Anglesey Mining plc

Annual Report 2015

Contents

Glossary

AGM - the annual general meeting to be held on 28 September 2015.

GIAB - Grangesberg Iron AB, a privately-owned Swedish company which has a 25 year mining permit covering iron deposits at Grangesberg in Sweden.

JORC - Australasian Joint Ore Reserves Committee - a set of minimum standards for public reporting and displaying information related to mineral properties.

LIM – Labrador Iron Mines Holdings Limited and its group of companies.

mtpa - million tonnes per annum

tonne – metric tonne of 2,204.6 pounds avoirdupois, used for measuring current mineral production and resources.

SEK – Swedish Krona.

Anglesey Mining plc

A UK mining company listed on the London Stock Exchange

In May 2014 Anglesey entered into agreements giving it the right to acquire the Grangesberg Iron project in Sweden, subsequently amended to a right of first refusal.

Anglesey holds 100% of the Parys Mountain underground zinc-copper-lead-silver-gold deposit in North Wales, UK where it is exploring and plans to carry out evaluation and pre-feasibility work when circumstances permit.

Anglesey holds 15% of Labrador Iron Mines Holdings Limited which has direct shipping iron ore deposits in Labrador and Quebec and is currently undergoing a financial restructuring.

The expected resurgence in the resources sector that we discussed this time last year has generally not yet materialised and indeed there have been some areas in which confidence has been badly eroded. These matters have made it very difficult for all junior companies operating in the sector, including our own. The general economic malaise in Europe has now spread somewhat to the US and importantly to China. Whilst there are some areas in which blue sky is appearing the lack of confidence of the investment sector in resources has made raising funding quite difficult.

In order to reduce corporate costs all the directors have demonstrated their commitment to the group by waiving salaries and fees since 1st July 2014 which saved more than £80,000 in the financial year. This waiver is expected to continue until the financial position of the group improves.

Grangesberg Iron

Our major effort during the year has been with the Grangesberg project where we began managing operations in May 2014. A successful geotechnical investigation programme followed the production of a compliant ore resource estimate. However the ever more depressed iron ore market forced us to the conclusion that we should not exercise the option over a 51% interest which has now been replaced with a right of first refusal over that interest.

As part of the ongoing arrangements we continue to manage the project albeit subject to certain restrictions. The Grangesberg board will need to keep the future prospects for the iron ore market firmly in view as it looks to future project funding and possible alternative investment strategies.

Labrador Iron

In Canada the operations of Labrador Iron Mines, in which the company continues to hold a 15% interest, remained suspended during 2014 as iron ore prices declined below a level at which an operating surplus could be made. LIM spent the majority of the year seeking new financing particularly for the development of its flagship Houston deposit.

However with iron ore prices continuing to fall these financing efforts proved to be impossible and after the end of the financial year LIM initiated proceedings for a financial restructuring under the Canadian Companies Creditors Arrangement Act ("CCAA"). LIM has raised some funds through asset sales and has sufficient cash available to continue to operate a limited function until at least the end of the current financial year whilst it seeks new funding and reviews its ongoing business strategy.

LIM owns extensive iron ore resources, processing plants and equipment and rail infrastructure and facilities in its Schefferville Projects but is currently in a challenging financial position. LIM believes that an orderly CCAA process that enables the restructuring of the company's debts, the restructuring of certain of its operating contracts and securing additional development financing to proceed with the development of the Houston Project is in the best interest of all of stakeholders.

Parys Mountain

Operations at Parys Mountain were maintained at a low level as a consequence of limited available funding and no additional drilling took place while management focused on studying the optimisation of mine development. We are fortunate to hold freehold title to the majority of the known resource and thus are not subject to onerous annual exploration costs as would be common in many other jurisdictions. Site maintenance costs are also kept to a minimum.

The increase in the zinc price that was forecast this time last year and which will be a key driver in the immediate future economics of Parys Mountain has not yet materialised. However the fundamentals for zinc remain strong with major mines such as Lisheen and Century planned to close during 2015. With little new production coming on stream stocks of zinc metal have continued to fall and it now seems only a matter of time before prices do eventually start to move upwards. We will need to raise funds to update studies on Parys Mountain particularly with regard to what may well now be lower than previous capital costs, so that we will be properly placed when the zinc market begins its long delayed move forward.

Outlook

The future for commodity prices continues at best to be uncertain. The group has exposure to iron ore both at LIM and at Grangesberg and whilst neither makes a cash draw on Anglesey any upward movement in the iron ore price would significantly benefit both projects and hence the general tenor of the group.

Robust steel production and iron ore demand from China have underpinned the iron ore price over the past ten years. Despite an economic slowdown, it would seem that Chinese steel production continues to increase and China will need to import more iron ore to replace the shutdown of domestic production, which should help iron ore price stability.

The iron ore industry is re-consolidating as small, high cost miners are closing. The larger lower cost miners such as Rio Tinto, BHP Billiton and Vale should continue to take market share as a result. The top four producers are re-asserting their status as an oligopoly in the market and currently control 54% of the supply. This dominant position is forecast to increase to 75% within the next two years and will likely result in more disciplined supply growth and less volatility in iron ore prices.

The group's Parys Mountain property will benefit from any improvement in the price of zinc. Zinc will form a major part of the projected revenue stream from Parys Mountain, especially in the early years of production, and would be followed by increasing proportions of lead and copper as mine development advances.

Over the past few years there has been a strong argument supporting higher prices for zinc and lead over the long term, as a forecast imbalance between demand and supply is widely expected to have a significant impact. Wood Mackenzie, a global leader in commercial intelligence for the metals and mining industries, has stated that as a result of the industrialisation and urbanisation of China, they expect growth in demand for zinc to average 6% per year until 2020. For the rest of the world, they forecast demand to rise at a rate of 2.2% annually so that on a global basis, zinc demand is expected to increase 4% annually until 2020. This view is also held by most market commentators including CRU which in its 2014 Zinc Market Outlook was forecasting that "enormous deficits are likely in 2017 and 2018" and that "some very high prices are in prospect".

The demand for zinc and lead is expected to remain robust because of wide spread industrial usage. On the supply side, there has been a lack of investment in recent years in the exploration for, and development of, new zinc and lead projects, which has led to limited new sources of supply. In addition, a number of larger producers, notably the Brunswick mine in Canada, the Lisheen mine in Ireland and the Century mine in Australia, either have closed or are expected to shut down by the end of 2015, all of which should lead to reduced current mine supply of zinc and lead concentrates.

While the US economy continues to show signs of improvement, the global economic outlook remains weak and uncertain. China's growth continues to decelerate and Europe risks slipping into recession. Near-term growth prospects in both China and Europe now look dependent on further government intervention. There is also concern that as prices rise, some Chinese zinc production will come back on line. While it is possible that Chinese production could increase to fill the gap, much higher prices are needed to sustain these operations. However, on the supply side, the pipeline of large-scale, development-ready, zinc-lead projects remains very thin and the long term outlook for the prices of both zinc and lead remains very favourable.

John F. Kearney

Chairman

31 July 2015

Principal activities and business review

The group is engaged in the business of exploring and evaluating the wholly-owned Parys Mountain project in North Wales, although activities there have been very limited during the year.

Under various agreements the group participates in the management of the Grangesberg iron ore property in Sweden in which it has a 6% holding and a right of first refusal to acquire a further 51% ownership interest.

Operations at the Labrador iron project in eastern Canada in which group has a 15% holding *(2014 - 15%)* are currently suspended. LIM is now operating under the Canadian Companies' Creditors Arrangement Act to facilitate a restructuring and refinancing of its business operations.

The group continues its search for other mineral exploration and development opportunities.

The aim of the group is to create value in the Parys Mountain and Grangesberg properties, including by co-operative arrangements where appropriate, and to actively engage in other mineral ventures using the group's own resources together with such external investment and finance as may be required.

Parys Mountain

The Parys Mountain property has a significant UK zinc, copper and lead deposit with small amounts of silver and gold. A feasibility study in 1991 demonstrated the technical and economic viability of bringing the property into production at a rate of 350,000 tonnes per annum, producing zinc, copper and lead concentrates. In 2012 the first JORC Code compliant resource estimate of the property was published. It showed 2.1 million tonnes at 6.9% combined base metals in the indicated category and 4.1 million tonnes at 5.0% combined in the inferred category.

The site has a head frame, a 300m deep production shaft and planning permission for operations; consequently the lead time to production is expected to be relatively short. The group has freehold ownership of the minerals and surface land and there is substantial exploration potential. Infrastructure is good, political risk is low and the project has the support of local people and government.

During the financial year activities have been limited to a minor amount of follow-up geological work.

There are technical and other matters to be addressed to ensure that the project moves towards production, however the directors are of the opinion that this project is at an advanced state and the existence of the original feasibility study, together with the valid planning permissions, will do much to reduce both the volume of work required to move the project into production and the risks associated with this work. After due consideration the directors decided to undertake an impairment review this year, however this review did not indicate any requirement for impairment against the value of the Parys Mountain mineral asset on the balance sheet. Operation of the mine and the receipt of cashflows from it are dependent on finance being available to fund the development of the property.

Grangesberg Iron AB

In late May 2014 the group entered into agreements giving it the right to acquire a majority interest in the Grangesberg iron ore mine situated in the mineral-rich Bergslagen district of central Sweden about 200 kilometres north-west of Stockholm. Until its closure in 1989 due to prevailing market conditions Grangesberg had mined in excess of 150 million tonnes of iron ore. GIAB holds a 25 year exploitation permit covering the previously mined Grangesberg underground mining operations granted by the Swedish Mining Inspectorate in May 2013.

In a series of agreements the group purchased for US$145,000 a direct 6% interest in GIAB, a private Swedish company founded in 2007 which had recently completed a financial and capital restructuring with assistance from the group. At the same time the group obtained an option to acquire 51% of the enlarged share capital of GIAB for the issue of new ordinary shares of Anglesey to the value of US$1.75 million priced at a minimum of 3.375 pence per share. The group also entered into shareholder and cooperation agreements such that during the term of the option Anglesey holds operatorship of GIAB subject to certain conditions and appointed three out of five directors to the board of GIAB. Given the continuing difficulties with the iron ore price this option was not exercised however a right of first refusal in the case of another offer has been secured, until June 2018. This right has been granted in exchange for the group continuing to co-manage GIAB on a cost recovery basis.

In September 2014 an NI 43-101Technical Report was prepared by Roscoe Postle Associates Inc ("RPA") showing a compliant resource estimate for the Grangesberg Mine of 115.2 million tonnes at 40.2% Fe in the indicated category and 33.1 million tonnes at 45.2% Fe in the inferred category. RPA concluded that the Grängesberg iron ore deposit hosts a significant iron resource that has excellent potential for expansion at depth.

A programme to look closely at geo-mechanical and hydro-geological aspects of the site which will be critical components of the permitting regime required for the dewatering and reopening of the mine has been completed and a final report is in the course of preparation.

During the coming year, under Anglesey's direction, and subject to suitable economic conditions prevailing, GIAB will review and update its previous pre-feasibility study on the project incorporating inputs from the compliant resource estimate and from the geo-technical investigations.

Labrador Iron

Labrador Iron Mines Holdings Limited (LIM) was formerly an associate company in the group however following a dilution of the group's holding in November 2012 it became an investment in which Anglesey holds a 15% interest.

Labrador Iron Mines is engaged in the exploration, development and mining of direct shipping iron ore projects near Schefferville in the central part of the Labrador Trough region, one of the major iron ore producing regions in the world. There is a direct railway to the Port of Sept-Îles on the Atlantic Ocean and established infrastructure.

LIM did not undertake any mining operations during the 2014 operating season due to a combination of the prevailing low price of iron ore in 2014, an assessment of the current economics of its deposits and a strategic shift in corporate focus towards establishing a lower cost operating framework.

In April 2015 LIM initiated a court-supervised process under the Canadian Companies' Creditors Arrangement Act in order to facilitate a restructuring and refinancing of its business operations. These proceedings should provide LIM with the time and stability to restructure its business, negotiate a restructuring plan with stakeholders, compromise creditor claims, restructure key operating contracts, secure new financing, and otherwise consider restructuring and refinancing options. In view of this situation the value of the group's investment in LIM has been written down to £1 in the accounts to 31 March 2015.

Other activities

Management continues to search for new properties suitable for development within a relatively short time frame and within the financing capability likely to be available to the group.

Performance

The directors expect to be judged by results of project development and/or exploration and by their success in creating long term value for shareholders. The group holds shares in mineral companies and has interests in exploration and evaluation properties and, until economically recoverable reserves can be identified, there are no standardised performance indicators which can usefully be employed to gauge the performance of the group, other than the market price of the company's shares.

The chief external factors affecting the ability of the group to move forward are primarily the demand for metals and minerals, levels of metal prices and exchange rates; these and other factors are dealt with in the risks and uncertainties section below.

Financial results and position

The group has no revenues from the operation of its properties. The loss for the year after tax was £1,736,610 compared to a loss of £7,173,703 in 2014. Each of these losses are due chiefly to falls in the value of the group's investment in Labrador Iron. Although there were significant expense reductions during the year (including the waiver by directors of salaries and fees) the administrative and other costs excluding investment income and finance charges were £355,071 compared to £353,455 in the previous year. Included in this year's figure was £167,256 in respect of expenses in connection with the acquisition of the Grangesberg investment *(2014 – nil)*.

