



Hummingbird Resources plc / Ticker: HUM / Index: AIM / Sector: Mining

28 September 2023

## Hummingbird Resources plc

(“Hummingbird”, the “Group” or the “Company”)

### H1-2023 Interim Results & Group Refinancing Package Update

Hummingbird Resources (AIM: HUM) is pleased to announce its unaudited results for the six months ended 30 June 2023 (“the period” or “H1-2023”) and provide details of a Group refinancing package with the Company’s financing partner Coris Bank International (“Coris Bank”).

#### Financial Results for H1-2023

- Strong Group sales of US\$98.6 million (H1-2022: US\$66.3 million) were generated from 51,149 ounces (“oz”) of gold sold during the period at an average price of US\$1,927 per oz (H1-2022: 35,668 oz sold at an average price of US\$1,859 per oz).
  - An additional US\$4.6 million (H1-2022: US\$4.1 million) of revenue generated from the sale of single mine origin (“SMO”) gold.
- Group adjusted EBITDA of US\$33.1 million for H1-2023, marking a material positive turnaround compared to the previous year (H1-2022 loss of US\$9.3 million) and a pre-tax profit of US\$4.1 million for the period (H1-2022 loss of: US\$23.9 million).
- Capital expenditure of US\$41.5 million for the period (H1-2022: US\$31.9 million), predominately on the completion of the Kouroussa Gold Mine and plant construction (“Kouroussa”).
- Net debt of US\$122.8 million at the end of H1-2023 (US\$119.3 million including gold inventory value).

#### Post Period Corporate and Operational updates:

##### Corporate Update

- The Company has agreed a Group funding package with Coris Bank for c.US\$55 million including:
  - Refinancing c.US\$35 million of existing loans with Coris Bank, to provide additional cash flow flexibility as Kouroussa progresses towards steady state production; and
  - An additional c.US\$20 million to provide increased capital support for the Group, including the continual development of underground mining operations at the Yanfolila Mine, Mali.
- The Company’s revised loan repayment schedule to begin in FY-2024, versus Q3-2023, with c.US\$77 million due in FY-2024, c.US\$61 million scheduled for FY-2025, with the balance c.US\$15 million payable by the end of FY-2028.
- Updated 2023 Company Reserves and Resources statements were released on 13 September 2023, noting Group Reserves of 4.03 million ounces (“Moz”) and Group Resources of 6.95 Moz.

##### Yanfolila Gold Mine, Mali

- Following the completion of mining in the Komana East open pit in Q2-2023, the development of the Komana East Underground Mine has continued to progress, with significant advancement of the portal access and development drive declines.
- Yanfolila remains well positioned to meet its FY-2023 production guidance of 80,000 – 90,000 oz at an AISC of under US\$1,500 per oz.

##### Kouroussa Gold Mine, Guinea

- Following Kouroussa's first gold pour in June 2023, the operations team recently completed a first gold shipment of approximately 1,000 oz of gold.
- The Company plans to increase the size and regularity of its gold pours and shipments through Q4-2023 as the operation progresses towards steady state production and a full year of commercial production for FY-2024.

A more detailed update on the Company's operations will be given at the Company's Q3-2023 operational and trading update, scheduled for release in late October 2023.

### **Dan Betts, CEO of Hummingbird, commented:**

*"Our H1-2023 performance of over 51 Koz of gold produced at an H1-2023 AISC profile of US\$1,170 per oz and US\$33 million of group EBITDA is the result of the focussed efforts by the team over the last year to stabilise the Yanfolila operation and re-establish a more reliable platform for the Company to grow from.*

*At Kouroussa, H1-2023 saw the construction of the project completed on time and on budget, and conduct its first gold pour, marking a material milestone for the Company to become a multi-asset, multi-jurisdictional gold producer. The key focus for our Kouroussa operations team is on reaching steady state production and setting the mine up for full commercial production for FY-2024 and beyond.*

*Further, we are pleased to have agreed a refinancing package with our financing partner Coris Bank, who remain committed supporters to Hummingbird's growth platform. This package will provide additional flexibility in 2023 to allow Kouroussa to reach steady state production and provide additional capital support for the Group.*

