Contained silver	oz.	9,441	10,680

Mining processing

		2015	2014
Crushing	T	570,949	726,427
Milling	T	566,664	728,620
Gold grade	g/t	1.12	1.71
Silver grade	g/t	2.25	2.37
Gold recovery	%	76.04	83.3
Silver recovery	%	64.91	74.4
Contained gold	oz.	20,428	39,798
Contained silver	oz.	40,994	55,603
Gold poured	oz.	15,534	32,994
Silver poured	oz.	26,608	41,390

Total gold production for 2015 was 15,534oz. This is a 53% reduction on the 2014 gold output of 32,994oz. This result reflects the winding down and closure of the open pit mine at Sekisovskoye, while the Company's efforts were focused on increasing its underground development in order to increase underground gold production for the future.

In total, 566,664 tonnes of ore were milled (2014: 728,620 tonnes), of which 79,276 tonnes or 14% were mined from the underground operation. This compares to 82,045 tonnes or 11% in 2014.

The average gold grade of ore milled during 2015 was 1.12g/t (2014: 1.81g/t), and comprised ore mined at an average grade of 1.06g/t from the open pit mine and 2.55g/t from the underground mine. Open pit gold grades were lower than the 1.26g/t achieved in 2014 due to the exhaustion of the open pit economic reserves. Gold grades are expected to increase in 2016 and onwards as the production from Sekisovskoye is solely from the higher grade reserves of the underground mine.

At 76.04% and 64.91% respectively, both gold and silver recoveries were lower than 2014. This was related to lower recoveries experienced predominantly in H1 2015 as a result of variable grade and ore composition and also reflected plant improvement works undertaken during the period.

As the proportions of sulphidic minerals in the ore and the amount of gold in fine grains increases during underground mining, the characteristics of the free gold generally improve, and some changes were made to the ore process in the plant to reflect this. The work was largely related to introducing a fuller gravity circuit into the operational process. This processing route consists of jigs, washers and centrifugal concentrators and refining this part of the process allows the plant to recover the finer grained gold particles from this circuit. This material is then processed in line with the Company's standard processing procedure. Additionally, the technology will enable the Company to reduce its consumption of key reagents, in particular cyanide and calcium hypochlorite. Gold and silver recoveries are projected to be at around 84% for the life of the operation.

Financial performance review 2015

The transition to a fully operational underground mine has been delayed from that previously anticipated as a number of development and mining options were assessed by management to ascertain the optimal approach in terms of efficiency and cost. During the period under review, the underground ore was mixed with lower grade open pit ore and stockpiled ore. This blending of the ore led in part to a lower recovery. In the future, as the mine moves to the processing of only higher grade underground ore, this is not anticipated to be an issue. This combined with interruptions to processing due to the plant upgrade led to a lower production achievement in 2015. As the underground mine becomes operational in H2 2016 at its enhanced capability level, with the new mining equipment the production is expected to be back on track and begin to increase.

The other principal impact on the results for the year arises due to the devaluation of the Kazakh Tenge against the US Dollar. The impact in the year has been on the asset values in the subsidiaries, in order to reflect the devaluation of the currency. In the accounts of the companies in Kazakhstan, it has been necessary to revalue the assets using the much lower value of the Tenge against the Dollar. This is no way reflects the commercial value of the Company, as the revenue generating ability of the assets is unchanged. Indeed, there is a positive impact as the earnings are generated in US Dollars with a significant proportion of the cost base payable in Tenge.

The Company has reported a net loss of US$10.2m (2014: US$0.3m), with a gross profit of US$4.3m (2014: US$7.2m) and an operating loss of US$4.8m (2013: US$0.8m).

During 2015, Sekisovskoye poured 15,534oz of gold (2014: 32,994oz). A total of 20,890oz (2014: 27,959oz) were sold in 2015 at an average price of US$1,157/oz (2014: US$1,258/oz). Revenue totalled US$24.m (2014: US$35.2m) and was lower than 2014 due principally to reduced gold sales as the Company focused its efforts on developing the underground mine. The principal purchaser of the gold dore was the Kazakhstan government, as last year.