During the year there were no additions to fixed assets *(2014 - nil)* and £75,145 *(2014 - £48,482)* was capitalised in respect of the Parys Mountain property as mineral property exploration and evaluation.

The group's cash balance at 31 March 2015 was £96,873 *(2014 - £289,097)*. The foreign exchange loss of £4,574 *(2014 - loss £3,741)* shown in the income statement arises on cash balances held in Canadian dollars and Swedish Krona.

At 31 March 2015 the company had 160,608,051 ordinary shares in issue, unchanged from last year.

Employment, community, donations and environment

The group is an equal opportunity employer in all respects and aims for high standards from and for its employees. It also aims to be a valued and responsible member of the communities which it operates in or affects.

The group has no operations; consequently its effect on the environment is very slight, being limited to the operation of two small offices, where recycling and energy usage minimisation are taken seriously and encouraged. It is not practical or useful to quantify the effects of these measures. There are no social, community or human rights issues which require the provision of further information in this report.

Risks and uncertainties

In conducting its business the group faces a number of risks and uncertainties some of which have been described above in regard to particular projects. However, there are also risks and uncertainties of a nature common to all mineral projects and these are summarised below.

General mining risks

Actual results relating to, amongst other things, mineral reserves, mineral resources, results of exploration, capital costs, mining production costs and reclamation and post closure costs, could differ materially from those currently anticipated by reason of factors such as changes in general economic conditions and conditions in the financial markets, changes in demand and prices for minerals that the group expects to produce, legislative, environmental and other judicial, regulatory, political and competitive developments in areas in which the group operates, technological and operational difficulties encountered in connection with the group's activities, labour relations, costs and changing foreign exchange rates and other matters.

The mining industry is competitive in all of its phases. There is competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. The group faces competition from other mining companies in connection with the acquisition and retention of properties, mineral claims, leases and other mineral interests as well as for the recruitment and retention of qualified employees and other personnel.

Development and liquidity risk

On previous occasions and during the year the group has relied upon its largest shareholder, Juno Limited, for financial support and may be required to do so in the future to ensure the group will have adequate funds for its current activities. In the absence of support from Juno Limited the group would be dependent on the proceeds of share issues or other sources of funding. Developing the Parys project will be dependent on raising further funds from various sources.

Exploration and development

Exploration for minerals and development of mining operations involve risks, many of which are outside the group's control. The group currently operates in politically stable environments and hence is unlikely to be subject to expropriation of its properties but exploration by its nature is subject to uncertainties and unforeseen or unwanted results are always possible.

Metal prices

The prices of metals fluctuate widely and are affected by many factors outside the group's control. The relative prices of metals and future expectations for such prices have a significant impact on the market sentiment for investment in mining and mineral exploration companies. Metal price fluctuations may be either exacerbated or mitigated by currency fluctuations which affect the amount which might be received by the group in sterling.

Foreign exchange

LIM is a Canadian company; Angmag Limited and GIAB are Swedish companies. Accordingly the value of the group's holdings in these companies is affected by exchange rate risks. Operations at Parys Mountain are in the UK and exchange rate risks are minor. The majority of the cash balance at the year-end was held in sterling – see notes 17 and 24.

Permitting, environment and social

The group holds planning permission for the development of the Parys Mountain property but further consents will be required to carry out proposed activities and these may be subject to various reclamation and operational conditions.

Employees and personnel

The group is dependent on the services of a small number of key executives including the chairman, chief executive and finance director. The loss of these persons or the group's inability to attract and retain additional highly skilled and experienced employees for any areas in which the group might engage may adversely affect its business or future operations. At 31 March 2015 the company had six male directors; there were no female directors or employees.

Financial instruments

The group's use of financial instruments is described in note 24.

Approved by the board of directors and signed on its behalf

Bill Hooley

Chief executive officer

31 July 2015

The directors are pleased to submit their report and the audited accounts for the year ended 31 March 2015.

The corporate governance statement which follows forms part of this report. In accordance with statutory requirements, the principal activities of the group and other information is set out in the strategic report section preceding this report.

Directors

The names of the directors are shown in the directors' remuneration report and biographical details are shown on the inside rear cover. It is the company's procedure to submit re-election resolutions for all directors at the annual general meeting. The company maintains a directors' and officers' liability policy on normal commercial terms which includes third party indemnity provisions. The powers of the directors are described in the Corporate Governance Report.

With regard to the appointment and replacement of directors, the company is governed by its Articles, the Corporate Governance Code, the Companies Act and related legislation. The Articles themselves may be amended by special resolution of the shareholders. Under the Articles, any director appointed by the board during the year must retire at the AGM following his appointment. In addition, the Articles require that one-third of the remaining directors retire by rotation at each general meeting and seek re-appointment. However it is now the company's practice to submit re-election resolutions for all directors at each AGM.

Directors' interests in material contracts

Juno Limited (Juno), which is registered in Bermuda, holds 36.1% of the company's ordinary share capital. The company has a controlling shareholder agreement and working capital agreement with Juno. Advances made under the working capital agreement are shown in note 19. Apart from interest charges there were no transactions between the group and Juno or its group during the year. An independent committee reviews and approves any transactions and potential transactions with Juno. Danesh Varma is a director and, through his family interests, a significant shareholder of Juno.

John Kearney is chairman and chief executive of LIM, Bill Hooley is a director and vice-chairman of LIM and Danesh Varma is a director of LIM. All three are shareholders of LIM, are entitled when applicable to remuneration from LIM. There are no transactions between LIM, the group and the company which are required to be disclosed.

In May 2014 Bill Hooley and Danesh Varma were appointed as directors of Grangesberg Iron AB and of the special purpose vehicle Eurmag AB; further information concerning these appointments is included in the strategic report. Danesh Varma has been associated with the Grangesberg project since 2007 when he became a director of Mikula Mining Limited, a company subsequently renamed Eurang Limited, previously involved in the Grangesberg project. He did not take part in the decision to enter into the Grangesberg project when this was approved by the board. The group has a liability to Eurmag AB a subsidiary of Eurang amounting to £226,857 at the year end *(2014 – nil)*. See also note 25.

There are no other contracts of significance in which any director has or had during the year a material interest.

Substantial shareholders

At 16 July 2015 the following shareholder had advised the company of an interest in the issued ordinary share capital: Juno Limited notified an interest in 57,924,248 shares representing 36.1% of the issued ordinary shares.

Shares

Allotment authorities and disapplication of pre-emption rights

The directors would usually wish to allot any new share capital on a pre-emptive basis, however in the light of the group's potential requirement to raise further funds for the acquisition of new mineral ventures, other activities and working capital, they believe that it is appropriate to have a larger amount available for issue at their discretion without pre-emption than is normal or recommended for larger listed companies. At this year's annual general meeting, the directors will seek a renewal and replacement of the company's existing share allotment authorities.

The authority sought in resolution 12 of the notice of the AGM is to enable the directors to allot new shares and grant rights to subscribe for, or convert other securities into shares, up to a nominal value of £540,000 (54,000,000 ordinary shares) which is approximately one third of the total issued ordinary share capital of the company as at 16 July 2015. The directors will consider issuing shares if they believe it would be appropriate to do so in respect of business opportunities that arise consistent with the company's strategic objectives. The directors have no present intention of exercising this general authority, other than in connection with the potential issue of shares pursuant to the company's employee share and incentive plans.

The purpose of resolution 13 is to authorise the directors to allot new shares pursuant to the general authority given by resolution 12 in connection with a pre-emptive offer or offers to holders of other equity securities if required by the rights of those securities or as the board otherwise considers necessary, or otherwise up to an aggregate nominal amount of £401,500 (40,150,000 ordinary shares). This aggregate nominal amount represents approximately 25% of the issued ordinary share capital of the company at 31 July 2015. Whilst such authority is in excess of the 5% of existing issued ordinary share capital which is commonly accepted and recommended for larger listed companies, it will provide additional flexibility which the directors believe is in the best interests of the group in its present circumstances. The authority sought under resolution 13 will expire on 31 December 2015. The directors intend to seek renewal of this authority at future annual general meetings.

Rights and obligations attaching to shares

The rights and obligations attaching to the ordinary and deferred shares are set out in the Articles of Association. Details of the issued share capital are shown in note 21. Details of employee share schemes are set out in the Directors Remuneration Report and in note 22.

Each ordinary share carries the right to one vote at general meetings of the company. Holders of deferred shares, which are of negligible value, are not entitled to attend, speak or vote at any general meeting of the company, nor are they entitled to receive notice of general meetings.

Subject to the provisions of the Companies Act 2006, the rights attached to any class may be varied with the consent of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the shares of the class.

There are no restrictions on the transfer of the company's shares.

Voting rights

Votes may be exercised at general meetings in relation to the business being transacted either in person, by proxy or, in relation to corporate members, by corporate representative. The Articles provide that forms of proxy shall be submitted not less than 48 hours (excluding any part of a day that is not a working day) before the time appointed for holding the meeting or adjourned meeting.

No member shall be entitled to vote at a general meeting or at a separate meeting of the holders of any class of shares in the capital of the company, either in person or by proxy, in respect of any share held by him unless all monies presently payable by him in respect of that share have been paid. Furthermore, no shareholder shall be entitled to attend or vote either personally or by proxy at a general meeting or at a separate meeting of the holders of that class of shares or on a poll if he has been served with a notice after failing to provide the company with information concerning interests in his shares required to be provided under the Companies Act 2006.

Significant agreements and change of control

There are no agreements between the company and its directors or employees that provide for compensation for loss of office or employment that may occur because of a takeover bid. The company's share plans contain provisions relating to a change of control. Outstanding awards and options would normally vest and become exercisable on a change of control, subject to the satisfaction of any performance conditions.

Dividend

The group has no revenues and the directors are unable to recommend a dividend *(2014 - nil)*.

Going concern

The directors have considered the business activities of the group as well as its principal risks and uncertainties as set out in this report. When doing so they have carefully applied the guidance given in the Financial Reporting Council's document "Going concern and liquidity risk: Guidance for directors of UK companies 2009".

The ongoing operations of the group are dependent on its ability to raise adequate financing. The group relies on equity financing and support from its shareholders to fund its working capital requirements. The group will need to generate additional financial resources in order to meet its planned business objectives and continue as a going concern. Additional financing will be required in the short term to continue the development of the group's properties and in the longer term to put the Parys Mountain Mine into production.

The directors recognise the continuing operations of the group are dependent upon its ability to raise adequate financing and that this represents a material uncertainty which may cast significant doubt about the group's ability to continue as a going concern. The directors have a reasonable expectation that the required financing will be raised and are actively pursuing various financing options with certain shareholders and financial institutions regarding proposals for financing. The directors have reasonable expectations that these financing discussions will be successful and therefore the financial statements have been prepared on the going concern basis.

Greenhouse Gas emissions

The group does not itself undertake any activities or processes which lead to the production of greenhouse gases. The extent to which its administrative and management functions result in greenhouse gas emissions is slight and the directors do not believe that any useful purpose would be served by attempting to quantify the amounts of these emissions.

Post balance sheet events

See note 30.

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements. The directors are required to prepare the financial statements for the group in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") and have also elected to prepare financial statements for the company in accordance with IFRS. Company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law they are required to the prepare the financial statements in accordance with IFRS, the Companies Act 2006 and, in relation to the group financial statements, Article 4 of the IAS Regulation.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company financial statements and of their profit and loss for that period.

In preparing the financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the European Union; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors confirm that they consider the annual report and accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company and group's performance, business model and strategy.

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

Under applicable law and regulations the, the directors are also responsible for preparing a Strategic Report, Directors' Report, Remuneration Report and Corporate Governance Statement that comply with that law and those regulations.

The directors are responsible for the maintenance and integrity of the group website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the directors, whose names and functions are listed on the inside rear cover, confirm that, to the best of their knowledge:

- the group financial statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and loss of the group; and
- the Strategic and Directors' Reports include a fair review of the development and performance of the business and the position of the group, together with a description of the principal risks and uncertainties that it faces.

Auditor

Each of the directors in office at the date of approval of the annual report confirms that so far as they are aware there is no relevant audit information of which the company's auditor is unaware and that each director has taken all of the steps which they ought to have taken as a director in order to make themselves aware of that information and to establish that the company's auditor is aware of that information. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

A resolution to reappoint Mazars LLP as auditor and to authorise the directors to fix their remuneration will be proposed at the annual general meeting.

Approved by the board of directors and signed on its behalf

Danesh Varma

Company Secretary

31 July 2015

The Directors’ Remuneration Report has been prepared in accordance with schedule 8 of the Large and Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 as amended in August 2013.

The remuneration committee comprises Howard Miller (chairman) and Roger Turner. No remuneration consultants have been engaged.

Statement by the chair of the Remuneration Committee

This has been a difficult year for the group with significant pressures on a limited amount of free cash. All the salaried directors have waived a major part of their remuneration to assist the company through this challenging time. However the group’s policies with regard to directors’ remuneration, which are set out below, have not changed. While the group is at its current stage of development the committee considers that no policy changes are necessary or appropriate; the group needs to retain its executives while also conserving its resources for the tasks which lie ahead. The committee believes that the existing structure is the best way to do that in the current circumstances and for the year ahead.

H. B. Miller

Chairman, Remuneration Committee

31 July 2015

Directors’ remuneration policy

The board’s aim, implemented by the remuneration committee, with regard to executive and non-executive directors’ remuneration, is to provide a package which will attract, retain and motivate directors of the calibre required and be consistent with the group’s ability to pay. So far as is possible, it is the group’s policy to keep contract durations, notice periods and termination payments to a minimum. In practice, for executive directors, this results in rolling 12 month contracts.