*More details on our operations will be given at our Q3-2023 operational and trading update in late October."*

### **New Group Financing Package and Related Party Transaction**

- The Company has agreed to refinance a portion of its existing Coris Bank group loan facilities and secured additional funding as capital support for the Group.
- The financing package will provide new loans totalling c.US\$55 million including:
  - Refinancing c.US\$35 million of existing Coris Bank loans, with loan repayments to begin FY-2024, versus Q3-2023, to provide additional cash flow flexibility as Kouroussa progresses towards steady state production; and
  - An additional c.US\$20 million to provide additional capital for the Group, including for the ongoing development of underground mining operations at Yanfolila, Mali.
- The terms of the new Group refinancing package of c.US\$55 million as detailed above, are at a fixed interest rate of 12% p.a., with the original loans continuing at a fixed interest rate of 8.5% p.a.
- Hummingbird remains focused on strengthening its balance sheet, with scheduled loan repayments of c.US\$77 million in FY-2024, c.US\$61 million in FY-2025, with the balance c.US\$15 million payable by the end of FY-2028.
- Coris Bank is controlled by the same principal as the Company's 26.1 per cent shareholder, CIG SA. The Company is entering into the financing package with Coris Bank, which is classified as a related party transaction pursuant to the AIM Rules for Companies. In this regard, the directors of the Company confirm, having consulted with the Company's nominated adviser, Strand Hanson Limited, that they consider that the terms of the financing package to be fair and reasonable insofar as its shareholders are concerned.

### **H1-2023 Operating Summary**

- A rolling Group lost time injury frequency rate ("LTIFR") of 0.69 per million hours worked was achieved for H1-2023, within the Group's target rate of 1.20 per million hours worked, with an LTIFR of 0.87 and 0.40 per million hours worked at Yanfolila and Kouroussa, respectively.
- A total of 51,147 oz was produced in H1-2023, up c.44% versus H1-2022 (H1-2022: 35,561 oz).
- Materially improved H1-2023 AISC of US\$1,170 per oz, a decrease of c.42% versus H1-2022 (H1-2022: US\$2,019).

- Through H1-2023 Kouroussa successfully commenced: mining in early Q1-2023; hot commissioning of the processing plant in Q2-2023; and completed the operation's first gold pour on 8 June 2023. Further, Kouroussa was built on time and on budget ahead of the scheduled Q2-2023 timeline.
- The Company is currently finalising its exploration plans at both Kouroussa and Yanfolila, with the core focus to increase the respective Resource bases and, ultimately, enlarge the Reserves bases and LOM at both assets.

## H1-2023 ESG Summary

- The Company continues to focus on implementing ESG initiatives, procedures, and protocols across its operations, with community engagement and generation of local content a key emphasis for the Company. Through H1-2023, several key sustainability initiatives were delivered, including:
  - Completion of the Sanioumale East ("SE") village resettlement at Yanfolila, Mali ahead of schedule. The SE resettlement has resulted in the rehousing of over 40 families, all completed under the guidance of West African specialist consultants Environmental and Social Development Company ("ESDCO").
  - Community livelihood initiatives and projects continued to advance during the period at both Yanfolila and Kouroussa, including, amongst others: local community market gardens; water infrastructure development programmes; and local reforestation strategy initiatives.
  - An increased number of healthcare and first aid training initiatives conducted in the communities and schools at Kouroussa by the on-site clinical nursing team and global remote healthcare specialists Critical Care International ("CCI").
  - During the period the Company published its inaugural 2022 sustainability report. The full report can be viewed on the Company's website - [2022 Hummingbird Resources plc Sustainability Report](#).

**\*\*ENDS\*\***

## Notes to Editors:

Hummingbird Resources plc (AIM: HUM) is a leading multi-asset, multi-jurisdiction gold producing Company, member of the World Gold Council and founding member of Single Mine Origin ([www.singlemineorigin.com](http://www.singlemineorigin.com)). The Company currently has two core gold projects, the operational Yanfolila Gold Mine in Mali, and the Kouroussa Gold Mine in Guinea, which will more than double current gold production once at commercial production. Further, the Company has a controlling interest in the Dugbe Gold Project in Liberia that is being developed by joint venture partners, Pasofino Gold Limited. The final feasibility results on Dugbe showcase 2.76Moz in Reserves and strong economics such as a 3.5-year capex payback period once in production, and a 14-year life of mine at a low AISC profile. Our vision is to continue to grow our asset base, producing profitable ounces, while central to all we do being our Environmental, Social & Governance ("ESG") policies and practices.

