26 May 2016

METALS EXPLORATION PLC

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

Metals Exploration plc (AIM: **MTL**) (the "**Company**" or the "**Group**"), the natural resources exploration and development company with assets in the Pacific Rim region, is pleased to announce its final audited results for the year ended 31 December 2015.

Highlights
Operational

- Equipment and construction materials continued to arrive throughout the reporting period.
- Construction activity and final handover of the constructed project to the operating team was completed in November 2015.
- Staged dry and wet commissioning of processing plant and associated operations commenced in June 2015 and continued through the second half of the reporting period.
- The project was fully permitted with in excess of 400 permits from various regulators by January 2016.
- Super Typhoon Lando (known internationally as Koppu) struck Central and Northern Luzon in mid-October.
- Following a site inspection into water damage caused by the typhoon, the Company's Philippine subsidiary company, FCF Minerals Corporation, was issued with a Partial Suspension Order by the Mines and Geosciences Bureau ("MGB") to suspend construction works at the Residual Storage Impoundment and Malilibeg Dump Site areas belonging to the Runruno project.
- Working closely and diligently with the MGB to complete a programme of rehabilitation and enhancement works, the Partial Suspension Order was lifted post-period end in April 2016.
- Ore commissioning and debugging of the processing plant and associated operations commenced post period end in May 2016.
- No material health and safety incidents experienced throughout the reporting period.

Corporate

- Mr Lucian Eduard Simovici joined the Board of Directors as a Non-Executive Director in January 2015.
- The Company's average number of personnel and full-time workforce numbers during the period were 677.
- Launch of a wide variety of community based programmes to ensure the positive impacts of the Project elevate the economic status of the company's host community.

Financial

- Cash and cash equivalents of £10.969 million (US $16.261 million) at period end.
- US $83 million debt facilities provided by HSBC and BNP Paribas were fully drawn down during the period.
- Equity of US $14.447 million raised during the period, via a share placing of US $5 million and an open offer of £3 million, together with a loan facility of US $5 million. Funds were raised for general corporate and working capital requirement, and to complete the project.

- An additional equity raise of US $6.2 million was completed post period end, in March 2016 to ensure the Company's short term funding needs were met. The total amount of debt and equity raised within the period and post period end is approximately US $20.647 million.
- An initial rescheduling of capital repayments to funders regarding the Company's senior debt facility was completed in the period.
- The auditors drew attention to the Going Concern principle by way of emphasis in their report on the statutory accounts for the year ended 31 December 2015
- FCF Minerals Corporation has a US $2.181m top-up payment to make to a Debt Service Reserve Account by 30 May 2016 latest and this will be funded out of the Project's funds
- As a result of the delay experienced in commencing commercial operations, negotiations continue with funders with regards to the Company's existing debt repayment schedule to ensure the project is not in technical breach through a default on payments due on 30 June 2016.

For further information please visit or contact www.metalsexploration.com

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CHAIRMAN'S STATEMENT

Dear Shareholder,

I have great satisfaction in presenting Metals Exploration plc's (the "Company" or the "Group") results for the year ending 31 December 2015. The Strategic Report will provide you with a review of progress and developments for the Group covering the year to 31 December 2015 as well as the period subsequent to the financial year-end.

Significant change occurred in 2015 as the Company successfully realised the construction completion of the Runruno Gold Project (the "Project") and moved into commissioning. The Project is now positioned to move as efficiently as possible towards commercial production, which is expected to result in the realisation of significant value to shareholders, staff and other stakeholders.

The transition from commissioning towards commercial production presented the Company with a number of significant challenges which prevented the Project from achieving commercial production in 2015.

By January 2016 the Company had achieved all the operating and occupancy permits necessary to commence ore commissioning and ramp-up of the process plant. However, the permitting process had proved to be far more detailed and involved than could have been reasonably predicted which resulted in a consequential delay to the Project. The number of permits required for operations totalled well in excess of 400 the majority of which were secured in this period – an effort that I am proud to say was achieved with considerable diligence by the Company personnel involved and the full engagement of the various responsible regulators.

The impact of Super Typhoon Lando (international Koppu) was as unfortunate as it was ill-timed for the Project. The progression of permitting was significantly accomplished with expectations of moving into ore commissioning to occur in Q4 2015. Stage 2 of the Residual Storage Impoundment (the "RSI") had been completed to design and was being prepared for the finalisation of the tailings pipeline. The erosional damage caused by the extreme rainfall event associated with the typhoon downstream of the RSI (which itself incurred no structural damage) and other areas lead to the Mines and Geosciences Bureau (MGB) issuing a partial suspension order (the "Order") which prevented ongoing construction work in the RSI area and on the Malilibeg Dump Site and the tailings pipeline in those areas. The Order required that the Company undertake a program of rehabilitation and enhancement works in the affected areas to the satisfaction of the MGB before the Order would be lifted. This unfortunately resulted in delays in ore commissioning of the plant and a consequential delay in commencing production.

The Order was lifted in April 2016. Since then the Company has rapidly moved into the ore commissioning and "debugging" phase as it ramps up towards achieving full commercial production. This has also resulted in a significant morale boost for staff who have finally been able to put their training into practice in actual production level activities through this phase.

The delay in commercial production has placed significant pressure on the cash reserves of the Group. The shareholders have steadfastly supported the Group through this period providing over £13.8 million through additional equity and a debt facility through 2015 and to March 2016. A project of this nature could not have achieved what it has without this ongoing shareholder support.

Pleasingly the Company has not been subject to any significant legal actions in 2015 of a similar nature to the Writ of Kalikasan reported in the past. Any actions over the reporting period were "in the normal nature of business" and have been progressively dealt with accordingly. The Company however has not seen any progression of a resolution through its action to recover VAT paid to the BIR incorrectly levied on imported capital equipment. Relief from such imposts is provided under the Company's Financial and Technical Assistance Agreement, however the BIR has chosen not to recognise the provisions within the agreement. The Company continues to pursue this matter through various means.

Construction and Commissioning

The completion of the construction of the process plant in 2015 was a tremendous milestone. Given the slippage caused by design drawing delays the decision to build the process plant under the "self-manage" model has proven to be a significant cost saving and not exposed the Company to "extension of time" claims which would have resulted out of alternate Contractor driven construction models.

