

2 May 2017



Dissemination of a Regulatory Announcement that contains inside information according to REGULATION (EU) No 596/2014 (MAR).

StratMin Global Resources Plc
("StratMin" or the "Company")

Final Results for the Year to 31 December 2016

CHIEF EXECUTIVE OFFICER'S STATEMENT

YEAR TO 31 DECEMBER 2016

I am pleased to present the final results for StratMin Global Resources plc for the 12 months to 31 December 2016 in what has been a period of significant change for the Company, as we became an AIM Rule 15 cash shell looking to complete a value accretive reverse takeover ('RTO') within the precious metals sector.

During the period, the Board's strategy has been focused on identifying suitable acquisition opportunities, which would satisfy the requirements of Rule 15 of the AIM Rules for Companies (the "AIM Rules") and indeed offer significant growth potential for the Company. We resolved to pursue, as a priority, the acquisition of projects in either gold exploration or mining. With this in mind, we have found a compelling acquisition target in Signature Gold Limited ("Signature"), a specialist Australian gold exploration company focused on large-scale Intrusive Related Gold System ("IRGS") assets in Queensland, Australia. The Queensland projects also hold the benefit of support from the Australian government, providing a significant cash rebate to the Company of 43.5% of all qualifying expenditure and giving Signature a substantial cost advantage in development of the portfolio.

The acquisition of Signature also presents the opportunity to attract significant project partners. Signature holds the option to acquire the Kasperske Hory gold project in the Czech Republic, a high grade IRGS deposit with an established initial 1.5M+ ozAu JORC compliant resource with an average 7.29g/t Au grade. This project is owned by Elbrus Resources Limited, a private company controlled by majority shareholder Mr Gordon Toll. Mr Toll is a highly-regarded resources industry executive most well known as the founding Chairman of ASX listed Fortescue Metals Group Limited, the world's fourth largest iron ore producer.

We are looking to acquire Signature as we believe it would be in the best interests for the Company and wider stakeholders and offers a value accretive opportunity to reward the patience of our supportive shareholders. We are confident about the future prospects with Signature, and we look forward to bringing a high calibre and experienced global management team with a track record of gold development, operations and shareholder returns to manage this new venture.

Prior to entering into a binding heads of agreement ("HoA") with Signature, executed and announced on 2 February 2017 for the acquisition of the entire issued share capital of the company, we divested our graphite assets, Graphmada Mauritius, to Bass Metals Limited ("Bass"), announced on 7 July 2016.

As laid out in the Company's interim results for 2016 announced on 30 September 2016, the Company successfully stabilised its operations at its Graphmada graphite mine and processing plant in Madagascar, bringing it to an operational level breakeven which enabled us to secure an exit from that project. Further, the early settlement and divestment of the Bass equity holding in cash, as opposed to shares, has removed the need for the Company to raise short term capital during a period of weak share price and provided a stronger platform for negotiating an RTO.

In addition in line with its divestment strategy, the Company agreed with its joint venture partner Tirupati Carbons and Chemicals Pvt Ltd ("Tirupati"), to open the syndication of their joint venture company, Tirupati Resources Mauritius



Limited ("TRM"), to new investors. TRM is currently owned by Tirupati (98.53%) and StratMin (1.47%). TRM is the 98% owner of Tirupati Madagascar Ventures SARL ("TMV") which owns the Vatomaina licence, Exploitation Permit (PE) No. 38321, for the Vatomaina large flake graphite project in Madagascar. StratMin and Tirupati have agreed that any new investment will be made at a minimum entry price equal to StratMin's existing investment. Opening the joint venture to new investment will enable Tirupati to accelerate development of the Vatomaina project. A number of options are being discussed currently, including the joint venture partners arranging a London Stock Exchange flotation of TRM following commissioning of the Vatomaina plant.

In addition to divesting our graphite assets and signing HoA with Signature with the objective to complete the RTO in H1 2017, we also re-structured the management team. In this regard, we strengthened the Board through the appointment of Sam Quinn as Executive Director in February 2017. Mr Quinn, a corporate lawyer with significant experience in the mineral resources sector, will bolster the Company's London-based management team as an executive director in charge of corporate affairs.

Finally it remains for me to thank my fellow directors and management as we continue to make progress on the RTO of Signature and to all of our shareholders for their continued support over the last year. The Board looks forward to the forthcoming year with confidence and looks forward to reporting on developments in due course.

Brett Boynton

Chief Executive Officer

28 April 2017

STRATEGIC REPORT

YEAR TO 31 DECEMBER 2016

The directors present their strategic report for the Company for the year ended 31 December 2016.