For further information, please visit [hummingbirdresources.co.uk](http://hummingbirdresources.co.uk) or contact:

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## Consolidated Statement of Comprehensive Income

For the six months ended 30 June 2023

	Note	Unaudited 6 months ended 30 June 2023 \$'000	Unaudited 6 months ended 30 June 2022 \$'000	Audited Year ended 31 December 2022 \$'000
<b>Revenue</b>		<b>103,194</b>	<b>70,443</b>	<b>150,519</b>
Production costs		(50,982)	(64,865)	(126,527)
Amortisation and depreciation		(22,590)	(16,945)	(37,357)
Royalties and taxes		(3,841)	(2,447)	(5,620)
<b>Cost of sales</b>		<b>(77,413)</b>	<b>(84,257)</b>	<b>(169,504)</b>
<b>Gross profit / (loss)</b>		<b>25,781</b>	<b>(13,814)</b>	<b>(18,985)</b>
Share based payments		(2,027)	(2,069)	(1,941)
Other administrative expenses		(9,176)	(5,853)	(11,791)
<b>Operating profit / (loss)</b>		<b>14,578</b>	<b>(21,736)</b>	<b>(32,717)</b>
Finance income		148	4,679	3,641
Finance expense		(11,914)	(5,589)	(14,156)
Share of joint venture profit		2	-	4
(Impairment) / reversals in impairment of financial assets		(46)	87	(316)
Gains / (losses) on financial assets measured at fair value		1,313	(1,369)	(715)
<b>Profit / (loss) before tax</b>		<b>4,081</b>	<b>(23,928)</b>	<b>(44,259)</b>
Tax	5	(7,104)	3,106	4,269
<b>Loss for the period / year</b>		<b>(3,023)</b>	<b>(20,822)</b>	<b>(39,990)</b>

### Attributable to:

Equity holders of the parent	(3,846)	(18,378)	(34,279)
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Non-controlling interests	823	(2,444)	(5,711)
<b>Loss for the period/year</b>	<b>(3,023)</b>	<b>(20,822)</b>	<b>(39,990)</b>

**Loss per share** (attributable to equity holders of the parent)

Basic (\$ cents)	6	(0.73)	(4.67)	(8.71)
Diluted (\$ cents)	6	(0.73)	(4.67)	(8.71)

## Consolidated Statement of Financial Position

As at 30 June 2023

	Unaudited 30 June 2023 \$'000	Restated Unaudited 30 June 2022 \$'000	Audited 31 December 2022 \$'000
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible exploration and evaluation assets	131,262	92,252	129,652
Intangible assets software	103	182	143
Property, plant and equipment	242,088	164,264	204,393
Right of use assets	19,769	30,358	25,488
Investments in associates and joint ventures	136	129	133
Financial assets at fair value through profit or loss	2,114	1,899	1,532
Deferred tax assets	3,453	7,638	9,571
	<b>398,925</b>	<b>296,722</b>	<b>370,912</b>
<b>Current assets</b>			
Inventory	20,672	13,158	15,748
Trade and other receivables	61,210	37,091	51,852
Unrestricted cash and cash equivalents	1,683	-	-
Restricted cash and cash equivalents	4,003	3,887	3,892
	<b>87,568</b>	<b>54,136</b>	<b>71,492</b>
<b>Total assets</b>	<b>486,493</b>	<b>350,858</b>	<b>442,404</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	58,841	63,180	71,840
Lease liabilities	11,654	21,530	15,845
Deferred consideration	1,886	4,159	1,801
Other financial liabilities	25,950	9,298	26,795
Provisions	27,750	22,405	27,120
	<b>126,081</b>	<b>120,572</b>	<b>143,401</b>
<b>Current liabilities</b>			