Highlights during this period included:

- Staged dry commissioning commenced in June 2015 with the crusher, transfer station and conveyor areas. The various stages of the process circuit followed under a detailed commissioning strategy lead by Company personnel and supported by Plant & Infrastructure Engineering Pty Ltd who had been involved in the project throughout the project's construction.
- Final handover of the constructed project to the operating team in November 2015.
- Connection of the Project's switchyard to the National Grid.
- Transitioning from dry commissioning into wet commissioning in preparation for ore commissioning. Ore commissioning was commenced following the lifting of the partial suspension order.
- Construction of stage 2 of the RSI. Stage 3 is well progressed under the design of GHD and is expected to be complete in Q3 2016.
- The process mini plant has successfully confirmed the application of the technology to the Runruno ores and generated 300 cubic metres of the BIOX® culture in preparation for the commissioning of the operational BIOX® circuit.
- The mining operations and process plant were well prepared for operational readiness prior to the lifting of the suspension order.
- Well progressed in achieving ISO14001 accreditation of the Company's environmental systems.

A more detailed explanation of these achievements is found in the Strategic Report.

Cash Position and Project Finance

As at 31 December 2015 the Group's cash at bank position was £10,969,449. The funds available under Facility Agreement are fully drawn including the cost overrun facility.

Resulting from the delay in commercial production the Company agreed a rescheduling of the repayments with the lenders under the existing facility agreement. This was designed to reschedule principal payments to allow the Company the flexibility in cash management whilst moving through the ramp up phase into commercial production.

Through the further delay resulting from rehabilitation activities required prior to the lifting of the suspension order the Company has also been working with the lenders to determine an alternative lending structure to ensure the project does not default on payments in June 2016.

The lenders remain supportive of the project and recognise its economic fundamentals have not changed, with the working relationship with Management continuing to be strong and constructive. Similarly to the improved moral of staff, the lifting of the suspension order has created an impetus towards finding a solution that will be beneficial to all parties that will assist the Project to achieve its financial returns.

Corporate responsibility and environment

The Group proudly accepts its responsibility for assisting the host community in creating opportunities to promote sustainable income producing businesses within the region as well as promoting good environmental management for the wellbeing of the broader community. These programs include:

- Promotion of safe working practices across the Project site, ensuring all staff recognise their individual responsibility for their own safety and the safety of fellow workers;
- Securing ISO 140001 accreditation to support the Environmental Management System;
- Significant reforestation and rehabilitation programs;
- Internal and external environmental monitoring programs;
- Hazardous waste management;
- Ensuring specific programs and permitting required for statutory agencies and authorities are complied with;
- Supporting training opportunity programs across the community, including creating an environment that promotes equal employment opportunities;
- Providing assistance with local infrastructure projects;
- Creating education opportunities from early education through to tertiary assistance;
- Providing access to health facilities and health professionals; and
- The creation of community awareness programs.

Summary

The reporting period of 2015 and into 2016 has been a time of enormous achievement, peppered by significant challenges. The Company has navigated through the process with a level of diligence that I am proud to have been associated with and I thank the staff for their efforts throughout.

The work done within the community continues to create goodwill and opportunity for all impacted parties which will leave a positive legacy for many years post the mine life cycle.

The stability of the Board in 2015 has provided the continuity that has allowed management to keep working towards the ultimate goal of achieving shareholder returns.

Finally I would like to thank the ongoing support of shareholders that has given the Project the opportunity to reach its level of operational readiness that could not otherwise be possible.

I R Holzberger
Executive Chairman

25 May 2016

STRATEGIC REPORT

Metals Exploration plc ("**MTL**" or "**the Company")** is a holding company of a group of companies (collectively the "**Group**") engaged in exploration, mining and associated activities, with a single gold mining asset in the Philippines (the "**Project**"). Throughout this report references to the Project or the mine-site are specific references to FCF Minerals Corporation's ("**FCF**") Runruno Gold project. FCF is MTL's wholly owned Philippine subsidiary company. MTL's gold mining activities are carried out solely in the Philippines at its mine-site at Runruno in the province of Nueva Vizcaya, Northern Luzon.

In late June 2015 the Project transitioned from a construction project into commissioning with the process plant crushing circuit the first area to commence commissioning in a staged commissioning program. The commissioning program was designed to bring the processing plant, mining operations and associated infrastructure to an operationally ready status leading to the Project becoming operational with the commencement of commercial production. During H2 2015 the Project was dry and wet commissioned and with the assistance of various government agencies was fully permitted for operations by securing in excess of 400 permits from the various regulators. The permitting process was more detailed and involved than had reasonably been expected requiring the Company having to approach its shareholders for additional financial support to enable the Project to complete this phase and establish operational readiness.

The facilities provided by the Hongkong and Shanghai Banking Corporation Limited and BNP Paribas banks (the "**Lenders**") were fully drawn down during the year. This comprised two elements; a senior facility of US $75 million provided for construction funding, bank interest and costs incurred during construction, and a US $8 million cost overrun facility.

The Bureau of Internal Revenue ("**BIR**") has denied FCF (and other mining companies) some of its fiscal incentives stipulated within its Financial or Technical Assistance Agreement ("**FTAA**" or the "**Agreement**") through a Philippine Revenue Memorandum Circular No 17-2013. The provisions of the FTAA provides that FCF is able to import capital mining goods and equipment for the Project and is exempt from payment of import value added tax ("VAT") (currently 12%) and customs duties and fees on those specific imports. FCF has challenged the denial of its rights to avail of these incentives pursuant to its FTAA (a contract in law with the Philippine Government) through the Court of Taxation Appeal and has appealed in writing to uphold the incentives to the Office of the President. To date no resolution has been reached, however FCF will continue to seek an appropriate resolution through the processes afforded it under its FTAA and in law.

With the construction phase being completed in 2015 the Company identified the key positions and skill sets required to best position the project for operations. The professional skill sets required for mining and process plant operations differ substantially from those required from a construction team and the Company has undergone a significant human resources restructure to accommodate these requirements. This also involved designing and assigning personnel to various work rosters required to support the operations. To help ensure a smooth transition the Company called upon the assistance of the Department of Labor and Employment ("**DOLE**") providing them full information disclosure on the design of the new rosters and the wage structure that would apply. The DOLE provided its clearance that the Company was compliant with (as a minimum) the statutory requirements of the Philippines. The Company also proceeded to identify the staff previously employed under construction specific contracts who would be offered new contracts for the operational commencement. At all times the Company has been cognisant of stated aims and obligations to identify and develop the skills of members of the local community wherever possible.