REVIEW OF THE BUSINESS

The Company is an AIM Rule 15 cash shell company, following the disposal of Graphmada Mauritius Limited ("GMM") to Bass Metals Limited ("Bass") in July 2016, and is progressing a Reverse Takeover ("RTO") transaction with Australian gold exploration company Signature Gold Limited ("Signature"). In addition to a portfolio of advanced exploration projects in Queensland, Australia, Signature holds an option to acquire the 1.5M oz Au JORC compliant resource with an average 7.29g/t Au grade gold deposit in the Czech Republic known as the Kasperske Hory deposit. The timetable for completion of this transaction is currently estimated as mid-year 2017.

In addition the Company holds a small position in Tirupati Resources Mauritius Limited (TVM), a graphite development holding company with a mine development project in Madagascar. The holding has an estimated fair value of £40,000 and constitutes less than 5% of the register of TVM.

Since the year end the Company has disposed of the shareholding (£531,000) it received in Bass as part of the consideration for the disposal of Graphmada.

For further details see the Chief Executive Officer's statement on Page 2.

FINANCIAL HIGHLIGHTS

The operating loss from operations decreased from £847,000 in 2015 to £809,000. The net loss for the year was £7,405,000 compared to £23,205,000 in 2015, resulting in a loss per share of 4.5p (2015: 16.6p).

RESULTS AND DIVIDENDS

In 2016, the Company's overall loss after taxation was approximately £7,405,000 (2015: £23,205,000 loss), this includes a loss on disposal of Graphmada of £6,463,000. The Directors do not recommend the payment of a dividend (2015: £nil).

KEY PERFORMANCE INDICATORS

The key performance indicators are set out below.

STATISTICS	2016	2015	Change %
Net asset value	£1,869,000	£7,991,000	(76.37)
Net asset value per share	1.05p	5.29p	(80.15)
Closing share price	1.38p	2.92p	(52.74)
Market capitalisation	£2,441,626	£4,393,000	(44.42)

KEY RISKS AND UNCERTAINTIES

Currently the principal risk is a failure to complete the proposed RTO of Signature, the failure of which may result in the Company having its AIM listing cancelled. Details of other financial risks and their management are given in Note 18 to the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of the Company's financial risk management objectives and policies are set out in Note 18 to these financial statements.

Brett Boynton
Director
 28 April 2017

The Directors present their annual report and the audited financial statements of Stratmin Global Resources plc ("Stratmin" or the "Company") for the year ended 31 December 2016.

DIRECTORS

The Board comprised the following directors who served throughout the year and up to the date of this report save where disclosed otherwise:

Name	Position
Brett Boynton	Executive Chairman and Managing Director
Sam Quinn	Executive Director (appointed 20 February 2017)
Shishir Poddar	Technical Director
Zeg Choudhry	Non-Executive Director (appointed 19 September 2016)
Laurie Hunter	Chairman (resigned 16 February 2016)
Jeff Marvin	Non-Executive Director (resigned 16 February 2016)
David Premraj	Non-Executive Director (resigned 19 September 2016)

DIRECTORS' INTERESTS

The above Directors' interests in the share capital of the Company at 31 December 2016, held either directly or through related parties, were as follows:

Name of director	Number of ordinary shares	% of ordinary share capital and Voting Rights
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David Premraj (resigned 19 September 2016)	1,705,556	0.96
Jeff Marvin (resigned 16 February 2016)	2,259,999	1.28
Brett Boynton	4,352,690	2.46
Shishir Poddar*	6,284,387	3.55
Zeg Choudhry	-	-
Sam Quinn (appointed 20 February 2017)	1,512,000	0.85
	14,142,245	8.68

* 1,972,387 shares are held by Tirupati Carbons & Chemicals Pvt. Ltd, of which Mr Poddar is a 50 per cent. shareholder and director.