Trade and other payables		<b>88,169</b>	49,357	66,081
Lease liabilities		<b>11,819</b>	9,961	11,819
Deferred consideration		-	-	1,776
Other financial liabilities		<b>15,000</b>	15,000	15,000
Provisions		<b>830</b>	-	830
Borrowings		<b>69,754</b>	-	43,862
Bank overdraft		-	5,171	1,741
		<b>185,572</b>	<b>79,489</b>	<b>141,109</b>
<b>Total liabilities</b>		<b>311,653</b>	<b>200,061</b>	<b>284,510</b>
<b>Net assets</b>		<b>174,840</b>	<b>150,797</b>	<b>157,894</b>
<b>Equity</b>				
Share capital	7	<b>8,287</b>	5,827	5,828
Share premium		<b>33,647</b>	17,425	17,425
Retained earnings		<b>94,619</b>	120,469	97,177
<b>Equity attributable to equity holders of the parent</b>		<b>136,553</b>	<b>143,721</b>	<b>120,430</b>
<b>Non-controlling interest</b>		<b>38,287</b>	7,076	37,464
<b>Total equity</b>		<b>174,840</b>	<b>150,797</b>	<b>157,894</b>

## Consolidated Statement of Cash Flows

For the six months ended 30 June 2023

	Unaudited 6 months ended 30 June 2023 \$'000	Unaudited 6 months ended 30 June 2022 \$'000	Audited Year ended 31 December 2022 \$'000
<b>Operating activities</b>			
Profit / (loss) before tax	<b>4,081</b>	(23,928)	(44,259)
Adjustments for:			
Amortisation and depreciation	<b>16,965</b>	11,332	26,048
Amortisation and depreciation – right of use assets	<b>5,719</b>	5,627	11,386
Share based payments	<b>2,650</b>	2,232	1,865
Finance income	<b>2,165</b>	(4,679)	(3,641)
Finance expense	<b>9,600</b>	5,589	14,156
Share of joint venture profit	<b>(2)</b>	-	(4)
Impairment/(reversals) in impairment of financial assets	<b>46</b>	(87)	316
(Gains) / losses on financial assets and liabilities measured at fair value	<b>(1,313)</b>	1,369	715
<b>Operating cash flows before movements in working capital</b>	<b>39,911</b>	(2,545)	6,582
Increase in inventories	<b>(4,923)</b>	(11)	(2,601)
Increase in receivables	<b>(14,796)</b>	(11,938)	(21,491)
Increase in payables	<b>14,647</b>	11,883	32,101
	<b>34,839</b>	(2,611)	14,591
Taxation paid	<b>(736)</b>	(680)	(1,410)
<b>Net cash generated from / (used in) operating activities</b>	<b>34,103</b>	(3,291)	13,181
<b>Investing activities</b>			

Purchases of exploration and evaluation assets	(1,610)	(1,109)	(5,876)
Purchases of property, plant and equipment	(39,856)	(30,747)	(82,942)
Pasofino funding	-	2,827	4,665
Pasofino funding utilisation	-	(2,827)	-
Interest received	-	2	2
<b>Net cash used in investing activities</b>	<b>(41,466)</b>	<b>(31,854)</b>	<b>(84,151)</b>
<b>Financing activities</b>			
Exercise of share options	-	13	14
Net proceeds from issue of shares	17,066	-	-
Lease principal payments	(5,739)	(6,027)	(10,741)
Lease interest payments	(1,094)	(715)	(2,862)
Loan interest paid	(6,279)	-	(3,452)
Commissions and other fees paid	(2,188)	(2,890)	(4,724)
Loans repaid	(809)	-	-
Loan drawdown	9,682	7,520	58,695
<b>Net cash generated from / (used in) financing activities</b>	<b>10,639</b>	<b>(2,099)</b>	<b>36,930</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>3,276</b>	<b>(37,244)</b>	<b>(34,040)</b>
Effect of foreign exchange rate changes	259	(779)	(548)
<b>Cash and cash equivalents at beginning of period/year</b>	<b>2,151</b>	<b>36,739</b>	<b>36,739</b>
<b>Cash and cash equivalents at end of period/year</b>	<b>5,686</b>	<b>(1,284)</b>	<b>2,151</b>