The Group actively sponsors social and environmental programs. It works closely with the Mines and Geosciences Bureau ("**MGB**") of the Philippines who are the mining regulator and monitor the Project to ensure its responsibilities under the FTAA and Philippines mining law are complied with. The obligation to achieve compliance and remain compliant places an increasing demand on the Project resulting in a growth in human resources and associated costs in the areas of safety, health, environment and permitting.

In October 2015 following the passage of super Typhoon Lando (international - Koppu) through the Project area the MGB issued a partial suspension order on the Project in response to water and erosional damage caused to areas downstream of the Residual Storage Impoundment ("RSI") dam and at the Malilibeg Dump Site (MDS). The eye of the typhoon, which was a very slow moving system, had passed within 40 kilometres of the mine-site with the result that the site was subjected to high winds and extreme rainfall. The temporary suspension order acted to stop construction activities within the RSI area and on the MDS and the tailing and return pipelines in those areas. It directed FCF to undertake rehabilitation and enhancement works in areas affected by the event.

FCF had identified these areas prior to the MGB inspection and had proactively commenced its own clean-up work. Under the monitoring of the MGB and other stakeholders FCF diligently completed this program of works to the satisfaction of all parties resulting in the temporary suspension order being lifted in April 2016, with performance related conditions attaching. FCF has been working concurrently with the MGB in meeting the requirements of these conditions and at the time of writing has successfully completed several of the activities.

FCF endorses and embraces its working relationship with the MGB and other agencies in meeting its obligations and promotion of the company as a responsible mining company including its duty of care for the environment and assistance in the local community.

Following the lifting of the partial suspension order the Company has moved into ore commissioning and debugging the operations in the process plant before commencing the ramp up process. This will ultimately bring the operations into commercial production provided the conditions attaching the lifting of the partial suspension order are complied with. FCF is confident it will satisfy the conditions required by the MGB.

As the Project moved from construction into commissioning its procurement function changed focus to include sourcing critical spares for the project, awarding operational supply and service contracts, agreeing consignment stocks being stored at the mine-site. Critical spares have been sourced from its equipment suppliers and various local suppliers have been identified and reviewed who will be able to meet the Project needs in a more timely and cost effective manner. Where local suppliers cannot be identified for required items the procurement team has sought to expand its supply chain overseas to source from more than one vendor in an attempt to provide continuity of supplies and reducing supply risk. The Company continues to engage suppliers under model services agreements, standard contracts provided by the 'Federation Internationale Des Ingenieurs-Conseils' (International Federation of Consulting Engineers) which replicates the successful use of these model contracts throughout the construction phase.

The spare parts strategy has been scoped to allow the greatest flexibility possible for support by the procurement team whilst meeting the operational requirements of the process plant and mining operations. A spares inventory has been established for the commencement of operations and procurement will be responsible for securing continuity of supplies as the Project moves onto the next phases of support needs for the ongoing operations.

The extensive permitting processes, added to by the untimely impact of Typhoon Lando (Koppu) significantly delayed the ore commissioning phase of the Project and impacted negatively on the beginning of commercial production. The resulting time delays and lack of revenue from gold sales effectively depleted the Project's cash resources and the Company undertook various discussions with Lenders and its principal shareholders to find a solution. The solution arrived at comprised the following financial agreements:

1. The Lenders agreed to a rescheduling of capital payments;
2. Two private share placements to principal shareholders, raising in total £7,541,716;
3. An Open Offer share placement limited to a cap of €5 million offered to all shareholders except those principal shareholders participating in the first private share placement and who had previously agreed to waive their right to participate, raising £3,000,000; and
4. An unsecured loan facility of US $5 million provided by the Company's two principal shareholders.

The ongoing support of all of the shareholders has been greatly appreciated and is testament to their recognition of the Project strength and economic viability.

Management has been in discussions with the Lenders since November 2015 to restructure the current Facility Agreement recognising that the Company is unable to meet its financial obligations falling due on 30 June 2016 without additional financial support. Negotiations are well advanced with all parties who share the objective of completing the transaction by 30 June 2016.

The costs of the Project are shown in the table below. These comprise costs incurred during the construction build phase, and incremental costs incurred in the operational readiness phase that the Company has adopted prior to the lifting of the partial suspension order. The latter costs are an incremental expenditure which the Company has had to fund and which it would otherwise not have incurred if there was no partial suspension order. The main elements of the cost overrun against the original budget are due to:

(i) US $7.3 million direct costs payable to the BIR for taxes, along with $0.2m legal, advisor and other costs to challenge these payments, which had not been forecast and which the Company believes are not payable pursuant to the financial incentives it should receive under its FTAA,
(ii) US $13.1 million of costs incurred due to time delays and additional works following a lengthy permitting process, the impact of rehabilitation and enhancement works in the RSI area resulting from Typhoon Lando (Koppu),
(iii) US $2.1m of incremental costs expended on initial and critical spares,
(iv) US $3.1m of costs incurred as a result of the strategy to keep the Project at operational readiness in preparation for the partial suspension order being lifted, and
(v) Project contingency has been fully absorbed by the taxes payable and other construction activities.

CONSTRUCTION ACTIVITIES	BUDGET US$	FORECAST COSTS TO COMPLETE US$
Mining	$19,812,000	$18,371,859
Process Plant	$80,855,801	$85,746,456
Residual Storage Impoundment	$11,817,056	$28,030,421
Onsite Infrastructure	$15,118,993	$13,750,474
Offsite Infrastructure	$5,260,346	$3,785,783
Indirect Costs	$10,291,827	$13,995,248
Owners Costs	$21,513,054	$32,209,575
VAT & DST		$7,276,304
Contingency	$18,090,923	-
TOTAL CONSTRUCTION	**$182,760,000**	**$203,166,120**
Spares & other capex		$2,094,935
OPERATIONAL ACTIVITIES		**Costs prior to Ore Commissioning**
Safety, Health & Environment		$191,499
Admin, Camp & Messing		$453,210
Mining		$501,746
Processing		$427,499
Mobile Maintenance		$137,567
Fixed Maintenance		$188,559
Human Resources		$10,411
Land acquisition and community development		$306,779
Site related activities		$701,879
Manila costs		$141,231
TOTAL OPERATIONAL		**$3,060,380**
Additional bank fees, legal and other costs		$1,440,834
TOTAL PROJECT COSTS PRIOR TO ORE COMMISSIONING	**$182,760,000**	**$209,762,269**

Project Funding

In July 2015 the Company commenced discussions with the Lenders to reschedule its capital repayments. The delays experienced by the Project inhibited the Company from forecasting with any certainty when revenue from gold sales may start to flow. On 19 October 2015 FCF and the Lenders entered into an Amendment Deed to the Facilities Agreement dated 28 May 2014.