A bonus for attainment of key corporate targets forms part of overall executive director remuneration and share options form a major part of executive directors’ remuneration.

Share options were granted to non-executive directors in the past however a fee payment is now being made to non-executive directors and future share option grants will be reduced or eliminated accordingly. At present there are no pension contributions of any type. There have been no new appointments during the year and the committee has not recommended any changes to existing remuneration packages.

The company has one active share scheme, the 2014 Unapproved Share Option Scheme, and the 2004 Unapproved Share Option Scheme which has options outstanding but is now closed. All directors and employees are eligible to receive options. In determining the amount of options to be granted to each individual, the directors take into account the need for and value of the services provided, the amount of time spent on the business of the group and any other remuneration receivable from the group. All share options are subject to a performance criterion, namely that the company’s share price performance over the period from grant to exercise must exceed that of the companies in the top quartile of the FTSE 100 index. This index was selected as being an easily available benchmark of general corporate performance.

Annual report on remuneration

Terms and conditions of service

John Kearney, the chairman, does not receive fees; he has in the past been remunerated by the grant of options over the company’s shares however he does not currently hold any such options.

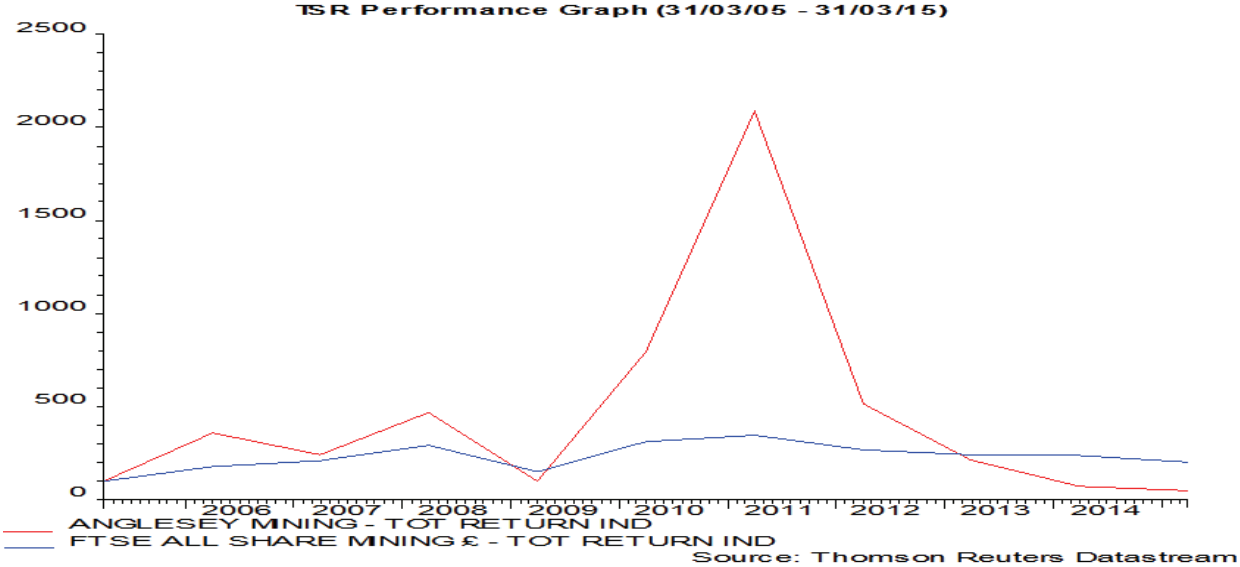
Bill Hooley has written terms of employment with rolling notice periods of 12 months and no other entitlement to termination or bonus payments. Each of the non-executive directors has a written contract for services, terminable at one month’s notice.

It is group policy that the period of notice for executive directors will not exceed 12 months and that the employment contracts of the executive directors are terminable at 364 days’ notice by either party. The contracts of executive directors do not provide for any enhanced payments in the event of a change of control of the company, nor for liquidated damages. All non-executive directors have letters of appointment with the company for an initial period of three years from their date of appointment, subject to reappointment at the AGM and thereafter can be terminated with one month’s notice.

Other than these, there are no arrangements in force whereby the group is under an obligation to pay fees, salaries, bonuses, pensions or any remuneration to any director. In addition there are no agreements with any director or employee that would provide compensation for loss of office or employment resulting from a takeover except that provisions of the share scheme may result in options granted to employees under such schemes vesting on a takeover.

Total shareholder return graph

This graph shows the total shareholder return over a ten year period for the company and for the FTSE All Share Mining index, being the most appropriate comparative available for the company:



Single figure of total remuneration - audited

Name	2015 Salary and fees £	2015 Pension £	2015 Total £	2014 Salary and fees £	2014 Pension £	2014 Total £
Executive						
John Kearney	-	-	-	-	-	-
Bill Hooley	15,000	-	15,000	60,000	-	60,000
Danesh Varma	6,000	-	6,000	24,000	-	24,000
Ian Cuthbertson	-	-	-	13,333	6,667	20,000
Non-executive		-				
Howard Miller	1,250	-	1,250	5,000	-	5,000
David Lean	1,250	-	1,250	5,000	-	5,000
Roger Turner	1,250	-	1,250	5,000	-	5,000
Totals	24,750	-	24,750	112,333	6,667	119,000

In June 2014 the directors waived their entitlement to remuneration from the company for the period from 1 July 2014 to 31 March 2015 resulting in the reduction in remuneration between 2014 and 2015 shown in the table above. There are no components of remuneration other than those shown which are required to be disclosed.

CEO remuneration table - audited

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
CEO total remuneration in £	15,000	60,000	60,000	33,297	20,000	20,000	102,000	107,000	60,000	15,000
Bonus payout against maximum	0%	0%	0%	0%	0%	0%	0%	50%	0%	0%

There were no other forms of remuneration required to be included in this table. See note re remuneration waiver above.

Percentage change in remuneration of director undertaking the role of CEO - audited

This table shows the percentage change in remuneration of the director undertaking the role of chief executive and the company's employees as a whole between 2014 and 2015:

	CEO	Employees
Salaries and fees	-75%	0%
Benefits	0%	0%
Bonus	0%	0%
Total remuneration	-75%	0%

Directors' share options - audited

Details of each share option held over ordinary shares in the company (all of them beneficial) by all those who were directors during the year are set out below. All options are over ordinary shares of 1 pence each, are fully vested and are subject to the operation of a performance condition.

Name	Options at 1 April 2014	Granted in year	Exercised in year	Lapsed in year	Options at 31 March 2015	Exercise price	Date from which exercisable	Expiry date
John Kearney	5,000,000	-	-	5,000,000	-	4.130p	22 Oct 05	22 Oct 14
Bill Hooley	1,000,000	-	-	-	1,000,000	10.625p	15 Jan 07	15 Jan 16
Bill Hooley	1,500,000	-	-	-	1,500,000	21.900p	26 Nov 07	26 Nov 17
David Lean	50,000	-	-	-	50,000	10.625p	15 Jan 07	15 Jan 16
David Lean	400,000	-	-	-	400,000	21.900p	26 Nov 07	26 Nov 17
Howard Miller	400,000	-	-	-	400,000	21.900p	26 Nov 07	26 Nov 17
Howard Miller	200,000	-	-	-	200,000	5.000p	27 Mar 10	27 Mar 19
Roger Turner	100,000	-	-	-	100,000	10.625p	15 Jan 07	15 Jan 16
Roger Turner	400,000	-	-	-	400,000	21.900p	26 Nov 07	26 Nov 17
Danesh Varma	100,000	-	-	100,000	-	4.130p	22 Oct 05	22 Oct 14
Danesh Varma	200,000	-	-	-	200,000	10.625p	15 Jan 07	15 Jan 16
Danesh Varma	500,000	-	-	-	500,000	21.900p	26 Nov 07	26 Nov 17
Danesh Varma	200,000	-	-	-	200,000	5.000p	27 Mar 10	27 Mar 19
	10,050,000	-	-	5,100,000	4,950,000			

The market price of the ordinary shares at 31 March 2015 was 1.875 pence, the high for the year to 31 March 2015 was 7.50 pence and the low for the year was 1.875 pence. The mid-market price at 16 July 2015 was 2.25 pence.

Other components of remuneration - audited

There were no taxable benefits, incentive plans, bonuses, share scheme interests, payments to past directors, payments for loss of office or other remuneration or payments which are required to be disclosed made during the year.

Directors' share and share option holdings summarised – audited

	17 July 2015		31 March 2015			31 March 2014		
Director.	Number of options	Number of ordinary shares	Number of options	Number of ordinary shares	Total	Number of options	Number of ordinary shares	Total
John Kearney	-	-	-	-	-	5,000,000	-	5,000,000
Bill Hooley	2,500,000	200,000	2,500,000	200,000	2,700,000	2,500,000	200,000	2,700,000
Danesh Varma	900,000	-	900,000	-	900,000	1,000,000	-	1,000,000
David Lean	450,000	-	450,000	-	450,000	450,000	-	450,000
Howard Miller	600,000	-	600,000	-	600,000	600,000	-	600,000
Roger Turner	500,000	-	500,000	-	500,000	500,000	-	500,000
	4,950,000	200,000	4,950,000	200,000	5,150,000	10,050,000	200,000	10,250,000

All of these interests are beneficial.

Relative importance of spend on pay

The total pay for the year ended 31 March 2015 was £21,000 and for the year ended 31 March 2014 it was £97,333. The change between the years is a reduction of 78%. There are no dividends or distributions with which to compare this reduction and no relevant performance related pay to consider.

Statement of voting at general meeting

The voting in respect of the approval of the directors' remuneration report at the annual general meeting held on 30 September 2014 was as follows: for the resolution 99.5%, against the resolution 0.5% and withheld votes 0.0%.

Future remuneration policy

The rates of remuneration and pay structures of the three executive directors to be considered in the future remuneration policy have not changed for several years (excepting the waivers which took place this year). There is no current intention to change them and consequently the information which would normally constitute the future policy table has not been provided.

Awards under previous remuneration policies

Any awards or remuneration-related commitments made to directors under previous remuneration policies will continue to be honoured.

Approach to recruitment remuneration

In considering the remuneration levels for new directors, the remuneration committee takes into account the market rate for similar roles, as well as considering the emoluments offered to existing and previous directors.

No compensation is normally offered for the forfeit of remuneration from previous employment. However, under exceptional circumstances, a one-off award may be made to a newly appointed executive director. Any such award will be made on a like-for-like basis, with a fair-value no higher than that of the awards forfeited after taking into account any conditions that would apply.

Where a director is appointed as a result of internal promotion, any contractual commitments made prior to their promotion would be honoured, where appropriate. When recruiting a new non-executive director, the board would determine the appropriate fee level in line with the policy stated above.

Service contracts

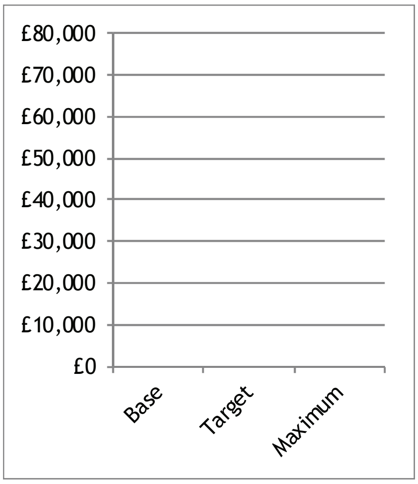
Executive directors currently have employment contracts which may be terminated by the employer or employee at twelve months' notice. No other payments are made for loss of office. Other than payment for this notice period, there are no payments for directors that are triggered by a change of control, nor are there any other remuneration-related contractual provisions such as side-letters.

Each director has a formal letter of appointment setting out their duties and responsibilities. These letters are available for inspection at the registered office.

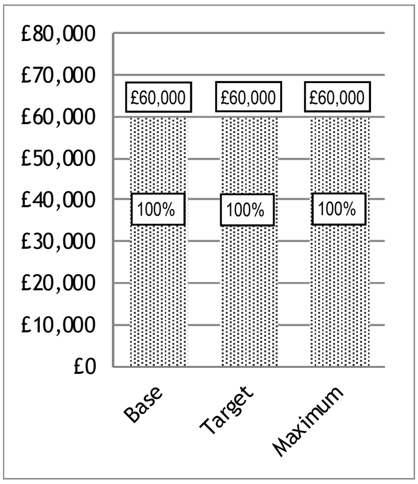
Remuneration scenario charts

The following charts outline the minimum remuneration receivable by each executive director under the current policy, as well as potential remuneration for attaining target and maximum performance levels, excluding any gains made under the operation of the share option scheme:

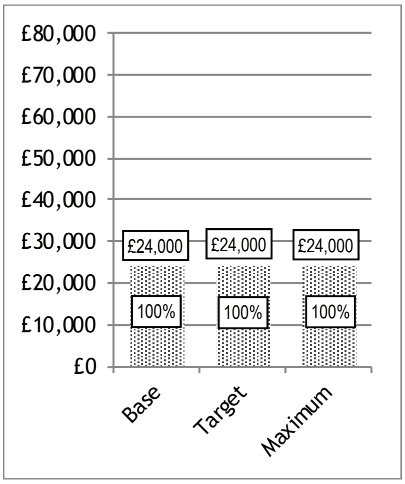
John Kearney



Bill Hooley



Danesh Varma



In these charts the 'Base' represents the current annual salary and the value of any benefits received; the 'Target' and 'Maximum' columns also include any additional amounts which might be receivable in bonuses, which at present are not expected to arise.