## Consolidated Statement of Changes in Equity

For the six months ended 30 June 2023

	Share capital \$'000	Share premium \$'000	Retained earnings \$'000	Total equity attributable to the parent \$'000	Non-controlling interest \$'000	Total \$'000
<b>As at 1 January 2022 (restated)</b>	5,814	17,425	137,895	161,134	9,520	170,654
Loss for the period	-	-	(18,378)	(18,378)	(2,444)	(20,822)
Total comprehensive loss for the period	-	-	(18,378)	(18,378)	(2,444)	(20,822)
Share based payments	13	-	952	965	-	965
<b>As at 30 June 2022 (Unaudited)</b>	<b>5,827</b>	<b>17,425</b>	<b>120,469</b>	<b>143,721</b>	<b>7,076</b>	<b>150,797</b>
<b>As at 1 January 2022 (restated)</b>	5,814	17,425	137,895	161,134	9,520	170,654
Loss for the year	-	-	(34,279)	(34,279)	(5,711)	(39,990)
<b>Total comprehensive loss for the year</b>	<b>-</b>	<b>-</b>	<b>(34,279)</b>	<b>(34,279)</b>	<b>(5,711)</b>	<b>(39,990)</b>
<i>Transactions with owners in their capacity as owners:</i>						
Pasofino minority	-	-	(9,528)	(9,528)	33,655	24,127

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<b>Total transactions with owners in their capacity as owners</b>	-	-	(9,528)	(9,528)	33,655	24,127
Exercise of share options	14	-	-	14	-	14
Share based payments	-	-	3,089	3,089	-	3,089
<b>As at 31 December 2022 (Audited)</b>	<b>5,828</b>	<b>17,425</b>	<b>97,177</b>	<b>120,430</b>	<b>37,464</b>	<b>157,894</b>



<b>As at 1 January 2023</b>	<b>5,828</b>	<b>17,425</b>	<b>97,177</b>	<b>120,430</b>	<b>37,464</b>	<b>157,894</b>
<i>Comprehensive (loss)/income for the period:</i>						
(Loss)/income for the period	-	-	(3,846)	(3,846)	823	(3,023)
<b>Total comprehensive (loss)/income for the period</b>	<b>-</b>	<b>-</b>	<b>(3,846)</b>	<b>(3,846)</b>	<b>823</b>	<b>(3,023)</b>
<i>Transactions with owners in their capacity as owners:</i>						
Shares issued	2,459	16,222	-	18,681	-	18,681
<b>Total transactions with owners in their capacity as owners</b>	<b>2,459</b>	<b>16,222</b>	<b>-</b>	<b>18,681</b>	<b>-</b>	<b>18,681</b>
Share based payments	-	-	1,288	1,288	-	1,288
<b>As at 30 June 2023 (Unaudited)</b>	<b>8,287</b>	<b>33,647</b>	<b>94,619</b>	<b>136,553</b>	<b>38,287</b>	<b>174,840</b>

## 1. General information

Hummingbird Resources PLC is a public limited company with securities traded on the AIM market of the London Stock Exchange. It is incorporated and domiciled in the United Kingdom and has a registered office at 49-63 Spencer Street, Hockley, Birmingham, West Midlands, B18 6DE.

The nature of the Group's operations and its principal activities are the exploration, evaluation, development, and operating of mineral projects, principally gold, focused currently in West Africa.

## 2. Adoption of new and revised standards

The interim financial statements have been drawn up based on accounting policies consistent with those applied in the financial statements for the year ended 31 December 2022. There were several accounting standards updates effective 1 January 2023, which did not have any material impact on the financial statements of the Group.

IFRS 17	effective 1 January 2023	Insurance contracts
IAS 1	effective 1 January 2023	Disclosure of accounting policies
IAS 8	effective 1 January 2023	Definition of accounting estimate
IAS 12	effective 1 January 2023	Deferred tax related to assets and liabilities arising from a single transaction

## 3. Significant accounting policies

### Basis of preparation

The financial statements have been prepared in accordance with UK adopted International Accounting Standards. The principal accounting policies adopted are set out below. The functional currency of all companies in the Group is United States Dollar ("USD"). The financial statements are presented in thousands of United States dollars ("USD'000").