The costs incurred from the Lenders for the benefit of the Amendment Deed comprise:

- US $400,000 which was paid following the signing of the Amendment Deed.
- US $825,000 interest on the US $83 million facility. This is a capped, based on an additional 1% penal interest margin (effectively libor plus a margin of 5.75% on the $75 million senior facility and libor plus a margin of 6.75% on the US $8 million cost overrun facility). The amount additional interest paid to the Lenders by 31 March 2016 is US $153,083.

CAPITAL REPAYMENT SCHEDULE

Calculation date	Original repayment schedule US $	Revised repayment Schedule US $
Dec-15	$13,000,000	
Mar-16		$2,000,000
Jun-16	$13,000,000	$15,000,000
Dec-16	$13,000,000	$15,000,000
Jun-17	$13,000,000	$15,000,000
Dec-17	$8,000,000	$13,000,000
Jun-18	$8,000,000	$8,000,000
Dec-18	$7,000,000	$7,000,000
	$75,000,000	$75,000,000

The Debt Service Reserve Account ("**DSRA**") was utilised on 31 March 2016 to settle the following payments due to the Lenders:

(i) US $2 million rescheduled capital payment,

(ii) US $32,824 interest on the US $2 million capital amount, inclusive of US $5,167 additional 1% penal interest margin, and

(iii) US $147,917 being the additional 1% penal interest margin due to the Lenders for the period 19 October 2015 (the date of signing of the Amendment Deed) to 31 December 2015. The Lenders had omitted to request this additional margin on 31 December 2015.

The balance in the DSRA is currently US $155,277. Under the terms of the Facilities Agreement the DSRA is required to be topped up within 60 days of its utilisation or by 30 May 2016 latest.

During 2015 the unutilised balance of the senior US $75 million was fully drawn down. In addition the US $8 million was fully drawn down.

To meet the additional costs forecast to complete the project, the Company decided upon a strategy to raise funds as follows:

- A private share placing to raise US $5 million from its three principal shareholders through the issue of 108,033,333 new ordinary shares of 1.0 pence each at a placing price of 3.0 pence per new ordinary share ("Placing");
- An open offer up to a maximum 100 million new ordinary shares of 1.0 pence each at an offer price of 3.0 pence per new ordinary share ("Open Offer"), to raise a maximum of £3 million (approximately Euro 4.1 million);
- A loan facility of US $5 million was agreed to be raised from its two principal shareholders.

The funds received from the Placing and Open Offers were applied to the completion of the commissioning of the project. Whilst the Company had been progressively successful in obtaining the required operational and occupancy permits from the respective Philippines regulatory authorities, progress towards commissioning was slower than initially forecast due to the significant number of permits required. Commercial production had been originally forecast to commence in October 2015 but the time delays significantly impacted this forecast

The funds from the shareholders' loan facility were intended to provide contingency funding should the commercial production be delayed past October 2015 due to slower progression of obtaining permits and for working capital needs. As it transpired these funds were required to finance rehabilitation and enhancement works caused by Typhoon Lando (Koppu).

Placing and Open Offers

The Placing successfully completed in September 2015, with £3,241,000 received and shares issued as below.

Shareholders	**Share Placement**
MTL Luxembourg Sarl	65,173,588
Runruno Holdings Ltd	25,176,157
Ruffer LLP (on behalf of its clients)	17,683,588
Total	**108,033,333**

The Open Offer was enthusiastically received with an oversubscription of entitlements applied for. After scale back 99,999,988 new ordinary shares were issued in October 2015, raising almost £3,000,000.

Shareholders Facility Agreement

On 25 November 2015 a Facility Agreement between Metals Exploration plc and lenders, MTL Luxembourg Sarl and Runruno Holding Lid, was entered into for US $5million.

The original purpose of the facility was:

- For general corporate and working capital requirements
- To complete the project.

The interest rate on the facility is 20% per annum, compounded annually. The interest capitalised to the loan as at 31 December 2015 was US $43,386. The interest rate reflects that the loan is unsecured, subordinated to the Lenders Facility Agreement and Amendment deed thereto, and where interest will be accrued until such time as there is free cash flow to make interest and capital payments.

This loan facility ranks *pari passu* with the claims of all other unsecured and unsubordinated creditors.

Additional Shareholder Support

Following Typhoon Lando (Koppu) and the subsequent partial suspension order issued by the MGB, specific rehabilitation, clean up and enhancement works were required. Much of these works were already prioritised and already being undertaken by the Company.

The partial suspension order did not impact on any areas of the Project outside the RSI and the Company successfully continued to work with the MGB in obtaining permits through its wet commissioning phase. However the ore commissioning phase, ramp-up and commencement of production were then delayed until the partial suspension order was lifted.

The Lenders had rescheduled the capital payment due on 31 December 2015 of US $13 million over later repayment dates in the Facility Agreement and with a US $2 million capital and interest payment due on 31 March 2016. The use of the debt service reserve account to settle the 31 December 2015 interest payment was disallowed by the Lenders and the Company was required to make the interest payment of US $2,211,000 from its funds received from the shareholders and which were planned to be used in the Project.

Continuing time delays in the Project and depleting cash resources would require the Company to find additional funding to take the Project into commercial production. The Company had maintained a state of operational readiness to ensure minimal further delays in commencement of the process plant operations once the suspension order was lifted. This involved training personnel and a general program of clean up through the whole of the Project areas, keeping personnel active and alert. The Company is also obligated to meet its statutory and social development responsibilities under the FTAA.

To ensure short term funding needs were met the Company announced in March 2016 a further private share placement of 148,300,536 new ordinary shares of 1.0 penny at a price of 2.9 pence per new ordinary share to four of its principal shareholders. This raised a further £4,300,716 of funds.