Details of the options granted to or held by the Directors or former Directors are as follows:

Name of director or former director	At 31 December 2015 or date of appointment if later		Options of grants lapsed	At 31 December 2016 or date of cessation if earlier		Average exercise price	Earliest date of exercise	Average Date of expiry
	Options granted	Options lapsed		Options granted	Options lapsed			
Jeff Marvin	479,040	-	(479,040)	-	-	22.5p	2/03/2012	1/03/2022
Shishir Poddar*	10,000,000	-	(10,000,000)	-	-	7.5p	16/06/2015	16/12/2016
Manoli Yannaghas	1,500,000	-	(1,500,000)	-	-	15.9p	30/09/2014	1/05/2017
Laurie Hunter	2,000,000	-	(2,000,000)	-	-	15.7p	12/03/2014	1/09/2017

*The options included under the name of Shishir Poddar are held in the name of Tirupati Carbons and Chemicals Group (P) Limited ("Tirupati"), as part of the strategic agreement signed with them on 18 June 2015. Mr Poddar is a major shareholder and Director of Tirupati and as such the options have been reflected as above. These options all expired during the year

The options for Messrs Marvin, Yannaghas and Hunter all expired during the period following their resignation

The Company has made qualifying third party indemnity provisions for the benefit of the Directors in the form of Directors' and Officers' Liability insurance during the year which remain in force at the date of this report.

DONATIONS

The Company did not make any political or charitable donations during the year (2015: £nil).

EMPLOYEE CONSULTATION

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on various factors affecting the performance of the Company. This is achieved through formal and informal meetings. Equal opportunity is given to all employees regardless of their sex, age, religion or ethnic origin.

SIGNIFICANT SHAREHOLDINGS

On 30 March 2017 the following were interested in 3 per cent. or more of the Company's share capital (including Directors, whose interests are also shown above):

Name of shareholder	Number of ordinary shares	% of ordinary share capital and voting rights
Consolidated Resources Pte Ltd	18,241,422	10.31
Viking Investments Limited	13,181,241	7.45
Mrs Kesava Padmavathi	8,775,699	4.96
Mrs Caryl Melissa Jane Pienaar	7,041,791	3.98
Ghanshyam Champakal	5,449,426	3.08

POST YEAR END EVENTS

A list of post year end events have been included in note 22.

GOING CONCERN

The adoption of the going concern basis by the Directors is following a review of the current position of the Company and the forecasts for the next 18 months. To ensure the Company has adequate resources to continue in operation or existence for the foreseeable future, it is dependent on executing the impending acquisition of Signature Gold as well as the concurrent placing which will finance the group going forwards. If the deal does not go ahead, the Company will most likely be cancelled from trading on AIM which provides an additional source of funding. However, the funds received and receivable, from Bass for Graphmada, together with a cost-cutting exercise undertaken by the Board would ensure it would continue for the foreseeable future. Thus, the directors continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis and uncertainty surrounding it can be found in note 4 of these financial statements.

DISCLOSURE OF INFORMATION TO THE AUDITORS

In the case of each of the persons who are directors of the Company at the date when this report is approved:

- So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- Each of the directors has taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the auditors are aware of the information.

This information is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AUDITOR

Welbeck Associates have expressed their willingness to continue in office as auditor and it is expected that a resolution to reappoint them will be proposed at the next annual general meeting.

The Board as a whole considers the appointment of external auditors, including their independence, specifically including the nature and scope of non-audit services provided.

CORPORATE GOVERNANCE

The requirements of the UK Corporate Governance Code are not mandatory for companies traded on AIM. The Directors recognise the value of the Quoted Companies Alliance Corporate Governance Code for Small and Mid-sized Quoted Companies, to the extent that they consider it appropriate and having regard to the size, current stage of development and resources of the Company. While under the AIM Rules full compliance is not required, the Directors believe that the Company applies the recommendations in so far as it is appropriate for a Company of its size.

BOARD OF DIRECTORS

The Company supports the concept of an effective Board leading and controlling the Company. The Board of Directors is responsible for approving Company policy and strategy. It meets regularly and has a schedule of matters specifically reserved to it for decision. All Directors have access to advice from independent professionals at the Company's expense. Training is available for new and existing Directors as necessary.

The Board consists of Chairman and Managing Director, Brett Boynton, Executive Directors, Shishir Poddar and Sam Quinn and Non-Executive director, Zeg Choudhry.

Matters which would normally be referred to appointed committees other than those below, such as the AIM Compliance committee, are dealt with by the full Board.

AUDIT COMMITTEE

The Audit Committee comprises Brett Boynton (Chairman), Zeg Choudhry and Sam Quinn. The Committee meets at least twice a year and is responsible for ensuring the financial performance of the Company is properly reported on and monitored. It liaises with the auditor and reviews the reports from the auditor relating to the accounts.

REMUNERATION COMMITTEE

The Remuneration Committee comprises Sam Quinn (Chairman), Brett Boynton and Zeg Choudhry. The Committee meets at least twice a year and is responsible for reviewing the performance of Executive Directors and sets the scale



and structure of their remuneration on the basis of their service agreements, with due regard to the interests of the shareholders and the performance of the Company.