The consolidated interim financial information for the period 1 January 2023 to 30 June 2023 is unaudited, does not include all the information required for full financial statements and should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2022. In the opinion of the Directors the consolidated interim financial information for the period represents fairly

the financial position, results from operation and cash flows for the period in conformity with generally accepted accounting principles consistently applied. The consolidated interim financial information incorporates comparative figures for the interim period 1 January 2022 to 30 June 2022 and the audited financial year to 31 December 2022. As permitted, the Group has chosen not to adopt IAS34 'Interim Financial Reporting'.

The annual financial statements of Hummingbird Resources plc are prepared in accordance with UK adopted International Accounting Standards. The Group's consolidated annual financial statements for the year ended 31 December 2022, have been filed with the Registrar of Companies and are available on the Company's website [www.hummingbirdresources.co.uk](http://www.hummingbirdresources.co.uk). The auditor's report on those financial statements though unqualified contained an emphasis of matter paragraph in respect of risks surrounding the going concern assumption of the Company at that date.

On 30 June 2023, the Group had cash and cash equivalents of \$5.7 million and total borrowings of \$128.6 million. As of June 30, 2023, the Company had a working capital deficiency (current assets less current liabilities) of \$98.0 million. The current liabilities include Anglo Pacific royalty liability of \$15 million which, although current due to the nature of the agreement, is not expected to be paid soon.

### **Going concern**

The Group has prepared cash flow forecasts based on estimates of key variables including production, gold price, operating costs, capital expenditure through to December 2024 that supports the conclusion of the Directors that they expect sufficient funding to be available to meet the Group's anticipated cash flow requirements to this date.

These cashflow forecasts are subject to several risks and uncertainties, in particular the ability of the Group to achieve the planned levels of production and the recent average higher gold prices being sustained. The Board reviewed and challenged the key assumptions used by management in its going concern assessment, as well as the scenarios applied and risks considered, including the risks associated with the recent change in governments in Mali and Guinea.

The biggest material uncertainty and risk remains ounces produced and whether the current mine plan can be achieved (including expected production from the newly completed Kouroussa mine), mining contractor equipment performance. Where additional funding may be required, the Group believes it has several options available to it, including but not limited to, use of the overdraft facility, cost reduction strategies, selling of non-core assets, raising additional funds from current investors and debt partners.

The Board also considered sensitivities to those cash flow scenarios (including where production is lower than forecast and gold prices lower than current levels) which would require additional funding. Should this situation arise, the Directors believe that they have several options available to them, such as use of the current overdraft facility, obtaining additional funding, delaying expenditures, sale of non-core assets, which would allow the Group to meet its cash flow requirements through this period, however, there remains a risk that the Group may not be able to achieve these in the necessary timeframe.

Based on its review, the Board has a reasonable expectation that the Group has adequate resources to continue operating for the foreseeable future and hence the Board considers that the application of the going concern basis for the preparation of the Financial Statements was appropriate. However, the risk of lower-than-expected production levels, timing of VAT offsets and receipts and the ability to secure any potential required funding at date of signing of these financial statements, indicates the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern.

Should the Group be unable to achieve the required levels of production and associated cashflows, defer expenditures or obtain additional funding such that the going concern basis of preparation was no longer appropriate, adjustment would be required including the reduction of balance sheet asset values to their recoverable amounts and to provide for future liabilities should they arise.

## **4. EBITDA and adjusted EBITDA**

Earnings before interest, taxes, depreciation and amortisation ("EBITDA") is a factor of volumes, prices and cost of production. This is a measure of the underlying profitability of the Group, widely used in the mining sector. Adjusted EBITDA removes the effect of impairment charges, foreign currency translation gains/losses and other non-recurring expense adjustments but including IFRS 16 lease payments.