The total cash cost of sales, which includes administrative costs but excludes depreciation and provisions, amounted to US$1,263/oz, (2014: US$1,084/oz). The production cash cost amounts to US$837/oz (2014: US$834/oz). This is based on the cost of sales excluding depreciation and administrative expenses, and exceptional items. The earnings before interest, tax and depreciation, (EBITDA), excluding exceptionals, amounted to negative US$2.3m (2014: US$5.3m). Due to this transition and low level of production in the current year, the results are not regarded as typical of the operation.

Depreciation is US$4.2m (2014: US$5.4m). Amortisation is US$852,000 (2014: US$1.3m) and this relates to amortising the value of Karasuyskoye data purchased in 2013. This charge will be reviewed on successful receipt of the sub-soil user contract. The Company is currently in the final committee stages and the licence is expected to be awarded in 2016.

The Company has reported net cash inflow from operating activities of US$7.8m. This was higher than the US$5.6m reported in 2014 due principally to recoveries in relation to VAT and Akmola receivable in the year.

Purchase of property plant and equipment of US$8.8m (2014: US$2.6m) reflects the Company's increased capital spend on the migration of operations from open-pit to a solely underground mine.

Cash at year-end was US$1.1m. Cash at 31 December 2014 was US$1.7m. During the year, the Company placed shares, raising equity amounting to US$5.1m and this was largely spent on capex in the year.

The Company's principal debts are that owed to The European Bank for Reconstruction (EBRD), and the convertible loan note recently issued in 2016. The EBRD loan is set to be paid over twelve equal quarterly instalments. The repayments commenced in January 2015. At the current time there are seven instalments remaining amounting to US$5.8m. In relation to the convertible bond, this is not expected to impact the cash flow until maturity, at which point it could be converted into shares.

The consolidated net assets of the Company are US$38.4m (2014: US$73.8m) and the decrease arises principally from the devaluation of the functional currency in Kazakhstan, the Tenge, against the US dollar. This resulted in the assets in Kazakhstan being devalued in terms of dollars.

Consolidated statement of profit or loss

Year ended 31 December 2015

	Notes	**2015** **US$000**	2014 US$000
Revenue	3	**24,054**	35,177
Costs of sales		**(19,763)**	(27,969)
Gross profit		**4,291**	7,208
Other operating income		**-**	1,141
Administrative expenses		**(9,762)**	(8,233)
Tailing dam leak		**-**	330
Listing expenses		**-**	(702)
Impairments		**-**	(1,214)
Impairment reserved		**674**	2,227
Operation Profit		**(4,797)**	757
Finance income		**-**	7
Foreign exchange loss		**(5,718)**	(1,418)
Finance expense		**(1,235)**	(331)
Loss profit before taxation		**(11,750)**	(985)
Taxation credit		**1,532**	730
Loss attributable to equity holders of the parent		**(10,218)**	(255)
Profit per ordinary share			
Basic & Diluted	4	**(0.4c)**	(0.01c)

Consolidated statement of profit or loss and other comprehensive income

Year ended 31 December 2015

	2015 US$000	2014 US$000
Loss for the year	(10,218)	(255)
Currency translation differences arising on translations of foreign operations items that may be reclassified to profit or loss	(34,577)	(9,310)
Currency translation differences arising on translation of foreign operations relating to taxation	4,574	737
Total comprehensive loss attributable to equity holders of the parent	(40,221)	(8,828)