During the year Bill Hooley waived remuneration of £45,000 and Danesh Varma waived remuneration of £18,000 however the charts above show the amount which would be due in accordance with the employment contracts in force and the group's policy.

Policy on loss of office

Generally any severance payments on termination are limited to established contractual arrangements only. Any payment in lieu of notice would be limited to salary and benefits, and subject to mitigation.

A director who leaves the group in good standing would generally be entitled to receive an appropriate proportion of any potential bonus and would retain any share options for up to one year following his departure, subject to the rules of the share option scheme.

In the event of a change of control, awards may vest, subject to pro-rating for the proportion of the vesting period elapsed and the extent to which performance conditions are determined to have been achieved. The remuneration committee will retain discretion to adjust awards, within any relevant plan rules to ensure fairness for participants and shareholders.

Difference between director remuneration policy and that for other employees

There are no senior executives at present who are not directors. Remuneration policy for other employees would be consistent with that for the executive directors. There were no employees to be consulted when directors' remuneration policies were established.

Consideration of employment conditions

When setting directors' remuneration, the remuneration and overall conditions for other employees would be taken into account.

Consideration of shareholder views

The remuneration committee would consult with major shareholders when considering any significant changes to remuneration policy and practices.

Approved by the board of directors and signed on its behalf

Danesh Varma

Company Secretary

31 July 2015

Principles

The board bases its policies and practices in relation to corporate governance on the 2014 Financial Reporting Council UK Corporate Governance Code (the "Code"). The group has also made use of the Corporate Governance Guidelines for Smaller Quoted Companies published by the Quoted Companies Alliance in 2013 which relates to the implementation of corporate governance for smaller quoted companies.

The board supports the highest standards in corporate governance and endeavours to implement the principles of the Code constructively and in a sensible and pragmatic fashion with the objective of enhancing and protecting shareholder value. This is always harder in a small group than in the larger organisations with which the Code is chiefly concerned. It is particularly problematic for a group such as Anglesey which is both small and engaged in mineral property exploration and evaluation rather than more routine trading operations.

The Board

The board is responsible for formulating, reviewing and approving the company's strategy, financial activities and operating performance. Day to day management is devolved to the executive directors who are charged with consulting the board on all significant financial and operational matters. In this way decisions can be made promptly, but also with consultation amongst the directors concerned where necessary and appropriate.

The board comprises three executive directors and three non-executive directors, a structure which the board considered to be appropriate. Bill Hooley is the chief executive and John Kearney, formerly chairman and chief executive, is the chairman, a role he has held since 1994. He divides his time between a number of mineral companies and other activities. The board values the participation of directors on the boards of other companies in the mineral industry as this provides exposure to developments and other opportunities which is useful to enhance the experience of the directors and advantageous to the group.

The board is satisfied that each of the non-executive directors commits sufficient time to the business of the group and contributes materially to the governance and operations of the group. All the current directors are willing to stand and all are recommended for re-election at the AGM. In line with the Code's best practice recommendation it is the company's procedure to submit re-election resolutions for all directors at each AGM.

The board considers that Howard Miller is the senior independent non-executive director and David Lean and Roger Turner are independent directors. However Howard Miller and David Lean have now served for more than thirteen years and Roger Turner has served for more than nine years as non-executive directors and under the Code directors with more than nine years of service are presumed to be at risk of being no longer independent. This potential for non-compliance with the Code is reported at the end of this section. Notwithstanding this, the board believes it has sufficient compliance with other aspects of the Code in relation to independent directors all of whom are subject to re-election every year.

The board meets when required, usually on at least four occasions each year, and all board members are supplied with relevant and timely information. The company's strategy is always determined by the whole board and the schedule of matters reserved to the board is therefore comprehensive. The board approves detailed budgets and activities and any material changes to budgets or planned activities are also approved by the whole board.

There is an established procedure by which directors may, at the company's expense, take independent advice in the furtherance of their duties. They also have access to the advice and services of the company secretary who is charged with ensuring that board procedures are followed.

There are written terms of reference for the remuneration, audit and nomination committees, each of which deals with specific aspects of the group's affairs. The board receives periodic reports from all committees.

The matter of going concern is dealt with in the directors' report.

Remuneration committee

The remuneration committee comprises Howard Miller and Roger Turner. It is responsible for making recommendations to the board on the company's executive remuneration. The committee determines any contract terms, remuneration and other benefits, including share options, for each of the executive directors. The board itself determines the remuneration of the non-executive directors and directors may not vote in respect of their own remuneration. The report on directors' remuneration is set out in the previous section.

Audit committee

The committee's terms of reference have been approved by the board and follow published guidelines. The audit committee comprises Howard Miller and David Lean. All members have extensive mineral industry experience and the necessary recent and relevant experience required by the Code.

The audit committee reviews the half-yearly and annual accounts before they are presented to the board, focusing in particular on accounting policies and areas of management judgement and estimation. The committee is responsible for monitoring the controls which are in force to ensure the information reported to the shareholders is accurate and complete. It also discusses and considers internal control and risk management issues and contributes to the board's review of the effectiveness of the group's internal control and risk management systems and to the disclosure and explanation of the risks faced by the group which are set out in the strategic report.

The committee considers the need for an internal audit function, which it believes is not required at present due to the limited staff and operations of the group. The members of the committee have agreed to make themselves available should any member of staff wish to make representations to them about the conduct of the affairs of the group. The committee notes that the consolidation schedules have been prepared under the direction of the finance director and is satisfied that no further internal controls over this process are required.

The committee paid particular attention this year to the accounting treatment of the Grangesberg investment and were involved in discussions with the auditor on the contents of note 14.

The committee advises the board on the appointment of external auditors and on their remuneration for both audit and non-audit work and discusses the nature, scope and effectiveness of the audit with the external auditor with whom it meets formally at least once a year. The committee also reviews the effectiveness of the external audit by enquiries and discussions with the group staff involved in the audit and with the finance director. During the period, the audit committee has reviewed the effectiveness of the system of internal control.

The audit committee also undertakes a formal assessment of the auditor's independence each year which includes: a review of any non-audit services provided to the group; discussion with the auditor of all relationships with the company and any other parties that could affect independence or the perception of independence; a review of the auditor's own procedures for ensuring the independence of the audit firm and partners and staff involved in the audit, including the regular rotation of the audit partner; and obtaining written confirmation from the auditor that, in his professional judgement, he is independent. An analysis of the fee payable to the external audit firm in respect of both audit and non-audit services during the year is set out in note 4 to the financial statements. Mazars were appointed as auditors in 2008 after a tendering process involving four firms. The committee considered and approved the provision of taxation services by Mazars during the year which were routine in nature.

Nomination committee

The nomination committee comprises John Kearney (chairman), David Lean and Howard Miller. It is the company's procedure to submit re-election resolutions for all directors at each AGM. The nomination committee makes recommendations to the board on the appointment of new executive and non-executive directors, including making recommendations as to the composition of the board and its committees and the balance between executive and non-executive directors. The committee supports cultural and gender diversity but there are no formal policies in effect regarding these issues, nor in respect of measurable objectives of performance.

The nomination committee meets as and when required. It has met once in the year and has not yet engaged external consultants to identify appropriate candidates. The board considers that two of the committee members are independent non-executive directors.

Assessment of directors' performance

The performance of the non-executive directors is assessed by the chairman and is discussed with the senior independent director. The performance of executive directors is discussed and assessed by the remuneration committee or the board as a whole. The directors may take outside advice in reviewing performance when they consider this necessary, which has not been the case to date.

Internal control

The board of directors is responsible for and annually reviews the group's systems of internal control, financial and otherwise. Such systems provide reasonable but not absolute assurance of the safeguarding of assets, the maintenance of proper accounting records and the reliability of financial information. The key feature of the group's financial control system is that board members directly monitor all payments and transactions as well as budgets and annual accounts. The board, advised by the audit committee, considers it inappropriate to establish an internal audit function at present because of the group's limited operations, however this decision is reviewed annually.

There are no significant issues disclosed in the report and financial statements for the year and up to the date of approval of the report and financial statements that have required the board to deal with any related material internal control issues. The directors confirm that the board has reviewed the effectiveness of the system of internal control as described during the period.

Risks and uncertainties

In reviewing the risks facing the group, the board considers it is sufficiently close to the group's operations and aware of its activities to be able to adequately monitor risk without the establishment of any formal process. The group may become subject to risks against which it cannot insure or against which it may elect not to insure because of high premium costs or other reasons. The board believes the significant risks facing the group are adequately disclosed in these financial statements and that there are no other risks of comparable magnitude which need to be disclosed.

Communication with shareholders

Extensive information about the group and its activities is given in this annual report and accounts and the interim report which are sent to shareholders. Further information is available on the company's website, www.angleseymining.co.uk, which is updated whenever announcements or press releases are made. Presentations on the group's activities are made at the AGM. As well, attendance at the annual Mines and Money Show and an all-day investor event were made during the year and discussions are held with shareholders at or after all these occasions.

The chairman and/or the chief executive meet with substantial shareholders at least once per year, more often when appropriate, and other directors join these and other meetings with shareholders, whose views are relayed to all the directors at board meetings.

Every effort is made to reply promptly and effectively to enquiries from shareholders on matters relating to their shareholdings and the business of the group.

Directors' appointment and attendance at board and committee meetings

During the year attendance at meetings was as follows:

		Next		Meetings		
Director	**Date appointed**	**election**	**Board**	**Audit**	**Remuneration**	**Nomination**
Total number of meetings:			4	3	1	0
John Kearney	10 November 1994	2015	3			
Bill Hooley	10 January 2006	2015	4			
Howard Miller	20 September 2001	2015	3	3	1	
David Lean	20 September 2001	2015	4	3		
Roger Turner	10 January 2006	2015	4		1	
Danesh Varma	15 November 1994	2015	4			

Danesh Varma is the company secretary. He was appointed on 1 August 2013.

Compliance with the Combined Code

The directors believe that the group has complied with the requirements of the Code during the year with the following exceptions:

- B.1.1 – Non-executive directors hold options over shares; these were granted before the Code came into effect. It is not the intention of the board to grant further options to non-executive directors.
- B.1.2 – The three non-executive directors of the board have served for more than 9 years.
- B.6 - There has been no formal and rigorous annual evaluation of the performance of the board, its committees or the individual directors. In a group of this size such a review is largely a matter of judgement.
- D.1.2 – Executive directors' remuneration from other sources: John Kearney divides his time between a number of mineral companies and other activities; he is not currently remunerated.

Approved by the board of directors and signed on its behalf

Danesh Varma

Company Secretary

31 July 2015

We have audited the financial statements of Anglesey Mining plc for the year ended 31 March 2015 which comprise the Group Income Statement, the Group Consolidated Statement of Comprehensive Income, the Group and Company Statement of Financial Position, the Group and Company Statement of Changes in Equity, the Group and Company Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

Scope of the audit of the financial statements

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

There are 7 legal entities accounting for 100% of the group's operating loss, 100% of net assets and 100% of total assets all of which were subject to full scope audits for the year ended 31 March 2015. The audit of all the entities within the group was undertaken by the group audit team.

Our assessment and application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements on the financial statements and our audit. Materiality is used so we can plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free from material misstatement. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements.

Based on our professional judgement the level of overall materiality we set for the group financial statements is outlined below:

Overall Group materiality:	£380,000
Benchmark applied:	This has been calculated with reference to the group's net assets, of which it represents approximately 3%.
Basis for chosen benchmark:	Net assets represents shareholders' funds and we have determined it to be the principal benchmark within the financial statements relevant to shareholders, as the group has no revenues and is still exploring and evaluating mineral sites in which it retains an interest.

We agreed with the Audit Committee that we would report to it all audit differences in excess of £11,000, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified during the course of assessing the overall presentation of the financial statements.

Our assessment of the risks of material misstatement

The assessed risks of material misstatement described below are those that had the greatest effect on our audit strategy, the allocation of resources in the audit and directing the efforts of the engagement team.