## Reconciliation of Net Earnings to EBITDA and Adjusted EBITDA

	Unaudited six months ended 30 June 2023 \$'000	Unaudited six months ended 30 June 2022 \$'000	Audited year ended 31 December 2022 \$'000
<b>Profit / (loss) before tax</b>	<b>4,081</b>	(23,928)	(44,259)
Less: Finance income	2,165	(4,679)	(3,641)
Add: Finance costs	9,600	5,589	14,156
Add: Depreciation and amortisation	22,683	16,959	37,357
<b>EBITDA</b>	<b>38,529</b>	(6,059)	3,613
IFRS 16 lease interest and principal payments	(6,833)	(6,742)	(13,602)
Share based payments	2,650	2,232	1,866
Share of joint venture gain	(2)	-	(4)
Impairment / (reversal) of financial assets	46	(87)	316
(Gains) / losses on financial assets and liabilities measured at fair value	(1,313)	1,369	715
<b>Adjusted EBITDA</b>	<b>33,077</b>	<b>(9,287)</b>	(7,096)

### 5. Tax

The tax charge/(income) for the period/year is summarised as follows:

	Unaudited six months ended 30 June 2023 \$'000	Unaudited six months ended 30 June 2022 \$'000	Audited year ended 31 December 2022 \$'000
Minimum tax pursuant to Malian law	986	664	1,434
Deferred tax expense/(income)	6,118	(3,770)	(5,703)
<b>Tax expense / (income) for the period / year</b>	<b>7,104</b>	(3,106)	(4,269)

The taxation charge for the period/year can be reconciled to the loss per the statement of comprehensive income as follows:

	Unaudited six months ended 30 June 2023 \$'000	Unaudited six months ended 30 June 2022 \$'000	Audited year ended 31 December 2022 \$'000
<b>Profit / (loss) before tax for the period / year</b>	<b>4,081</b>	(23,928)	(44,259)
Tax expense at the rate of tax 30.00%	1,224	(7,178)	(13,278)
Tax effect of non-deductible items	-	-	55
Origination and reversal of temporary differences	5,058	3,946	9,766
Deferred tax asset (recognised)/not recognised	(6,282)	3,232	3,457
Recognised net deferred tax assets	6,118	(3,770)	(5,703)
Minimum tax pursuant to Malian law	986	664	1,434
<b>Tax expense / (income) for the period / year</b>	<b>7,104</b>	(3,106)	(4,269)

The Group's primary tax rate is aligned with its operations in Mali of 30%. The taxation of the Group's operations in Mali are aligned to the Mining Code of Mali 1999 under which tax is charged at an amount not less than 1% of turnover and not more than 30% of taxable profits.

## 6. Loss per ordinary share

Basic loss per ordinary share is calculated by dividing the net loss for the period/year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period/year.

The calculation of the basic and diluted loss per share is based on the following data:

	Unaudited six months ended 30 June 2023 \$'000	Unaudited six months ended 30 June 2022 \$'000	Audited year ended 31 December 2022 \$'000
<b>Loss</b>			
Loss for the purposes of basic loss per share being loss attributable to equity holders of the parent	(3,846)	(18,378)	(34,279)
Number of shares	30 June 2023 Number	30 June 2022 Number	31 December 2022 Number
Weighted average number of ordinary shares for the purposes of basic loss per share	529,047,722	393,416,579	393,525,771
Adjustments for share options and warrants	24,444,473	29,899,569	25,362,582
Weighted average number of ordinary shares for the purposes of diluted loss per share	553,492,195	423,316,148	418,888,353
Loss per ordinary share	30 June 2023 \$ cents	30 June 2022 \$ cents	31 December 2022 \$ cents
Basic	(0.73)	(4.67)	(8.71)
Diluted	(0.73)	(4.67)	(8.71)

For the period ended 30 June 2023, because there is a reduction in diluted loss per share due to the loss-making position, therefore there is no difference between basic and diluted loss per share.

## 7. Share capital

### Authorised share capital

As permitted by the Companies Act 2006, the Company does not have an authorised share capital.

	Unaudited six months ended 30 June 2023 Number	Unaudited six months ended 30 June 2022 Number	Audited year ended 31 December 2022 Number
<b>Issued and fully paid</b>			
Ordinary shares of £0.01 each	601,918,700	393,607,988	392,724,051
Total Ordinary shares after issue - shares of £0.01 each	601,918,700	393,607,988	392,724,051
Issued and fully paid	30 June 2023 \$'000	30 June 2022 \$'000	31 December 2022 \$'000
Ordinary shares of £0.01 each	8,287	5,828	5,828
Ordinary shares after issue of £0.01 each	8,287	5,828	5,828