The participants in this equity raising were:

Shareholders	**Shares Placed**
MTL Luxembourg Sarl	85,431,490
Runruno Holdings Ltd	34,639,017
Baker Steel Capital Managers LLP	16,658,476
Investec Wealth & Investment Limited	11,571,553
Total	**148,300,536**

Baker Steel Capital Managers LLP (acting on behalf of various Funds for which it acts as full discretionary Investment Manager)

The Company also has available to it US $6 million in an offshore account established to provide working capital funding for the Project once ramp-up operations commence. These funds were contributed from shareholders' equity contributed in May 2014. At the time of writing these funds are being accessed.

Restructure of Existing Facility Agreement 28 May 2014, and Amendment Deed 19 October 2015 (the "Facility")

The Company has identified that it is not able to meet its financial obligations which fall due on 30 June 2016 as prescribed in the rescheduled capital repayment timeline of the Amendment Deed to the Facility Agreement dated 28 May 2014.

Discussions have been ongoing with the Lenders to design a financial lending solution to satisfy the Company's obligations and place it in a better position going forward. Without an agreed strategic solution it is highly likely the Project will default on its 30 June 2016 capital and interest payment and will be required to find an alternative solution. At this juncture there is no reason to believe restructuring efforts will fail and the company is confident the Lenders and FCF will work to put in place a restructured deal.

The Lenders have been receptive to restructuring but were agreed that this can only progress once the partial suspension order had been lifted and the Project enters the ore commissioning and ramp-up phase. This has now commenced.

The Company has also approached additional lenders to determine their appetite to become involved in a restructured finance deal where the Project is fully permitted and in the commissioning and ramp-up phase of operations. The Lenders have endorsed this approach. These discussions are taking place under confidence but the Company has confirmed that at least one other bank is interested to become involved in a de-risked project. It is possible that a second additional bank will confirm its interest in participating in the coming weeks. The basis of the discussions is to provide a capital and interest schedule of payments which support the Project. The Project fundamentals have not changed and realigning the payments schedule to fit with the Project's cash flows will result in the desired outcome required by Lenders and the Project.

Hedging

FCF entered into contracts for interest rate swaps for an aggregate notional principal amount that is at least 40% but not more than 100% of the interest rate commitments over the term of the loan facility. The commitments were calculated based on company forecast. The variable six month US Libor rate is swapped out for a fixed rate of 1.575% over the term. The cost to the company payable upon settlement dates of this hedge facility during 2015 was US $343,173.

FCF entered into a series of gold forward sales contracts for 30% of the annual forecast gold production of the Project over three years with contracts settling on a quarterly basis for 7,500 ounces of gold each quarter. The initial forward sales orders placed totaled 90,000 ounces of gold at twelve quarterly intervals of 7,500 ounces each quarter. At the election of the Lenders a further 15,000 ounces of gold may be contracted for settlement in 2018 in two quarterly tranches of 7,500 ounces of gold each. To date these elections have not been taken up by the Lenders.

All forward sales contracts are cash settled instruments. Cash settlements for 2015 were for the benefit of the Project of US $1,887,150 and in 2016 for the benefit of the Project of US $ 1,485,887.

The fixed average weighted forward price achieved on the forward sales contacts for 90,000 ounces of gold is US $1,287.36.

The remaining forward gold price swap contracts outstanding as at 31 December 2015 in their maturing years is:

	2016	**2017**	**2018**	**Total**
- ounces of gold	26,250	30,000	15,000	**71,250**
- average price US $	$1,287.45	$1,285.81	$1,287.19	**$1,287.36**

The Company decided to close out the next three quarterly settlements by placing stop loss orders for each settlement, to preserve the value in the hedge contracts for the benefit of the Project in a period when the gold price was rising towards the strike price. The Lenders were in agreement with this strategy and preferred the Project would not have a cash payment exposure in its current liquidity situation. The table below explains the result of the decision to close out the next three quarterly hedge contracts and whereby the Project benefits by receiving a total of US $1,279,759 when these contracts settle.

Lender	Fixing Date	Settlement Date	Volume Au Oz	Relevant Forward Price (US $/Oz)	Stop Loss price achieved Price (US $/Oz)	In the Money (US $)
HSBC	30 September 2015	02 October 2015	3,750	$1,293.448	$1,231.990	$230,468
HSBC	30 December 2015	22 December 2015	3,750	$1,293.448	$1,234.150	$222,368
HSBC	31 March 2016	04 April 2016	3,750	$1,293.448	$1,236.400	$213,930
BNPP	30 September 2015	02 October 2015	3,750	$1,287.490	$1,231.657	$209,374
BNPP	30 December 2015	05 January 2016	3,750	$1,287.490	$1,233.674	$201,810
BNPP	31 March 2016	04 April 2016	3,750	$1,287.490	$1,233.674	$201,810
						$1,279,759

HSBC - Hong Kong Shanghai Banking Corporation Limited
BNPP - BNP Paribas (Singapore)

Runruno Project Construction and Commissioning

The Process Plant facility at the Runruno mine consists of a conventional crushing circuit, grinding and flotation circuits, a gravity recovery circuit, a BIOX® sulphide oxidization circuit with waste effluent neutralization, conventional Cyanide in Leach gold recovery circuit and ZADRA elution, and two cyanide destruction circuits.

The last construction activity was completed in November 2015.

Staged commissioning activities commenced late in June 2015, and continued throughout the reporting period but were restricted to mechanical, electrical and wet commissioning by the MGB temporary suspension order. The facility has been commissioned using a 'self-manage' strategy using the owner's construction team to manage the activities on a day to day basis. The decision to self-manage construction works and subsequently commissioning resulted in a positive construction outcome and has provided invaluable experience for the operations and maintenance teams by allowing them to gain a deeper understanding of the process and the equipment.

Procurement and Contracts

Procurement of the long lead time items occurred in parallel with finalising construction packages and construction activities. By the start of 2015 all of the key packages had begun to arrive at the Project site. Equipment and construction materials continued to arrive onsite throughout the reporting period ready for construction and installation.

The focus of procurement shifted from construction packages to spares and first fills as the year progressed. All initial spares packages had been negotiated within the reporting period, with most packages delivered to site in Q4 2015.

An important part of the procurement strategy has been to contract in the domestic currency of the vendor and also where possible in the vendor's purchasing currency if this is not its domestic currency. This has resulted in the foreign currency translation risk being minimised as much as possible.