The risk	Our response
Going concern The financial statements are prepared on a going concern basis in accordance with IAS1 'Presentation of Financial Statements'. Given the cash position of the group at the year end, the net current assets of £6,293, the net cash outflows since the year end, and the projected net cash outflows for the net 12 months there is a potential material uncertainty that the group does not have sufficient cash or other financial resources to continue in operation for at least 12 months from the date of authorising these financial statements.	We evaluated the directors' assessment of the group's ability to continue as a going concern. In particular, we reviewed and challenged the cash flow forecasts including key assumptions to assess the risk of the inability to meet liabilities as they fall due. We have considered the group's reliance on ongoing support from its largest shareholder, Juno Limited, including its ability to provide adequate funds for its current and future activities and the availability of other sources of finance to the group to support the going concern assumption. In the absence of support from Juno Limited, the Directors consider that the going concern status of the group would be dependent on the raising of funds from share issues or from accessing alternative sources of funding. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the group and company's ability to continue as a going concern. Accordingly, as outlined below, without modifying our opinion on the financial statements in respect of this matter, we have included an emphasis of matter.
Potential impairment of capitalised costs associated with the exploration and evaluation of the Parys Mountain mine site The group has held rights to explore and mine the site for a number of years but has not completed exploration and evaluation activities and feasibility assessments to an extent where the site has been confirmed as being commercially viable and mining activities commenced. There is a risk that accounting criteria associated with the capitalisation of exploration and evaluation expenditure may no longer be appropriate and that capitalised costs exceed the value in use. Any assessment of the value in use is highly judgemental and is based on the directors' assessment of a number of factors, including: long term metal commodity prices, the estimated mineral deposits from independent experts' studies, costs associated with mineral extraction and sale, discount rates and exchange rate factors.	Our audit work included, but was not restricted to, a review of the directors' assessment of the criteria for the capitalisation of exploration and evaluation expenditure and whether there are any indicators of impairment to capitalised costs. The directors concluded that there were indicators of potential impairment, however their assessment did not indicate that an impairment of the asset was required. Our work included a review of the integrity of the discounted cash flow model used by the directors to make an assessment as to whether impairment had occurred, as well as using our professional scepticism to challenge and test the key assumptions for sensitivity to the model. These key assumptions included: the expected future revenue and costs associated with the extraction and sale of the mineral deposits, future metal prices, currency exchange rates, demand for the minerals and the discount rate utilised in the financial model. Our work did not indicate that impairment to exploration and evaluation assets was required.
Potential impairment of the investment in the subsidiary, Parys Mountain Mines Limited, in the company financial statements The cost of the investment in and loan due from the subsidiary, Parys Mountain Mines Limited, held in the balance sheet of the company, is supported by the	In conjunction with our work associated with the potential impairment of the exploration and evaluation assets held within Parys Mountain Mine

future cash flows associated with the recovery of the exploration and evaluation assets following the development of the Parys Mountain site held by Parys Mountain Mines Limited. If there were impairment in the exploration and evaluation assets, this would have a direct impact on the carrying value of the investment in and loan due from the subsidiary, which may need to be written down in the company's accounts.	Limited, we considered whether there was an indication that the cost of the investment in and loan due from the subsidiary required writing down in the company. As there was no impairment of the asset held by Parys Mountain Mine Limited, there is no indication that the carrying value of the investment in and loan due from the company was not recoverable.
Accounting treatment of Grangesberg Iron AB ("GIAB"), Eurang Limited and Eurmag AB During the year, Anglesey Mining Plc acquired a 6% interest in Grangesberg Iron AB through a special purpose subsidiary vehicle Angmag AB. An Option and Control Agreement also gave the Company the right to acquire the entire share capital of Eurang Limited which through its 100% subsidiary Eurmag AB, holds a 51% shareholding in GIAB. There is a risk that the terms of this Option and Control Agreement, together with a Restructuring Agreement and Shareholder's Agreement, relating to the 6% interest acquired, are considered to result in the Company having the ability to exercise, directly or indirectly, control of GIAB under the requirements of IFRS10.	We have reviewed management's assessment of the contractual agreements entered into, including the rights and restrictions within these agreements, and their conclusion, under the requirements of IFRS10, that Anglesey Mining Plc had the ability to exercise control, during the year, over Angmag AB. Management has concluded that Angmag AB should be designated as a subsidiary and included in the Consolidated Financial Statements of Anglesey Mining Plc. Management's assessment of the contractual agreements entered into, including the rights and restrictions within these agreements, concluded that under the requirements of IFRS10 they did not have control over GIAB, Eurang Limited or Eurmag AB. However, management considered that the ability to exert significant influence over GIAB existed during the Option and Control Agreement period, thereby identifying GIAB as an associate of the company. No transactions of GIAB have been accounted for as an associate in the financial statements as management has concluded that the impact is immaterial. Whilst we consider that under the requirements of IFRS during the period of significant influence the interest should have been recognised as an associate, the amounts and associated disclosures are not material to the Group financial statements.

The Audit Committee's consideration of these risks is set out on pages 15 and 16.

The audit procedures relating to the above mentioned matters were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of these risks, and we do not express an opinion on these individual risks.

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2015 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not modified in this regard, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the Group's ability to continue as a going concern. The Group incurred a net cash outflow of £192,224 during the year ended 31 March 2015 and, at that date it had net current assets of £6,293. These conditions, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion except for the effects of the matter described in the Basis for Qualified Opinion paragraph:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006;
- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the information given in the Corporate Governance Statement with respect to internal control and risk management systems in relation to financial reporting processes and about share capital is consistent with the financial statements and rules 7.2.5 and 7.2.6 of the Disclosure and Transparency Rules.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the International Standards on Auditing (ISAs) (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the company acquired in the course of performing our audit; or
- otherwise misleading.

In particular we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report discloses those matters that we communicated to the audit committee which we consider should have been disclosed.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- a Corporate Governance Statement has not been prepared by the company.

Under the Listing Rules we are required to review:

- the directors' statement, set out on page 8, in relation to going concern; and
- the part of the Corporate Governance Statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Richard Metcalfe (Senior Statutory Auditor)
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House, St. Katharine's Way, London, E1W 1DD

Date: 31 July 2015

Group income statement

All attributable to equity holders of the company

All operations are continuing	Notes	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Revenue		-	-
Expenses		(355,071)	(353,455)
Impairment of investment	14	(1,231,218)	(5,451,267)
Exchange difference on investment impairment	14	(26,766)	(1,255,280)
Investment income	6	882	2,630
Finance costs	7	(119,863)	(112,590)
Foreign exchange loss		(4,574)	(3,741)
Loss before tax	4	(1,736,610)	(7,173,703)
Tax	8	-	-
Loss for the period		(1,736,610)	(7,173,703)
Loss per share			
Basic - pence per share	9	(1.1)p	(4.5)p
Diluted - pence per share	9	(1.1)p	(4.5)p

Group consolidated statement of comprehensive income

Loss for the period	(1,736,610)	(7,173,703)
Other comprehensive income:		
Exchange difference on translation of foreign holding	(31,163)	-
Total comprehensive loss for the year	(1,767,773)	(7,173,703)

Statement of financial position of the group

	Notes	31 March 2015 £	31 March 2014 £
Assets			
Non-current assets			
Mineral property exploration and evaluation	10	14,877,193	14,802,048
Property, plant and equipment	11	204,687	204,687
Investments	14	86,660	1,257,985
Deposit	15	122,806	122,596
		15,291,346	16,387,316
Current assets			
Other receivables	16	30,977	17,017
Cash and cash equivalents	17	96,873	289,097
		127,850	306,114
Total assets		15,419,196	16,693,430
Liabilities			
Current liabilities			
Trade and other payables	18	(121,557)	(99,647)
		(121,557)	(99,647)
Net current assets		6,293	206,467
Non-current liabilities			
Loans	19	(2,882,502)	(2,418,873)
Long term provision	20	(50,000)	(42,000)
		(2,932,502)	(2,460,873)
Total liabilities		(3,054,059)	(2,560,520)
Net assets		12,365,137	14,132,910
Equity			
Share capital	21	7,116,914	7,116,914
Share premium		9,848,949	9,848,949
Currency translation reserve		(31,163)	-
Retained losses		(4,569,563)	(2,832,953)
Total shareholders' equity		12,365,137	14,132,910

The financial statements of Anglesey Mining plc were approved by the board of directors, authorised for issue on 31 July 2015 and signed on its behalf by:

John F. Kearney, Chairman

Danesh Varma, Finance Director

Statement of financial position of the company

	Notes	31 March 2015 £	31 March 2014 £
Assets			
Non-current assets			
Investments	13	14,117,026	13,977,564
		14,117,026	13,977,564
Current assets			
Other receivables	16	13,945	13,793
Cash and cash equivalents	17	72,088	267,045
		86,033	280,838
Total Assets		14,203,059	14,258,402
Liabilities			
Current liabilities			
Trade and other payables	18	(102,660)	(86,007)
		(102,660)	(86,007)
Net current (liabilities)/assets		(16,627)	194,831
Non-current liabilities			
Loan	19	(2,659,916)	(2,418,873)
		(2,659,916)	(2,418,873)
Total liabilities		(2,762,576)	(2,504,880)
Net assets		11,440,483	11,753,522
Equity			
Share capital	21	7,116,914	7,116,914
Share premium		9,848,949	9,848,949
Retained losses		(5,525,380)	(5,212,341)
Shareholders' equity		11,440,483	11,753,522

The financial statements of Anglesey Mining plc registered number 1849957 were approved by the board of directors and authorised for issue on 31 July 2015, and signed on its behalf by:

John F. Kearney, Chairman

Danesh Varma, Finance Director

Statements of changes in equity

All attributable to equity holders of the company.

Group	Share capital £	Share premium £	Currency translation reserve £	Retained (losses)/ earnings £	Total £
Equity at 1 April 2013	7,116,914	9,848,949	-	4,340,750	21,306,613
Total comprehensive loss for the year:					
Loss for the year	-	-	-	(7,173,703)	(7,173,703)
Total comprehensive loss for the year	-	-	-	(7,173,703)	(7,173,703)
Equity at 31 March 2014	7,116,914	9,848,949	-	(2,832,953)	14,132,910
Total comprehensive loss for the year:					
Loss for the year	-	-	-	(1,736,610)	(1,736,610)
Exchange difference on translation of foreign holding	-	-	(31,163)	-	(31,163)
Total comprehensive loss for the year	-	-	(31,163)	(1,736,610)	(1,767,773)
Equity at 31 March 2015	7,116,914	9,848,949	(31,163)	(4,569,563)	12,365,137

Company	Share capital £	Share premium £	Retained losses £	Total £
Equity at 1 April 2013	7,116,914	9,848,949	(4,736,665)	12,229,198
Total comprehensive loss for the year:				
Loss for the year	-	-	(475,676)	(475,676)
Total comprehensive loss for the year	-	-	(475,676)	(475,676)
Equity at 31 March 2014	7,116,914	9,848,949	(5,212,341)	11,753,522
Total comprehensive loss for the year:				
Loss for the year	-	-	(313,039)	(313,039)
Total comprehensive loss for the year	-	-	(313,039)	(313,039)
Equity at 31 March 2015	7,116,914	9,848,949	(5,525,380)	11,440,483

Statement of cash flows of the group

	Notes	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Operating activities			
Loss for the period		(1,736,610)	(7,173,703)
Adjustments for:			
Investment income	6	(882)	(2,630)
Finance costs	7	119,863	112,590
Impairment of investment	14	1,231,218	5,451,267
Exchange difference on investment impairment	14	26,766	1,255,280
Foreign exchange movement		4,574	3,741
		(355,071)	(353,455)
Movements in working capital			
(Increase)/decrease in receivables		(15,867)	23,222
Increase in payables		4,934	15,491
Net cash used in operating activities		(366,004)	(314,742)
Investing activities			
Investment income		672	2,238
Mineral property exploration and evaluation		(69,888)	(65,003)
Investment		(74,940)	-
Net cash used in investing activities		(144,156)	(62,765)
Financing activities			
Loans		322,510	-
Net cash generated from financing activities		322,510	-
Net decrease in cash and cash equivalents		(187,650)	(377,507)
Cash and cash equivalents at start of year		289,097	670,345
Foreign exchange movement		(4,574)	(3,741)
Cash and cash equivalents at end of year	17	96,873	289,097

Statement of cash flows of the company

	Notes	Year ended 31 March 2015 £	Year ended 31 March 2014 £
Operating activities			
Loss for the period	23	(313,039)	(475,676)
Adjustments for:			
Investment income		(477)	(2,013)
Finance costs		116,043	112,590
		(197,473)	(365,099)
Movements in working capital			
(Increase)/decrease in receivables		(152)	12,309
Increase in payables		16,653	15,491
Net cash used in operating activities		(180,972)	(337,299)
Investing activities			
Interest income		477	2,013
Investments and long term loans		(139,462)	(20,884)
Net cash used in investing activities		(138,985)	(18,871)
Financing activities			
Loan from Juno Limited		125,000	-
Net cash generated from financing activities		125,000	-
Net decrease in cash and cash equivalents		(194,957)	(356,170)
Cash and cash equivalents at start of period		267,045	623,215
Cash and cash equivalents at end of period	17	72,088	267,045

1 General information

Anglesey Mining plc is domiciled and incorporated in England and Wales under the Companies Act. The nature of the group's operations and its principal activities are set out in note 3 and in the strategic report. The registered office address is as shown on the rear cover.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the group has been operating. Foreign operations are included in accordance with the policies set out in note 2.

2 Significant accounting policies

Basis of Accounting

The group and company financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and therefore the group financial statements comply with Article 4 of the EU IAS Regulation.

The financial statements have been prepared on the historical cost basis except for the fair valuation of certain financial assets. The principal accounting policies adopted are set out below.

Going concern

The financial statements are prepared on a going concern basis. The validity of the going concern basis is dependent on finance being available for the continuing working capital requirements of the group for the foreseeable future, being a period of at least twelve months from the date of approval of the accounts. The ongoing operations of the group are dependent on its ability to raise adequate financing. The group relies on equity financing and support from its shareholders to fund its working capital requirements. The group will need to generate additional financial resources in order to meet its planned business objectives and continue as a going concern. Additional financing will be required in the short term to continue the development of the group's properties and in the longer term to put the Parys Mountain Mine into production.

The directors recognise the continuing operations of the group are dependent upon its ability to raise adequate financing. The directors have a reasonable expectation that the required financing will be raised and are actively pursuing various financing options with certain shareholders and financial institutions regarding proposals for financing. The directors have reasonable expectations that these financing discussions will be successful and therefore the financial statements have been prepared on the going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company (its subsidiaries) made up to 31 March each year. Control is achieved where the company has the power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (i.e. discount on acquisition) is credited to the income statement in the period of acquisition. The results of subsidiaries acquired or disposed of during the year are included in the group income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Revenue recognition

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Foreign currencies

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the period end date. Non-monetary assets and liabilities carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Gains and losses arising on retranslation are included in net profit or loss for the period.