Consolidated statement of financial position

Year ended 31 December 2015

Company number 5048549	Notes	**2015 US$000**	2014 US$000
Non-current assets			
Intangible assets	5	**9,887**	19,440
Property, plant and equipment	6	**35,134**	61,238
Inventory		**604**	-
Trade and other receivables		**1,337**	2,553
Deferred tax asset		**5,145**	2,407
Restricted cash		**137**	260
		52,244	85,898
Current assets			
Inventories		**3,223**	10,882
Trade and other receivables		**2,649**	10,260
Cash and cash equivalents		**1,084**	1,684
		6,956	22,826
Total assets		**59,200**	108,724
Current Liabilities			
Trade and other payables		**(9,298)**	(15,725)
Other financial liabilities		**(297)**	(326)
Current tax payable		**(191)**	(475)
Provisions		**(247)**	(335)
Borrowings		**(6,676)**	(3,333)
		(16,709)	(20,194)
Net current assets/(liabilities)		**(9,753)**	2,632
Non-current liabilities			
Other financial liabilities		**(537)**	(709)
Provisions		**(3,553)**	(7,400)
Borrowings		**-**	(6,667)
		(4,090)	(14,776)
Total liabilities		**(20,799)**	(34,970)
Net assets		**38,401**	73,754
Equity			
Called-up share capital		**3,886**	3,702
Share premium		**141,918**	137,234
Merger reserve		**(282)**	(282)
Currency translation reserve		**(47,417)**	(17,414)
Accumulated losses		**(59,704)**	(49,486)
Total equity		**38,401**	73,754

Consolidated statement of changes in equity

Year ended 31 December 2015

	Notes	Share Capital US$000	Share Premium US$000	Merger Reserve US$000	Currency Translation reserve US$000	Accumulat-ed Losses US$000	Total US$000
1 January 2014		2,635	115,594	(282)	(8,841)	(49,231)	59,875
Loss for the year		-	-	-	-	(255)	(255)
Other comprehensive loss		-	-	-	(8,573)	-	(8,573)
Total comprehensive loss		-	-	-	(8,573)	(255)	(8,828)
Shares issued on conversion of loan notes		1,067	22,095	-	-	-	23,162
Issue costs		-	(455)	-	-	-	(455)
31 December 2014		3,702	137,234	(282)	(17,414)	(49,486)	73,754
Loss for the year		-	-	-	-	(10,218)	(10,218)
Other comprehensive loss		-	-	-	(30,003)	-	(30,003)
Total comprehensive loss		-	-	-	(30,003)	(10,218)	(40,221)
Share issued		184	4,968	-	-	-	5,152
Issued costs		-	(284)	-	-	-	(284)
31 December 2015		**3,886**	**141,918**	**(282)**	**(47,417)**	**(59,704)**	**38,401**

Consolidated statement of changes in cashflows

Year ended 31 December 2015

	2015 US$000	2014 US$000
Net cash inflow from operating activities	**8,183**	**5,601**
Investing activities		
Interest received	**-**	**7**
Purchase of property, plant and equipment	**(9,639)**	**(25,989)**
Restricted cash	**-**	**(6)**
Payment of costs associated with provisions	**-**	**(651)**
Net cash used in investing activities	**(9,639)**	**(26,639)**
Financing activities		
Proceeds on issue of shares	**5,152**	**23,162**
Issue costs	**(284)**	**(455)**
Loan from related party	**-**	**(1,043)**
Interest paid	**(3,990)**	**(750)**
Net cash used in investing activities	**878**	**20,914**
Decrease in cash and cash equivalents	**(578)**	**(124)**
Foreign currency translation	**(22)**	**(259)**
Cash and cash equivalents at beginning of the year	**1,684**	**2,067**
Cash and cash equivalents at the end of the year	**1,084**	**1,684**

Notes

1. **General information**

GoldBridges Global Resources Plc (the "Company") is a Company incorporated in England and Wales under the Companies Act 2006.