Commissioning Process Summary

The commissioning team was initially led by a Commissioning Manager from Plant & Infrastructure Engineering Pty Ltd which has since transferred to the owner's operational team from November 2015. The commissioning team is supported by the owner's operational electrical, mechanical, processing engineer and metallurgical teams. This has extended to include the process plant operators who have been trained internally. There is also a commissioning infrastructure crew complimenting this team led by a project engineer.

Commissioning has now been completed for all pre-commissioning, dry commissioning and water commissioning activities. All Plant Services (Process Water, Gland Water, Potable water, Fire Water, Safety Shower System, Plant Air and Air for Flotation, BIOX, Neutralization, and Cyanide Destruction) were fully commissioned during the reporting period. The Crushing circuit has been ore commissioned from the ROM bin to the Emergency stockpile during the reporting period.

Following the lifting of the temporary suspension order by the MGB on 25 April 2016, the Return Water line from the RSI, Process Residue Pipeline and Crushing feed to the SAG mill had been ore commissioning. At the time of writing the SAG Mill, Gravity, and Flotation Ore commissioning were underway.

Operational Readiness

The mini operations plant, which was constructed and commissioned to include and replicate four processing circuits on a smaller scale; (i) milling & flotation, (ii) inoculums build up circuit, (iii) carbon in leach circuit and (iv) the ASTOR (cyanide destruction) circuit. It has been successfully used for in-house training purposes of plant operators. It has also been used to successfully grow the cultures required for the BIOX® liberation process and to provide a large stock of bacteria to underwrite the commissioning of the BIOX® circuit. The initial stock of bacteria has proven to be highly robust adapting extremely well in the Project environment.

Fifty-eight (58) personnel from the local Runruno area have been recruited and trained through the mini-plant where over 300 cubic metres of BIOX® inoculum, and 200 cubic metres of ASTER inoculum have been produced to support commissioning and ramp-up activities. The training program has elevated their skills to a level where they can confidently operate the Process Plant and have attained the training standard demanded for the Project.

The fixed plant maintenance team, through the commissioning phases, has actively trained and up-skilled its personnel in the transition from construction into commissioning. They have been immersed in the commissioning cycles of the plant and equipment, gaining a valuable understanding of the whole of the plant by responding to problems as they arise, and various risk assessments. The time delays experienced in the Project have had a positive result for the fixed plant maintenance team allowing them the benefit of becoming more acquainted with the plant than what they would normally be allowed. The Project will benefit from this experience going forward.

Community and Social Development

The Company's renewable 'Two Year Community Development Program' (CDP) actively promotes assisting the residents of the Barangay of Runruno, the Municipality of Quezon and Province of Nueva Vizcaya in developing and promoting self-sustaining, income-generating activities, general wellbeing and opportunities across the wider community.

The Community & Social Development Department, the community interface arm of the Company, has forged a strong partnership with various national agencies and local governments from the Barangay to the Provincial level in the implementation of identified and prioritised projects and programs under the CDP.

As the Company assists in elevating the economic status of its host community, it recognises that creating sustainable economic opportunities contributes to improving the overall wellbeing of the community. In doing so it promotes a vision of "Inclusive Sustainable Development". The Company has established a wide variety of Community based programs which ensure that the positive impacts of the Project achieve a broad and sustainable footprint. A summary of these programs are presented in the table below

Access to Health Services, Health Facilities and Health Professionals
Establishment of permanent manned health facilities Health missions and screening • Mother and child health including feeding programs and mothering classes • Medical and dental clinics • Circumcision • Pap smear and sexual health • Hearing and ear health • Blood donation • Eye health and "sight saving" • Goiter screening
Community Development
Technological Education and Skills Development Authority (TESDA) – Partnership in skills development, placement and employment program Livelihood Training Special Program for the Employment of Students (SPES)
Enterprise Development and Networking
Active programs, animal dispersal, crop production and productivity, processing, skill development, handicraft production and trading and vending initiatives
Infrastructure and Support Service Development
Health and sanitation facilities Road and bridges Public buildings Public services building Agricultural facilities Disaster risk reduction facilities Development of Eco-Tourism Water system Recreational facilities
Education and Educational Support
Early child care Basic literacy programs to support employability Accreditation and equivalency – basic trade traing to support out of work youth E – learning – computer based advanced learning Kindergarten, secondary and tertiary educational support Tertiary scholarship programs technical, social and environmental sciences

Protection and Respect of Socio-Cultural Values
Programs to safeguard the existing socio-cultural values of the host and neighbouring communities in promotion of social cohesion and cultural awareness

The Project also undertakes a program to underwrite the "promotion of public awareness" regarding its technical activities, Project related impacts, social and environmental initiatives and Corporate and Social Responsibility (CSR) undertakings. The program's stated objective is to "develop and institutionalise an Information Communication and Education program for greater public awareness and the understanding of responsible mining and the promotion of the geosciences". These activities are managed by dedicated staff through a permanently manned office located in Sitio Runruno which is open to the public.

Health and Safety

There have been no material health and safety incidents throughout the construction phase and transition into commissioning. A safe working culture is actively promoted by a dedicated department and is embraced across the Project site and in departments, with all staff recognising their individual responsibilities to their own safety and the safety of others. During 2015, the company achieved a highly credible 3,859,215 Man-hours without Lost Time Accident (LTA) which at the date of this report now stands at 4,765,151 hours without LTA.

Environment

The Company actively promotes "responsible mining" and is a leader in the Philippine mining industry in its environmental and environmental rehabilitation practices. It recognises good environmental management as a key parameter in its CSR charter. The Company has a stated commitment to the effective stewardship, protection and enhancement of the environment in and around the areas where it operates, and the conduct of its business in an environmentally sound manner is the driving thrust towards the goal of sustainable development and reducing potential significant impacts of the project upon the environment.

In 2015 the MGB mandated that all operating mining companies will require ISO 14001 accreditation of their operations and mining companies entering into operations will require to be ISO 14001 accredited within 12 months of their commencement of commercial production. The Company is well advanced in its preparation for achieving ISO 14001:2015 accreditation of its environment management and support systems. The Company expects to achieve accreditation mid-year 2016.

The MGB expect the implementation of further of International Organisation for Standardisation ("ISO") standards in mining in the coming years and will make use of these standards to drive and promote world class mining in the Philippines. The Company embraces these programs for the good of its operations and the industry in the Philippines.