On consolidation, the assets and liabilities of the group's overseas operations are translated at exchange rates prevailing on the period end date. Exchange differences arising, if any, are classified as items of other comprehensive income and transferred to the group's translation reserve within equity.

Such translation differences are reclassified to profit or loss, and recognised as income or as expense, in the period in which there is a disposition of the operation.

Segmental analysis

Operating segments are identified on the basis of internal reports about components of the group that are regularly reviewed by the chief operating decision-maker.

Retirement benefit costs

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. There are no defined benefit retirement schemes.

Significant accounting policies – continued

Equity-settled employee benefits

The group provides equity-settled benefits to certain employees. Equity-settled employee benefits are measured at fair value at the date of grant. The fair value determined at the grant date is expensed on a straight-line basis over the vesting period, based on the group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

Fair value is measured by use of a Black-Scholes model. The expected life used in the model has been adjusted from the longer historical average life, based on directors' estimates of the effects of non-transferability, exercise restrictions, market conditions, age of recipients and behavioural considerations.

Taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the period end liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of any deferred tax assets is reviewed at each period end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Property, plant and equipment

The group's freehold land is stated in the statement of financial position at cost. The directors consider that the residual value of buildings, based on prices prevailing at the date of acquisition and at each subsequent reporting date as if the asset were already of the age and in the condition expected at the end of its useful life, is such that any depreciation would not be material. The carrying value is reviewed annually to consider whether it exceeds the recoverable value in which case any impairment in value would be charged immediately to the income statement.

Plant and office equipment are stated in the statement of financial position at cost, less depreciation. Depreciation is charged on a straight line basis at the annual rate of 25%. Residual values and the useful lives of these assets are also reviewed annually.

Intangible assets - mineral property exploration and evaluation costs

Intangible assets are stated in the statement of financial position at cost, less accumulated amortisation and provisions for impairment.

Costs incurred prior to obtaining the legal rights to explore a mineral property are expensed immediately to the income statement. Mineral property exploration and evaluation costs are capitalised until the results of the projects, which are usually based on geographical areas, are known; these include an allocation of administrative and management costs as determined appropriate to the project by management.

Where a project is successful, the related exploration costs are amortised over the life of the estimated mineral reserve on a unit of production basis. Where a project is terminated, the related exploration costs are expensed immediately. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

Impairment of tangible and intangible assets

The values of mineral properties are reviewed annually for indications of impairment and when these are present a review to determine whether there has been any impairment is carried out. They are written down when any impairment in their value has occurred and are written off when abandoned. Where a provision is made or reversed it is dealt with in the income statement in the period in which it arises.

Investments

Investments in subsidiaries are shown at cost less provisions for impairment in value. Income from investments in subsidiaries together with any related withholding tax is recognised in the income statement in the period to which it relates.

Investments which are not subsidiaries are shown at cost unless there is a practical method of determining a reliable fair value, in which case that fair value is used.

Provisions

Provisions are recognised when the group has a present obligation as a result of a past event and it is probable that the group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle that obligation at the end of the reporting period and are discounted to present value where the effect is material.

Financial instruments

Financial assets and liabilities are initially recognised and subsequently measured based on their classification as "loans and receivables", "available for sale financial assets" or "other financial liabilities".

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except where they mature more than 12 months after the period end date: these are classified as non-current assets.

Significant accounting policies – continued

(a) *Trade and other receivables*. Trade and other receivables are measured at initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in the income statement when there is objective evidence that the asset is impaired.

(b) *Cash and cash equivalents*. The group considers all highly liquid investments which are readily convertible into known amounts of cash and have a maturity of three months or less when acquired to be cash equivalents. The management believes that the carrying amount of cash equivalents approximates fair value because of the short maturity of these financial instruments.

(c) *Available for sale financial assets*. Listed shares held by the group that are traded in an active market are classified as being AFS and are stated at fair value. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in the investments revaluation reserve with the exception of impairment losses and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is reclassified to profit or loss.

Unlisted shares held by the group that are classified as being AFS are stated at cost on the basis that the shares are not quoted and a reliable fair value is not able to be estimated.

Dividends on AFS equity instruments are recognised in profit or loss when the group's right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the balance sheet date. The foreign exchange gains and losses that are recognised in profit or loss are determined based on amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

(d) *Trade and other payables*. Trade payables are not interest bearing and are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method.

(e) *Deposits*. Deposits are recognised at fair value on initial recognition and are subsequently measured at amortised cost using the effective interest rate method.

(f) *Loans*. Loans are recognised at fair value on initial recognition and are subsequently measured at amortised cost using the effective interest rate method.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Leases

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

Mining lease payments are recognised as an operating expense in the income statement on a straight line basis over the lease term unless they relate to mineral property exploration and evaluation in which case they are capitalised. There are no finance leases or other operating leases.

New accounting standards

The group and company have adopted the following new accounting standards and interpretations:

IFRS 10 Consolidated Financial Statements: Issued October 2012; Effective – Annual periods beginning on or after 1 January 2014

IFRS 11 Joint Arrangements: Original issue; Issued – May 2011; Effective – Annual periods beginning on or after 1 January 2014

IFRS 12 Disclosure of Interests in Other Entities: Original issue; Issued – May 2011; Effective – Annual periods beginning on or after 1 January 2014

IAS 27 Separate Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Original issue; Issued – May 2011; Effective – Annual periods beginning on or after 1 January 2014

There has been no impact of adopting the standards.

The group and company have adopted the amendments to the following interpretation:

IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 27 Separate Financial Statements: Amendment relates to investment entities; Effective – Annual periods beginning on or after 1 January 2014

IAS 32 Financial Instruments: Amendment relates to the offsetting of financial assets and liabilities; Effective – Annual periods beginning on or after 1 January 2014

IAS 36 Impairment of Assets: Amendment relates to the recoverable amount disclosures for non-financial assets; Effective – Annual periods beginning on or after 1 January 2014

IAS 39 Financial Instruments: Recognition and Measurement: Amendment relates to the novation of derivatives and continuing of hedge accounting; Effective – Annual periods beginning on or after 1 January 2014

There has been no impact of adopting the amendments.

Significant accounting policies – continued

The group and the company have not applied the following IFRS, IAS and IFRICs that are applicable and have been issued but are not yet effective:

IFRIC 21 Levies; Effective - Annual periods beginning on or after 17 June 2014

IFRS 14 Regularity Deferral Accounts: Original issue; Issued – January 2014; Effective – Annual periods beginning on or after 1 January 2016

IFRS 15 Revenue from contracts with customers: Original issue; Issued – May 2014; Effective – Annual periods beginning on or after 1 January 2017

IFRS 9 Financial Instruments; Original issue; Issued – November 2009; Effective – Annual periods beginning on or after 1 January 2018

IAS 1 Presentation of Financial Information: Amendment relates to the disclosure initiative; Effective – Annual periods beginning on or after 1 January 2016

IAS16 Property, plant and equipment and IAS 38 Intangible Assets: Amendments regarding the clarification of acceptable methods of depreciation and amortisation; Amended May 2014; Effective for Annual periods beginning on or after 1 January 2016

IAS 19 Employee Benefits: Amendment relating to the accounting for contributions from employees or third parties to defined benefit plans; Effective – Annual periods beginning on or after 1 February 2015

IAS 27 Separate Financial Statements (as amended in 2011): Original issue; Issued – May 2011; Effective – Annual periods beginning on or after 1 January 2016

IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures: Amendment relating to the sale or contribution of assets between an investor and its associate or joint venture; Effective – Annual periods beginning on or after 1 January 2016

IFRS 10 Consolidation Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investment in Associates and Joint Ventures: Amendments relate to investment entities, applying the consolidation exemption; Effective – Annual periods beginning on or after 1 January 2016

IFRS 11 Joint Arrangements: Amendment relating to the accounting for acquisition of interests in joint operations; Effective – Annual periods beginning on or after 1 January 2016

The directors expect that the adoption of the above pronouncements will have no material impact to the financial statements in the period of initial application other than disclosure.

The directors do not consider the adoption of the amendments resulting from the Annual Improvements 2010 - 2012 cycle will result in a material impact on the financial information of the group and company. These amendments to IFRS2, IFRS3, IFRS8 IAS 16, IAS24 and IAS38 are effective for accounting periods beginning on or after 1 February 2015.

The directors do not consider the adoption of the amendments resulting from the Annual Improvements 2011 - 2013 cycle will result in a material impact on the financial information of the group and company. These amendments to IFRS3, IFRS13 and IAS40 are effective for accounting periods beginning on or after 1 July 2014.

The directors do not consider the adoption of the amendments resulting from the Annual Improvements 2012 - 2014 cycle will result in a material impact on the financial information of the group and company. These amendments to IFRS 5, IFRS 7, IAS 19 and IAS 34 are effective for accounting periods beginning on or after 1 January 2016.

There have been no other new or revised International Financial Reporting Standards, International Accounting Standards or Interpretations that are in effect since that last annual report that have a material impact on the financial statements.

Judgements made in applying accounting policies and key sources of estimation uncertainty

The following critical judgements have been made in the process of applying the group's accounting policies:

(a) In determining the treatment of exploration, evaluation and development expenditures the directors are required to make estimates and assumptions as to future events and circumstances. There are uncertainties inherent in making such assumptions, especially with regard to: ore resources and the life of a mine; recovery rates; production costs; commodity prices and exchange rates. Assumptions that are valid at the time of estimation may change significantly as new information becomes available and changes in these assumptions may alter the economic status of a mining unit and result in resources or reserves being restated. Operation of a mine and the receipt of cashflows from it are dependent on finance being available to fund the development of the property.

(b) In connection with possible impairment of assets the directors assess each potentially cash generating unit annually to determine whether any indication of impairment exists. The judgements made when doing so are similar to those set out above and are subject to the same uncertainties.

(c) The accounting treatment adopted for the group's investment in GIAB and the reasons for doing so are set out in note 14.

Nature and purpose of equity reserves

The share premium reserve represents the consideration that has been received in excess of the nominal value of shares on issue of new ordinary share capital, less any direct costs of issue. The currency translation reserve represents the variations on revaluation of overseas foreign subsidiaries and associates. The retained earnings reserve represents profits and losses retained in previous and the current period.

3 Segmental information

The group is engaged in the business of exploring and evaluating the wholly-owned Parys Mountain project in North Wales, managing its interest in the Grangesberg properties and has an investment in the Labrador iron project in eastern Canada. In the opinion of the directors, the group's activities comprise one class of business which is mine exploration, evaluation and development. The group reports geographical segments; these are the basis on which information is reported to the board. As yet there have been no site expenses incurred in respect of the group's interest in Grangesberg.

Income statement analysis

	2015				2014			
	UK	Sweden	Canada	Total	UK	Sweden	Canada	Total
	£	£	£	£	£	£	£	£
Expenses	(187,815)	(167,256)	-	(355,071)	(353,455)	-	-	(353,455)
Impairment of investment	-	-	(1,231,218)	(1,231,218)	-	-	(5,451,267)	(5,451,267)
Exchange difference on above	-	-	(26,766)	(26,766)	-	-	(1,255,280)	(1,255,280)
Investment income	882	-	-	882	2,630	-	-	2,630
Finance costs	(119,863)	-	-	(119,863)	(112,590)	-	-	(112,590)
Exchange rate (loss)	(4,574)	-	-	(4,574)	(3,741)	-	-	(3,741)
Loss for the year	(311,370)	(167,256)	(1,257,984)	(1,736,610)	(467,156)	-	(6,706,547)	(7,173,703)

Assets and liabilities

	31 March 2015				31 March 2014			
	UK	Sweden	Canada	Total	UK	Sweden	Canada	Total
	£	£	£	£	£	£	£	£
Non-current assets	15,204,686	86,659	1	15,291,346	15,129,331	-	1,257,985	16,387,316
Current assets	123,364	4,486	-	127,850	306,114	-	-	306,114
Liabilities	(2,831,473)	(222,586)	-	(3,054,059)	(2,560,520)	-	-	(2,560,520)
Net assets/liabilities	12,496,577	(131,441)	1	12,365,137	12,874,925	-	1,257,985	14,132,910

4 Operating result

The loss for the year has been arrived at after charging:

	2015	2014
	£	£
Fees payable to the group's auditor:		
for the audit of the annual accounts	22,000	22,000
for the audit of subsidiaries' accounts	3,000	3,000
for other services - taxation compliance	2,500	3,150
for other services	800	1,303
Directors' remuneration	24,750	112,333
Director's pension contributions	-	6,667
Foreign exchange loss	4,574	3,741

5 Staff costs

The average monthly number of persons employed (including executive directors) was:

	2015	2014
Administrative	3	4
	3	4

Their aggregate remuneration was:	£	£
Wages and salaries	33,985	104,998
Social security costs	2,118	11,691
Other pension costs	-	6,667
	36,103	123,356

Details of directors' remuneration and share options are given in the directors' remuneration report.

6 Investment income

		2015	2014
		£	£
Loans and receivables			
Interest on bank deposits		672	2,238
Interest on site re-instatement deposit	15	210	392
		882	2,630

7 Finance costs

		2015	2014
Loans and payables		£	£
Loan interest to Juno Limited	19	116,043	112,590
Loan interest to Eurmag AB	19	3,820	-
		119,863	112,590

For both loans the interest shown is accrued and not required to be paid in cash.