The financial information set out above for the years ended 31 December 2015 and 31 December 2014 does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006, but is derived from those accounts. Whilst the financial information included in this announcement has been compiled in accordance with International Financial Reporting Standards ("IFRS") (as adopted by the European Union), this announcement itself does not contain sufficient financial information to comply with IFRS. A copy of the statutory accounts for 2014 has been delivered to the Registrar of Companies and those for 2015 will be submitted for approval by shareholders at the Annual General Meeting. The full audited financial statements for the years end 31 December 2015 and 31 December 2014 do comply with IFRS.

2. **Going concern**

The Company is in the advances stages of its plans to move production from the open pit to the underground operations at Sekisovskoye. It is expected that the underground mine will be producing at significantly higher levels from May 2016 onwards, and will increase again once further development of the decline is completed. The funding for the initial stage has been obtained from the corporate bond issued in February 2016. The external debt in the Company (other than the corporate bond), consists of US$6.7m payable to EBRD. This amount is repayable by eight equal quarterly payments of US$833,000 each. As at the date of this report, there are seven instalments remaining. However, as the Company has breached certain covenants in relation to the borrowing, the full amount of the loan is shown as falling due within one year.

The company raised funding of US$10m in February 2016 via a corporate bond to its parent company, African Resources Limited. This provided additional working capital to the Company, and also provides the further capital required to progress the underground project development. The Company is actively pursuing further funding to raise the balance of the funds needed to complete the planned full scale development of the underground mine and the Directors are confident that further funding can be obtained in the timescales required to meet the future developmental requirements of the Company. Should the funding be delayed, or additional funding is required to cover any unforeseen production shortfalls and additional working capital requirements arising from the move to the underground operations or in the event that the EBRD loan is requested for repayment earlier than scheduled, the parent company has confirmed its intention to provide further funding to enable the Company to continue its planned operations for at least twelve months from the date of approval of the financial statements.

On this basis, the Directors have therefore concluded that is appropriate to prepare the financial statements on a going concern basis.

3. Revenue

An analysis of the Company's revenues is as follows:

	2015	2014
	$000	**$000**
Sale of gold and silver	24,054	35,177

Included in revenues from sale of gold and silver are revenues of US$24,017,000 (2014: US$34,049,000) which arose from sales to the Company's only customer the state refinery Tau-Ken Altyn LLP, which is located in Astana, Kazakhstan.

4. Loss per ordinary share

The calculation of basic and diluted earnings per share from continuing operations is based upon the retained loss from continuing operations for the financial year of US$10.2m (2014: loss of US$225,000).

The weighted average number of ordinary shares for calculating the basic loss in 2015 and 2014 is shown below. There were no potential ordinary shares outstanding at the reporting date (2014: Nil) and as such basic and diluted earnings are the same.

	2015	2014
Basic and diluted	2,298,284,596	2,115,470,650

5. Intangible assets

	Total US$000
Cost	
1 January 2014	**27,500**
Adjustments*	**(2,532)**
Translation difference	**(4,232)**
31 December 2014 & 1 January 2015	**20,736**
Translation difference	**(9,597)**
31 December 2015	**11,139**

Amortisation	
1 January 2014	**343**
Charge for the year	**1,023**
Adjustments*	**(70)**
31 December 2014 & 1 January 2015	**1,296**
Charge for the year	**852**
Translation difference	**(896)**
31 December 2015	**1,252**
Net book value	
1 January 2014	**27,157**
31 December 2014	**19,440**
31 December 2015	**9,887**

*The adjustment relates to the recovery of VAT reclaimable on the purchase price of the geological data

The intangible assets relate to the historic geological information pertaining to the Karasuyskoye ore fields. The ore fields are located in close proximity to the current open pit and underground mining operations of Sekisovskoye. The Company is in the advanced stages of obtaining the sub-soil user licence from the authorities and it is expected to be received in May 2016.