Reforestation

FCF Minerals Corporation commenced its Mining Forest Program (MFP) in January 2007 and continues to actively implement the program. This program aims to repair environmental damage predating the Company's operations and to off-set deforestation through the re-greening of barren lands, establishment of protection forests and the provision of habitat for wildlife within the FTAA area. The Company is also planting trees as a component of a greenhouse gas offset scheme and is an active participant in the President's Greening Philippines initiative.

The Company's achievements to date include:

- Planting an aggregate area of 161.48 hectares with about 101,753 tree seedlings;
- Development and maintenance of two nurseries, to supply seedlings for the Company's reforestation project, active mine rehabilitation practices, and tree donation activities. Endemic and fast growing forest tree seedlings, and vetiver grasses are grown in the Company's nurseries; and
- Implementation of a Biodiversity Offsetting (Bio-offsetting) Program, in joint venture with the MGB and the Nueva Vizcaya State University.

Rehabilitation

The Company actively reduces the potential environmental impacts of its operations and enhances its environmental performance in mined-out and disturbed areas through immediate and continuous rehabilitation activities.

Mined-out areas are stabilised and then revegetated using grasses, ground cover and endemic trees as are appropriate. In areas where direct planting is unlikely to be successful, measures such as installation of coconut matting reinforced with bamboo stakes are used as a substrate to support re-vegetation. Regular maintenance of the rehabilitation areas is undertaken by the environmental team until the area is established and self-generating. Appropriate drainage systems are also provided to prevent water accumulation that may cause erosion.

Across the site surface water run–off is directed to a series of siltation ponds and silt traps strategically constructed within the active mining area, process plant, Residual Storage Impoundment, Malilibeg waste dump, batching plant and crushing plant. These medium are designed to contain run-off water especially during heavy rains and prevent a build-up of siltation in the Sulong River. Regular desilting of the ponds is undertaken and silt fences are installed as needed.

Environmental Monitoring

The Company regularly conducts its own internal comprehensive environmental monitoring program to ensure compliance with its licence provisions, Philippine regulations and any appropriate contemporary standards. These programs extend to reference sites outside the immediate operational area and are used to provide reference and base-line data for future use. The Company also engages an independent third party consultant group specialised in environment monitoring services to conduct independent monitoring of its environmental performance.

The Project actively manages its waste generation through a Material Recovery Facility (MRF) where solid wastes are stored and further segregated to residuals and recyclables. Residuals are disposed at a local ecological landfill. The hazardous wastes generated such as used oil, wasted fluorescent bulbs, empty chemical containers, and batteries, are stored at the Project's Hazardous Waste Facility from which an accredited hazardous waste transporter and treater collects and processes the waste.

Legal Compliances

All permits for the operation of the process plant have been secured. As of April 2016, the Company has secured a total of 434 permits with 12 minor permits or permit renewals in process. All permits needed for the operations are in place but are required to be renewed annually. The wide range of permits to operate in the Philippines are secured from a number of Government agencies and regulators including the DENR, MGB, Environmental Management Bureau, Forest Management Bureau, Bureau of Internal Revenue, Bureau of Customs, Bureau of Investment, Provincial Government, Municipality, Philippines National Police, National Telecommunications Commission, Water Management Bureau, and the Local Government Units (LGU).

The Project is regularly inspected and audited by the regulators and monitoring departments for performance and compliance. The Company maintains a section dedicated to managing permitting and compliance matters.

CONSOLIDATED STATEMENT OF TOTAL COMPREHENSIVE INCOME for the year ended 31 DECEMBER 2015

	Notes	*2015* £	*2014* £
Continuing Operations			
Revenue		-	-
Cost of sales		-	-
Gross loss		-	-
Administrative expenses		(5,206,287)	(6,784,385)
Operating loss		**(5,206,287)**	**(6,784,385)**
Finance income and similar items		1,028	33,400
Finance costs		(2,898,071)	(26,829)
Fair value gain on forward sales contracts		8,511,399	3,974,040
Fair value loss on interest rate swaps		(146,101)	(154,819)
Share of losses of associates		(26,325)	(62,668)
Gains/ (losses) before tax		**235,643**	**(3,021,261)**
Taxation		(2,384,810)	(1,752,181)
Losses for the year		**(2,149,167)**	**(4,773,442)**
Other comprehensive income:			
Items that may be re-classified subsequently to profit or loss:			
Exchange differences on translating foreign operations		182,115	6,056,858
Total comprehensive (loss)/income for the period		**(1,967,052)**	**1,283,416**
Gain/ (loss) for the period attributable to:			
Equity holders of the parent		(2,149,167)	(4,773,442)
		(2,149,167)	**(4,773,442)**
Total comprehensive (loss)/ income attributable to:			
Equity holders of the parent		(1,967,052)	1,283,416
		(1,967,052)	**1,283,416**
Loss per share:			
Basic and diluted	1	**(0.151)p**	**(0.347)p**

CONSOLIDATED BALANCE SHEET as at 31 DECEMBER 2015

	2015	*2014*
	£	**£**
Non-current assets		
Property, plant and equipment	148,012,151	114,929,223
Goodwill	1,010,816	1,010,816
Other intangible assets	7,436,054	7,460,210
Derivative asset	7,402,121	3,717,266
Investment in associate companies	97,862	124,187
Trade and other receivables	2,160,956	1,818,508
	166,119,960	**129,060,210**
Current assets		
Derivative asset	4,010,014	462,581
Trade and other receivables	871,115	1,172,991
Cash and cash equivalents	10,969,449	12,251,994
	15,850,578	**13,887,566**
Non-current liabilities		
Loans	(37,895,318)	(19,330,771)
Derivative liability	(80,386)	(162,837)
Deferred tax liabilities	(4,270,103)	(1,866,624)
Provision for mine rehabilitation	(1,324,736)	(1,262,391)
	(43,570,543)	**(22,622,623)**
Current liabilities		
Trade and other payables	(4,790,342)	(4,298,510)
Loans - current portion	(21,685,730)	(8,376,668)
	(26,476,072)	**(12,675,178)**
Net assets	**111,923,923**	**107,649,975**
Equity		
Share capital	15,830,054	13,749,721
Share premium account	128,751,738	124,591,071
Shares to be issued reserve	3,652,155	3,652,155
Acquisition of non-controlling interest reserve	(3,785,077)	(3,785,077)
Translation reserve	3,534,689	3,352,574
Profit and loss account	(36,059,636)	(33,910,469)
Equity attributable to equity holders of the parent	**111,923,923**	**107,649,975**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 DECEMBER 2015