8 Taxation

Activity during the year has generated trading losses for taxation purposes which may be offset against investment income and other revenues. Accordingly no provision has been made for Corporation Tax. There is an unrecognised deferred tax asset at 31 March 2015 of £1.3 million *(2014 - £1.3 million)* which, in view of the group's trading results, is not considered by the directors to be recoverable in the short term. There are also capital allowances, including mineral extraction allowances, of £12.4 million unclaimed and available at 31 March 2015 *(2014 - £12.3 million)*. No deferred tax asset is recognised in respect of these allowances.

	2015	**2014**
	£	**£**
Current tax	-	-
Deferred tax	-	-
Total tax	-	-

Domestic income tax is calculated at 21% of the estimated assessed profit for the year.
In 2014 the rate used was 23% and the change this year is due to a change in Corporation Tax rates. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.
The total charge for the year can be reconciled to the accounting profit or loss as follows:

Loss for the year	(1,736,610)	(7,173,703)
Tax at the domestic income tax rate of 21% (2014 - 23%)	(364,688)	(1,649,952)
Tax effect of:		
Expenses that are not deductible in determining taxable result		
Losses on interest in investments	364,688	1,649,952
Total tax	-	-

9 Earnings per ordinary share

	2015	**2014**
	£	**£**
Earnings		
Loss for the year	(1,736,610)	(7,173,703)
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	160,608,051	160,608,051
Weighted average number of ordinary shares for the purposes of diluted earnings per share	160,608,051	160,608,051
Basic earnings per share	(1.1)p	(4.5)p
Diluted earnings per share	(1.1)p	(4.5)p

As the group has a loss for the year ended 31 March 2015 the effect of the outstanding share options is anti-dilutive and diluted earnings are reported to be the same as basic earnings.

10 Mineral property exploration and evaluation costs - group

	Parys Mountain
Cost	**£**
At 1 April 2013	14,753,566
Additions - site	32,661
Additions - rentals & charges	15,821
At 31 March 2014	14,802,048
Additions - site	59,049
Additions - rentals & charges	16,096
At 31 March 2015	14,877,193
Carrying amount	
Net book value 2015	14,877,193
Net book value 2014	*14,802,048*

Included in the additions are mining lease expenses of £16,096 *(2014 - £15,500)*.

Potential impairment of mineral property

Accumulated exploration and evaluation expenditure in respect of the Parys project is carried in the financial statements at cost, less an impairment provision where there are grounds to believe that the discounted present value of the future cash flows from the project is less than the carrying value or there are other reasons to indicate that the carrying value is unsuitable.

This year the directors carried out an impairment review with an effective date of 26 March 2015. This review was based on an estimate of discounted future cash flows from the development and operation of the Parys Mountain project over the initial projected mine life of 16 years. The directors have used past experience and an assessment of future conditions, together with external sources of information, to determine the assumptions which were adopted in the preparation of a financial model used to estimate the cashflows.

The key assumptions utilised were:

- Capital costs were estimated at current costs when the expenditure is planned to be incurred; neither revenues nor operating costs will take into account any inflation.
- Metal prices (long-term estimates): zinc 1.15 US$/lb; copper 3.25 US$/lb; lead 1.00 US$/lb; silver US$18.00 per ounce and gold US$1200 per ounce. Exchange rate US$1.55/£.
- The discount rate of 10% applied to future cashflows is one which reflects the directors' current market assessment of the time value of money and any risk factors which have not been adjusted already in the preparation of the forecast.

The directors estimated the sensitivity of the assumptions used in the cashflow model which would significantly affect the discounted net present value of the projected Parys cashflows. The figures which follow are the variation expressed in percent of each specific assumption which would, on its own, reduce the calculated net present value to the carrying value of the intangible asset in the accounts: copper price -24%, zinc price -10%, lead price -21%, capital expenditure +13%, mining costs +19%, all operating costs including mining +10% and the discount rate +16%.

Based on the above parameters the directors believe that no impairment provision is necessary or appropriate. However estimates of the net present value of any project, and particularly one like Parys Mountain, are always subject to many factors and wide margins of error. The directors believe that the estimates and calculations supporting their conclusions have been carefully considered and are a fair representation of the projected financial performance of the project.

Based on the review set out above the directors have determined that no impairment provision is required in the financial statements in respect of the carrying value of the Parys property.

11 Property, plant and equipment

Group	Freehold land and property	Plant & equipment	Office equipment	Total
Cost	£	£	£	£
At 1 April 2013	204,687	17,434	5,487	227,608
At 31 March 2014 and 2015	204,687	17,434	5,487	227,608
Depreciation				
At 1 April 2013	-	17,434	5,487	22,921
At 31 March 2014 and 2015	-	17,434	5,487	22,921
Carrying amount				
At 31 March 2014 and 2015	204,687	-	-	204,687

Company	Freehold land and property	Plant & equipment	Office equipment	Total
Cost	£	£	£	£
At 1 April 2013	-	17,434	5,487	22,921
At 31 March 2014 and 2015	-	17,434	5,487	22,921
Depreciation				
At 1 April 2013	-	17,434	5,487	22,921
At 31 March 2014 and 2015	-	17,434	5,487	22,921
Carrying amount				
At 31 March 2014 and 2015	-	-	-	-

12 Subsidiaries - company

The subsidiaries of the company at 31 March 2015 and 2014 were as follows:

Name of company	Country of incorporation	Percentage owned	Principal activity
Labrador Iron plc	Isle of Man	100%	Holder of the company's investment in Labrador Iron Mines Holdings Limited
Anglo Canadian Exploration (Ace) Limited	England & Wales	100%	Dormant
Parys Mountain Mines Limited	England & Wales	100%	Development of the Parys Mountain mining property
Parys Mountain Land Limited	England & Wales	100%	Holder of part of the Parys Mountain property
Parys Mountain Heritage Limited	England & Wales	100%	Holder of part of the Parys Mountain property
The following subsidiary was set up on 29 April 2014:			
Angmag Limited	Sweden	100%	Holder of the company's investment in GIAB

13 Investments - company

	Shares at cost	Loans	Total
	£	£	£
At 1 April 2013	100,103	13,856,577	13,956,680
Advanced	-	20,884	20,884
At 31 March 2014	100,103	13,877,461	13,977,564
Advanced	3,922	135,540	139,462
Repaid	-	-	-
At 31 March 2015	104,025	14,013,001	14,117,026

The realisation of investments is dependent on finance being available for development and on a number of other factors. No interest was charged in the year on inter-company loans.

14 Investments - group

	Labrador	Grangesberg	Total
	£	£	£
At 31 March 2013	7,964,532	-	7,964,532
Impairment resulting from adjustment to fair value	(5,451,267)	-	(5,451,267)
Exchange difference arising on adjustment above	(1,255,280)	-	(1,255,280)
At 31 March 2014	1,257,985	-	1,257,985
Addition during period	-	86,659	86,659
Impairment resulting from adjustment to nominal value	(1,231,218)	-	(1,231,218)
Exchange difference arising on adjustment above	(26,766)	-	(26,766)
At 31 March 2015	1	86,659	86,660

LIM

On 2 April 2015, LIM instituted proceedings in the Ontario Superior Court of Justice for a financial restructuring by means of a plan of compromise or arrangement under the Canadian Companies' Creditors Arrangement Act in order to facilitate a restructuring and refinancing of its business operations. In February 2015, to save the substantial costs associated with a stock exchange listing and to maintain restructuring flexibility, LIM voluntarily delisted its common shares and warrants from the Toronto Stock Exchange, effective 23 February 2015, and the group’s investment in LIM is now classified as ‘unquoted’. Based on these factors and the difficulty of determining a fair market value the directors have decided to write down the value of the LIM shares at 31 March 2015 to a nominal value of £1. Consequent upon these changes this investment is reclassified as Level 3 rather than Level 1 under the IFRS fair value hierarchy. The company’s policy is to recognise these transfers on the effective date of the event or change in circumstances that caused the transfer.

At 31 March 2014 LIM was treated as an investment in listed equity securities that present the group with opportunity for return through dividend income and trading gains. These shares were not held for trading and accordingly were classified as ‘available for sale’ which was deemed to be the most appropriate classification under IFRS. The LIM investment was measured subsequent to initial recognition at fair value as ‘Level 1’ AFS based on the degree to which the fair value is observable. Level 1 fair value measurements are those derived from quoted priced (unadjusted) in active markets. At 31 March 2014 the value of the LIM investment was deemed to be impaired given the decline in the share price.

Grangesberg

As explained in more detail in the strategic report, the group has, through its Swedish subsidiary Angmag AB, acquired a 6% ownership interest in GIAB, a Swedish company which holds rights over the Grangesberg iron ore deposits. This investment has been initially recognised and subsequently measured at cost, on the basis that the shares are not quoted and a reliable fair value is not able to be estimated. However the group also had, between May 2014 and 30 March 2015, an option over a further 51% of GIAB together with management direction of the activities of GIAB subject to certain restrictions during the term of the option. The option has been replaced by a right of first refusal expiring on 30 June 2018, while operational management continues largely unaltered.

The board determined that it did not have the relevant control over GIAB within the meaning of the provisions of IFRS 10 during the term of the option, which would have required consolidation of GIAB into the group’s financial statements with a 6% shareholding and a 94% minority interest.

Note 14 Investments – group continued

Although the group did not have control during the option period it did have significant influence over certain relevant activities of GIAB. The group has not applied equity accounting for the period during the year when it had significant influence as the directors consider this would not have any material affect.

The income statement and statement of financial position of Grangesberg Iron at 31 December 2014, the latest date on which such accounts have been prepared, converted into sterling at the rate in effect at the applicable year end have been included below as an aid to disclosure. There are no material adjustments in respect of significant transactions or events in the period from 31 December 2014 and 31 March 2015 which affect these statements. These statements are filed at the Bolagsverket: Swedish Companies Registration Office and have been externally audited by a firm other than Mazars.

Grangesberg Iron AB

Profit and loss statement	Amounts in SEK		Amounts in sterling	
	1 Jan 2014-31-Dec-14	1 Jan 2013-31-Dec-13	1 Jan 2014-31-Dec-14	1 Jan 2013-31-Dec-13
Net turnover	-	18,000	-	1,684
Other operating income	7,042,520	-	579,631	-
	7,042,520	18,000	579,631	1,684
Operating expenses				
Other external expenses	(1,211,902)	(1,447,574)	(99,745)	(135,414)
Personnel costs	-	(2,079,389)	-	(194,517)
Amortisation/depreciation or write-down of tangible and intangible fixed assets	-	(3,098)	-	(290)
Other operating expenses	(241,837)	(48,609)	(19,904)	(4,547)
Operating profit or (loss)	5,588,781	(3,560,670)	459,982	(333,084)
Profit/(loss) from financial items				
Profit from other securities and receivables which are fixed assets	-	8,127	-	760
Interest and similar expenses	(5,239,969)	19,367	(431,273)	1,812
Profit/(loss) after financial items	348,812	(3,533,176)	28,709	(330,512)
Profit/(loss) before tax	348,812	(3,533,176)	28,709	(330,512)
Net profit/(loss) for the year	348,812	(3,533,176)	28,709	(330,512)

Note 14 Investments – group continued

Grangesberg Iron AB				
Balance sheet	Amounts in SEK		Amounts in sterling	
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
ASSETS				
Fixed assets				
Intangible fixed assets				
Exploration and evaluation assets	57,985,731	53,151,181	4,772,488	4,972,047
	57,985,731	53,151,181	4,772,488	4,972,047
Total fixed assets	57,985,731	53,151,181	4,772,488	4,972,047
Current assets				
Current receivables				
Trade debtors	22,500	22,500	1,852	2,105
Other receivables	140,666	9,117	11,577	853
Deferred charges and accrued income	9,201	18,218	757	1,704
	172,367	49,835	14,187	4,662
Cash and bank	4,295,807	145,977	353,564	13,655
Total current assets	4,468,174	195,812	367,751	18,317
TOTAL ASSETS	62,453,905	53,346,993	5,140,239	4,990,364
EQUITY AND LIABILITIES				
Equity				
Restricted equity				
Share capital (0 shares)	204,000	100,000	16,790	9,355
	204,000	100,000	16,790	9,355
Non-restricted equity				
Share premium reserve	8,176,750	-	672,984	-
Profit brought forward	10,647,348	14,180,524	876,325	1,326,522
Net profit/(loss) for the year	348,812	(3,533,176)	28,709	(330,512)
	19,172,910	10,647,348	1,578,017	996,010
Total equity	19,376,910	10,747,348	1,594,807	1,005,365
Long-term liabilities				
Liabilities to associated companies	6,235,742	5,753,565	513,230	538,219
Other long-term liabilities	35,962,910	25,502,318	2,959,910	2,385,624
	42,198,652	31,255,883	3,473,140	2,923,843
Current liabilities				
Trade creditors	415,321	3,281,493	34,183	306,968
Liabilities to group companies	-	72,107	-	6,745
Other current liabilities	21,364	6,158	1,758	576
Accrued expenses and deferred income	441,658	7,984,004	36,350	746,867
	878,343	11,343,762	72,292	1,061,156
TOTAL EQUITY AND LIABILITIES	62,453,905	53,346,993	5,140,239	4,990,364

15 Deposit

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Site re-instatement deposit	122,806	122,596	-	-

This deposit was required and made under the terms of a Section 106 Agreement with the Isle of Anglesey County Council which has granted planning permissions for mining at Parys Mountain. The deposit is refundable upon restoration of the permitted area to the satisfaction of the Planning Authority. The carrying value of the deposit approximates to its fair value.