Management have taken a view that a 20 year write off is appropriate being the expected life of the sub-soil user license. In assessing the carrying value, Management have made a number of estimates in determining the level of mineral resources and interpreting the geological data. There are numerous uncertainties inherent in estimating mineral resources, and assumptions that were valid at the time of estimation may change when new information becomes available. These include assumptions as to grade estimates, cut-off grades and other factors that will affect commercial viability of the deposits such as recovery rates, commodity prices, exchange rates, production costs, capital costs, processing and reclamation costs and discount rates. The actual volume of ore extracted and any changes in these assumptions could affect prospective amortisation rates and carrying values of intangible assets.

6. Property, plant and equipment

	Mining properties and leases US$000	Freehold, land and buildings US$000	Equipment fixtures and fittings US$000	Plant, machinery and vehicles US$000	Assets under construction US$000	Total US$000
Cost						
1 January 2014	10,682	16,494	15,927	8,132	20,933	72,168
Additions	131	58	5,312	1,302	22,040	28,843
Disposals	-	(563)	(1,017)	-	(131)	(1,711)
Transfers	7,211	2,028	1,400	(339)	(10,300)	-
Currency translation adjustment	(1483)	(2,583)	(2,770)	(1,054)	(3,128)	(11,018)
31 December 2014 & 1 January 2015	16,541	15,434	18,852	8,041	29,414	88,282
Additions	104	1,210	1,782	92	6,451	9,639
Disposals	(863)	-	(288)	(8)	(21)	(1,180)
Transfers	-	-	-	-	-	-
Currency translation adjustment	(7,392)	(7,564)	(9,245)	(3,752)	(16,425)	(44,378)
31 December 2015	**8,390**	**9,080**	**11,101**	**4,373**	**19,419**	**52,363**
Accumulated depreciation						
1 January 2014	3,552	5,501	12,174	5,075	-	26,302
Charge for the year	432	1,478	2,575	865	-	5,350
Disposals	-	(60)	(988)	574	-	(474)
Currency translation adjustment	(552)	(873)	(993)	(1,716)	-	(4,134)
31 December 2014 & 1 January 2015	3,432	6,046	12,768	4,798	-	27,044
Charge for the year	425	1,136	1,840	823	-	4,224
Disposals	-	-	-	(81)	-	(81)
Currency translation adjustment	(1,736)	(3,193)	(6,550)	(2,479)	-	(13,958)
31 December 2015	**2,121**	**3,989**	**8,058**	**3,061**	**-**	**17,229**
Net book value						
1 January 2014	7,130	10,993	3,753	3,057	20,933	45,866
31 December 2014	13,109	9,388	6,084	3,243	29,414	61,238
31 December 2015	**6,269**	**5,091**	**3,043**	**1,312**	**19,419**	**35,134**

Capitalised costs of mining property and leases are amortised over the life of the licence from commencement of production on a unit of production basis. This basis uses the ratio of production in the period compared to the mineral reserves at the end of the period plus production in the period Mineral reserves estimates are based on a number of underlying assumptions which are inherently uncertain. Mineral reserves estimates take into consideration estimates by independent geological consultants. However, the amount of mineral that will ultimately be recovered cannot be known until the end of the life of the mine. Any changes in reserve estimates are, for amortisation purposes, treated on a prospective basis. The recovery of the capitalised cost of the Company's property, plant and equipment is dependent on the development of the underground mine. Included within mining properties is an amount of US$Nil relating to interest that has been capitalised (2014: US$750,000, 2013: US$744,000)

Under the terms of the loan agreement with the European Bank for Reconstruction and Development (EBRD), the Company and its subsidiaries has pledged certain assets as security for the loan that was entered into.

The Directors are required to consider whether the non-current assets comprising, mineral properties leases, plant and equipment have suffered any impairment. The recoverable amount is determined based on value in use calculations. The use of this method requires the estimation of future cash flows and the choice of a discount rate in order to calculate the present value of the cash flows. The Directors have concluded that no adjustment is required for impairment.

7. Availability of accounts

The audited Annual Report and Financial Statements for the 12 months ended 31 December 2015 and notice of AGM will shortly be sent to shareholders and published at: www.goldbridgesplc.com