	Share capital	*Share premium account*	*Shares to be issued reserve*	*Translation reserve*	*Acquisition of non-controlling interest reserve*	*Profit and loss account*	*Total equity*
	£	*£*	*£*	*£*	*£*	*£*	*£*
Balance at 1 January 2015	13,749,721	124,591,071	3,652,155	3,352,574	(3,785,077)	(33,910,469)	107,649,975
Exchange differences on translating foreign operations	-	-	-	182,115	-	-	182,115
Loss for the year	-	-	-	-	-	(2,149,167)	(2,149,167)
Total comprehensive income for the year	-	-	-	182,115	-	(2,149,167)	(1,967,052)
Issue of equity share capital	2,080,333	4,160,667	-	-	-	-	6,241,000
Balance at 31 December 2015	**15,830,054**	**128,751,738**	**3,652,155**	**3,534,689**	**(3,785,077)**	**(36,059,636)**	**111,923,923**

Equity is the aggregate of the following:

- Share capital; being the nominal value of shares issued
- Share premium account; being the excess received over the nominal value of shares issued less direct issue costs
- Shares to be issued reserve; being the credit side of the entry relating to the expense recognised in the Statement of Total Comprehensive Income for share based remuneration
- Translation reserve; being the foreign exchange differences on the translation of foreign subsidiaries
- Profit and loss account; being the cumulative loss attributable to equity shareholders

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY for the year ended 31 DECEMBER 2014

	Share capital	*Share premium account*	*Shares to be issued reserve*	*Translation reserve*	*Acquisition of non-controlling interest reserve*	*Profit and loss account*	*Total equity*
	£	*£*	*£*	*£*	*£*	*£*	*£*
Balance at 1 January 2014	13,749,721	124,591,071	3,652,155	(2,704,284)	(3,785,077)	(29,137,027)	106,366,559
Exchange differences on translating foreign operations	-	-	-	6,056,858	-	-	6,056,858
Loss for the year	-	-	-	-	-	(4,773,442)	(4,773,442)
Total comprehensive loss for the year	-	-	-	6,056,858	-	(4,773,442)	1,283,416
Balance at 31 December 2014	**13,749,721**	**124,591,071**	**3,652,155**	**3,352,574**	**(3,785,077)**	**(33,910,469)**	**107,649,975**

CONSOLIDATED CASH FLOW STATEMENT for the year ended 31 DECEMBER 2015

	Notes	*2015* *£*	*2014* *£*
Net cash used in operating activities	2	**(4,018,110)**	**(4,206,343)**
Investing activities			
Purchase of property, plant and equipment		(34,090,272)	(44,962,271)
Purchase of intangible assets		(51,040)	(340,776)
Investment on associates		-	(132,427)
Net cash used in investing activities		**(34,141,312)**	**(45,435,474)**
Financing activities			
Proceeds from borrowings		29,084,416	27,707,439
Proceeds from issue of share capital		6,241,000	-
Proceeds from settlement of gold forward contracts		1,277,813	-
Net cash arising from financing activities		**36,603,229**	**27,707,439**
Net increase/(decrease) in cash and cash equivalents		(1,556,193)	(21,934,378)
Cash and cash equivalents at beginning of year		12,251,994	31,947,096
Foreign exchange difference		273,648	2,239,276
Cash and cash equivalents at end of year		**10,969,449**	**12,251,994**

NOTES

1. Loss per share

	2015	*2014*
	£	£
Loss		
Net loss attributable to equity shareholders for the purpose of basic and diluted loss per share	**(2,149,167)**	(4,773,442)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic loss per share	**1,420,447,578**	1,374,972,025
Basic and diluted loss per share	**(0.151)p**	(0.347)p

The loss per share was calculated on the basis of net loss attributable to equity shareholders divided by the weighted average number of ordinary shares. The basic and diluted loss per share is the same, as the exercise of share options and warrants would reduce the loss per share and therefore, are anti-dilutive.

	2015	*2014*
Weighted average number of potential ordinary shares that are not currently dilutive	**9,775,000**	9,775,000

2. Net cash used in operating activities – Group

	2015	*2014*
	£	£
Gain/ (loss) before tax	235,643	(3,021,261)
Depreciation	1,726,688	1,742,854
Amortisation	70,834	62,244
Share of losses of associates	26,325	62,668
Net interest payable/ (receivable)	2,897,043	(6,571)
Increase in receivables	(40,572)	(382,448)
(Decrease)/increase in payables	(294,824)	1,148,821
Fair value gain on forward sales contracts	(8,511,399)	(3,974,040)
Fair value loss on interest rate swaps	146,101	154,819
Cash used in operations	**(3,744,161)**	(4,212,914)
Interest received	1,028	33,400
Interest paid	(274,977)	(26,829)
Net cash used in operating activities	**(4,018,110)**	(4,206,343**)**

3. Annual report and accounts

A copy of the annual report and accounts will be posted to the shareholders shortly and will also be available from the Company's registered office, 200 Strand, London, WC2R 1DJ, and on the Company's website: www.metalsexploration.com. Notice of an annual general meeting of the Company to be held at 10:00 a.m. on 24 June 2016 will be posted together with the annual report and financial statements.

4. Financial information

The financial information set out in this announcement does not comprise the Group's statutory accounts for the year ended 31 December 2015 or for the year ended 31 December 2014.

The financial information has been extracted from the statutory accounts of the Group for the year ended 31 December 2015 and the year ended 31 December 2014. The auditors reported on these accounts. Their reports were unqualified and did not contain a statement under either Section 498 (2) or Section 498 (3) of the Companies Act 2006. The auditors drew attention to the Going Concern principle by way of emphasis in their report on the statutory accounts for the year ended 31 December 2015. The audit report on the statutory accounts for the year ended 31 December 2014 did not include a reference to any matters to which the auditors drew attention by way of emphasis..

The statutory accounts for the year ended 31 December 2014 have been delivered to the Registrar of Companies, whereas those for the year ended 31 December 2015 will be delivered to the Registrar of Companies following the Company's annual general meeting.

The accounting policies are consistent with those applied in the preparation of the interim results for the period ended 30 June 2015 and the statutory accounts for the year ended 31 December 2014, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.