16 Other receivables

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Other	30,977	17,017	13,945	13,793

The carrying value of the receivables approximates to their fair value.

17 Cash

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Held in sterling	72,571	269,044	72,088	267,045
Held in Canadian dollars	19,816	20,053	-	-
Held in US dollars	2,167	-	-	-
Held in Swedish Krona	2,319	-	-	-
	96,873	289,097	72,088	267,045

The carrying value of the cash approximates to its fair value.

18 Trade and other payables

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Trade creditors	(71,538)	(34,863)	(58,142)	(28,224)
Taxes	(1,848)	(11,029)	(1,848)	(11,029)
Other accruals	(48,171)	(53,755)	(42,670)	(46,754)
	(121,557)	(99,647)	(102,660)	(86,007)

The carrying value of the trade and other payables approximates to their fair value.

19 Loan

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Loan from Juno Limited	(2,659,916)	(2,418,873)	(2,659,916)	(2,418,873)
Loan from Eurmag AB	(222,586)	-	-	-
	(2,882,502)	(2,418,873)	(2,659,916)	(2,418,873)

Juno: Apart from an advance of £125,000 made in December 2014 there has been no change in the loan principal during the year. The loan is provided under a working capital agreement, denominated in sterling, unsecured and carries interest at 10% per annum on the principal only. It is repayable from any future financing undertaken by the company, *Note 22 – Equity-settled employee benefits – continued*

or on demand following a notice period of 367 days. The terms of the facility were approved by an independent committee of the board. The carrying value of the loan approximates to its fair value.

Eurmag: The loan arose during the year in connection with the acquisition of the investment in Grangesberg. It is the subject of a letter agreement, denominated in Swedish Krona, is unsecured and carries interest at 6.5% per annum on the principal only. It is repayable from any future financing undertaken by the company, or on demand following a notice period of 367 days. The terms of the facility were approved by an independent committee of the board. The carrying value of the loan approximates to its fair value.

20 Provision

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Provision for site reinstatement	(50,000)	(42,000)	-	-

The provision for site reinstatement covers the estimated costs of reinstatement at the Parys Mountain site of the work done and changes made by the group up to the date of the accounts. These costs would be payable on completion of mining activities (which is estimated to be more than 20 years' after mining commences) or on earlier abandonment of the site. There are significant uncertainties inherent in the assumptions made in estimating the amount of this provision, which include judgements of changes to the legal and regulatory framework, magnitude of possible contamination and the timing, extent and costs of required restoration and rehabilitation activity. The provision has been increased by £8,000 during the year.

21 Share capital

	Ordinary shares of 1p		Deferred shares of 4p		Total
Issued and fully paid	Nominal value £	Number	Nominal value £	Number	Nominal value £
At 31 March 2013, 2014 and 31 March 2015	1,606,081	160,608,051	5,510,833	137,770,835	7,116,914

The deferred shares are non-voting, have no entitlement to dividends and have negligible rights to return of capital on a winding up.

22 Equity-settled employee benefits

2004 Unapproved share option plan

This group plan provides for a grant price equal to or above the average quoted market price of the ordinary shares for the three trading days prior to the date of grant. All options granted to date have carried a performance criterion, namely that the company's share price performance from the date of grant must exceed that of the companies in the top quartile of the FTSE 100 index. The vesting period for any options granted since 2004 has been one year. If the options remain unexercised after a period of 10 years from the date of grant, they expire. Options are forfeited if the employee leaves employment with the group before the options vest.

		2015		2014
	Options	Weighted average exercise price in pence	Options	Weighted average exercise price in pence
Outstanding at beginning of period	11,550,000	10.90	11,550,000	10.90
Granted during the period	-	-	-	-
Forfeited during the period	-	-	-	-
Exercised during the period	-	-	-	-
Expired during the period	5,500,000	4.13	-	-
Outstanding at the end of the period	6,050,000	17.06	11,550,000	10.90
Exercisable at the end of the period	6,050,000	17.06	11,550,000	10.90

The plan has now closed and no options were granted or forfeited in the year. Options over 5,500,000 shares expired during the year. The options outstanding at 31 March 2015 had a weighted average exercise price of 17.06 pence *(2014 - 10.90 pence)*, and a weighted average remaining contractual life of 2 years *(2014 - 2 years)*. As all options had vested by 31 March 2010, the group recognised no expenses in respect of equity-settled employee remuneration in respect of the years ended 31 March 2014 and 2015.

Note 22 – Equity-settled employee benefits – continued

2014 Unapproved share option plan

This group plan, approved on 30 September 2014, has very similar terms and conditions to the 2004 plan. No option grants have yet been made under this plan.

A summary of options granted and outstanding, all of which are over ordinary shares of 1 pence, is as follows:

Scheme	Number	Nominal value £	Exercise price	Exercisable from	Exercisable until
2004 Unapproved	1,550,000	15,500	10.625p	15 January 2007	14 January 2016
2004 Unapproved	3,800,000	38,000	21.90p	26 November 2008	26 November 2017
2004 Unapproved	700,000	7,000	5.00p	27 March 2010	27 March 2019
Total	6,050,000	60,500			

23 Results attributable to Anglesey Mining plc

The loss after taxation in the parent company amounted to £313,039 *(2014 loss £475,676)*. The directors have taken advantage of the exemptions available under section 408 of the Companies Act 2006 and not presented an income statement for the company alone.

24 Financial instruments

Capital risk management

There have been no changes during the year in the group's capital risk management policy.

The group manages its capital to ensure that entities in the group will be able to continue as going concerns while optimising the debt and equity balance. The capital structure of the group consists of debt, which includes the borrowings disclosed in note 19, the cash and cash equivalents and equity comprising issued capital, reserves and retained earnings.

The group does not enter into derivative or hedging transactions and it is the group's policy that no trading in financial instruments be undertaken. The main risks arising from the group's financial instruments are currency risk and interest rate risk. The board reviews and agrees policies for managing each of these risks and these are summarised below.

Interest rate risk

The amounts advanced under the Juno loans are at a fixed rate of interest of 10% per annum and as a result the group is not exposed to interest rate fluctuations. Interest received on cash balances is not material to the group's operations or results.

The company (Anglesey Mining plc) is exposed to minimal interest rate risks.

Liquidity risk

The group has ensured continuity of funding through a mixture of issues of shares and the working capital agreement with Juno Limited.

Trade creditors are payable on normal credit terms which are usually 30 days. The loans due to Juno and Angmag carry a notice period of 367 days. Juno, in keeping with its practice since drawdown commenced more than 10 years ago, has indicated that it has no current intention of demanding repayment. No such notice had been received by 16 July 2015 in respect of either of the loans and they are classified as having a maturity date between one and two years from the period end.

Currency risk

The functional currency of the group and company is pounds sterling. The loan from Juno Limited is denominated in pounds sterling. As a result, the group has no currency exposure in respect of this loan. Currency risk in respect of the investment in LIM is no longer significant.

In respect of the investment in Grangesberg in Sweden if the rate of exchange between the Swedish Krona and sterling were to weaken against sterling by 10% there would be a loss to the group of £8,300 and if it were to move in favour of sterling by a similar amount there would be a gain of £10,100. Regarding liabilities denominated in Krona if the rate of exchange between the Swedish Krona and sterling were to weaken against sterling by 10% there would be a gain to the group of £20,600 and if it were to move in favour of sterling by a similar amount there would be a loss of £25,200.

In respect of the group's Canadian dollar holding, if the rate of exchange between the Canadian dollar and sterling were to weaken against sterling by 10% there would be a loss to the group of £1,800 and if it were to move in favour of sterling by a similar amount there would be a gain of £2,200.

Potential exchange variations in respect of other foreign currencies are not material.

Note 24 - Financial instruments – continued

Credit risk

The directors consider that the entity has limited exposure to credit risk as the entity has immaterial receivable balances at the year-end on which a third party may default on its contractual obligations. The carrying amount of the group's financial assets represents its maximum exposure to credit risk. Cash is deposited with BBB or better rated banks.

Group	Available for sale assets		Loans & receivables	
	31 March 2015 £	31 March 2014 £	31 March 2015 £	31 March 2014 £
Financial assets				
Investments	1	1,257,985	-	-
Deposit	-	-	122,806	122,596
Other debtors	-	-	30,977	17,017
Cash and cash equivalents	-	-	96,873	289,097
	1	1,257,985	250,656	428,710

	31 March 2015 £	31 March 2014 £
Financial liabilities		
Trade creditors	(71,538)	(34,863)
Other creditors	(100,019)	-
Loans	(2,882,502)	(2,418,873)
	(3,054,059)	(2,453,736)

Company	Loans & receivables		Financial liabilities	
	31 March 2015 £	31 March 2014 £	31 March 2015 £	31 March 2014 £
Financial assets				
Other debtors	13,945	13,793	-	-
Cash and cash equivalents	72,088	267,045	-	-
Financial liabilities				
Trade creditors	-	-	(102,660)	(28,224)
Loan	-	-	(2,659,916)	(2,418,873)
	86,033	280,838	(2,762,576)	(2,447,097)

25 Related party transactions

Transactions between Anglesey Mining plc and its subsidiaries are summarised in note 13.

Juno Limited

Juno Limited (Juno) which is registered in Bermuda holds 36.1% of the company's issued ordinary share capital. The group has the following agreements with Juno: (a) a controlling shareholder agreement dated September 1996 and (b) a consolidated working capital agreement of 12 June 2002. Interest payable to Juno is shown in note 7 and the balance due to Juno is shown in note 19. Except as set out in note 19, there were no transactions between the group and Juno or its group during the year. Danesh Varma is a director and, through his family interests, a significant shareholder of Juno.

Note 25 - Related party transactions - continued

Grangesberg

In May 2014 Bill Hooley and Danesh Varma were appointed as directors of Grangesberg Iron AB and of the special purpose vehicle Eurmag AB; further information concerning these appointments is included in the strategic report. Danesh Varma has been associated with the Grangesberg project since 2007 when he became a director of Mikula Mining Limited, a company subsequently renamed Eurang Limited, previously involved in the Grangesberg project. He did not take part in the decision to enter into the Grangesberg project when this was approved by the board. The group has a liability to Eurmag AB a subsidiary of Eurang amounting to £226,857 at the year end *(2014 - nil)* – see note 19.

Key management personnel

All key management personnel are directors and appropriate disclosure with respect to them is made in the directors' remuneration report. There are no other contracts of significance in which any director has or had during the year a material interest.

26 Mineral holdings

Parys

(a) Most of the mineral resources delineated to date are under the western portion of Parys Mountain, the freehold and minerals of which are owned by the group. A royalty of 6% of net profits after deduction of capital allowances, as defined for tax purposes, from production of freehold minerals is payable. The mining rights over and under this area, and the leasehold area described in (b) below, are held in the Parys Mountain Mines Limited subsidiary.

(b) Under a lease from Lord Anglesey dated December 2006, the subsidiary Parys Mountain Land Limited holds the eastern part of Parys Mountain, formerly known as the Mona Mine. An annual certain rent of £10,350 is payable for the year beginning 23 March 2015; the base part of this rent increases to £20,000 when extraction of minerals at Parys Mountain commences; this rental is index-linked. A royalty of 1.8% of net smelter returns from mineral sales is also payable. The lease may be terminated at 12 months' notice and otherwise expires in 2070.

(c) Under a mining lease from the Crown dated December 1991 there is an annual lease payment of £5,000. A royalty of 4% of gross sales of gold and silver from the lease area is also payable. The lease may be terminated at 12 months' notice and otherwise expires in 2020.

Lease payments

All the group's leases may be terminated with 12 months' notice. If they are not so terminated, the minimum payments due in respect of the leases and royalty agreement are analysed as follows: within the year commencing 1 April 2015 - £16,131; between 1 April 2016 and 31 March 2021 - £85,635. Thereafter the payments will continue at proportionate annual rates, in some cases with increases for inflation, so long as the leases are retained or extended.

27 Material non cash transactions

There were no material non-cash transactions in the year.

28 Commitments

Other than commitments under leases (note 26) there is no capital expenditure authorised or contracted which is not provided for in these accounts *(2014 - nil)*.

29 Contingent liabilities

There are no contingent liabilities *(2014 - nil)*.

30 Events after the period end

On 2 April 2015 LIM instituted proceedings in the Ontario Superior Court of Justice for a financial restructuring by means of a plan of compromise or arrangement under the Canadian Companies' Creditors Arrangement Act in order to facilitate a restructuring and refinancing of its business operations.

Otherwise there are no events after the period end to report.

Anglesey Mining plc

	Parys Mountain Amlwch, Anglesey, LL68 9RE
	Phone 01407 831275 mail@angleseymining.co.uk
London office	Painters' Hall 9 Little Trinity Lane, London, EC4V 2AD Phone 020 7653 9881
Registrars	Capita Asset Services Northern House, Woodsome Park Fenay Bridge, Huddersfield, HD8 0LA Phone 0871 664 0300
	Calls cost 10p per minute plus network extras From overseas +44 208 639 3399
Registered office	Tower Bridge House, St. Katharine's Way, London, E1W 1DD
Web site	www.angleseymining.co.uk
Company registered number	1849957
Shares listed	The London Stock Exchange - LSE:AYM