COMMUNICATIONS WITH SHAREHOLDERS

Communications with shareholders are given a high priority by the management. In addition to the publication of an annual report and an interim report, there is regular dialogue with shareholders and analysts. The Annual General Meeting is viewed as a forum for communicating with shareholders, particularly private investors. Shareholders may question the Managing Director and other members of the Board at the Annual General Meeting.

INTERNAL CONTROL

The Directors acknowledge they are responsible for the Company's system of internal control and for reviewing the effectiveness of these systems. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of the Company failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Company has well established procedures which are considered adequate given the size of the business.

REMUNERATION

The remuneration of the directors has been fixed by the Board as a whole. The Board seeks to provide appropriate reward for the skill and time commitment required so as to retain the right calibre of director at a cost to the Company which reflects current market rates.

Details of directors' fees and of payments made to directors for professional services rendered are set out in Note 8 to the financial statements and details of the directors' share options are set out in the Directors' Report.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of the Company's financial risk management objectives and policies are set out in Note 18 to these financial statements.

By order of the Board on 28 April 2017

Sam Quinn
Director

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the report of the directors and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Company financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU"). 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company 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 Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By order of the Board on 28 April 2017

Sam Quinn
Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STRATMIN GLOBAL RESOURCES PLC

We have audited the financial statements of StratMin Global Resources plc for the year ended 31 December 2016 which comprise the Statement of Income, the Statement of comprehensive income, the Statement of changes in equity, the Statement of financial position, the Statement of cash flows, and the related notes. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the statement of directors' responsibilities set out 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 (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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 the accounting policies are appropriate to the 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 to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion:

- the financial statements give a true and fair view of the state of the Company's affairs as at 31 December 2016 and of the loss for the year then ended;
- the Company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

EMPHASIS OF MATTER – GOING CONCERN

In forming our opinion on the financial statements, which is not modified, we draw your attention to the disclosures made in note 4 to the financial statements concerning the Company's ability to continue as a going concern.

These conditions, along with other matters explained in note 4 to the financial statements, indicate the existence of uncertainty which may cast doubt about the ability of the Group and Company to continue as a going concern. However, the directors have plans to manage the cash flows of the Company to enable it to continue as a going concern. The financial statements do not include the adjustments that would result if the Group and Company was unable to continue as a going concern.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STRATMIN GLOBAL
RESOURCES PLC (continued)**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements 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.

Jonathan Bradley Hoare (Senior statutory auditor)
for and on behalf of Welbeck Associates
Chartered Accountants and Statutory Auditor
London, United Kingdom

28 April 2017

STATEMENT OF INCOME
YEAR TO 31 DECEMBER 2016

	Notes	2016 £'000	2015 £'000
Administrative expenses		(809)	(847)
Operating loss	6	(809)	(847)
Finance costs	9	-	(9)
Impairment of investments		-	(21,651)
Impairment of receivables		-	(698)
Loss on disposal of subsidiary undertakings	11	(6,596)	-
Loss before tax		(7,405)	(23,205)
Tax	10	-	-
Loss for the year		(7,405)	(23,205)
Earnings per share attributable to owners of the compar			
Basic and diluted (pence per share)			
From continuing operations	12	(4,5)	(16.6)

The accounting policies and notes are an integral part of these financial statements.



	2016	2015
	£'000	£'000
Loss for the year	(7,405)	(23,205)
Other comprehensive income:		
Items that may be subsequently reclassified to profit and loss:		
Market value adjustment to investments	-	(1)
Reclassification of the investment reserve to the income statement following the disposal of investments	11 700	-
Other comprehensive income/(expense) for the period	700	(1)
Total comprehensive loss for the year attributable to equity holders of the parent	(6,705)	(23,206)

The accounting policies and notes are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	Notes	2016 £'000	2015 £'000
Non-Current assets			
Property, plant and equipment		-	2
Investment in subsidiaries		-	4,318
Available for sale investments	13	40	1
Loans to group undertakings		-	3,274
		40	7,595
Current assets			
Deferred consideration receivable	11	292	-
Available for sale investments	13	572	-
Trade and other receivables	14	1,007	947
Cash and cash equivalents	15	493	154
		2,364	1,101
Current liabilities			
Trade and other payables	16	447	698
Short term borrowings	17	88	87
		535	785
Net assets		1,869	7,911
Equity			
Share capital	20	6,049	6,046
Share premium account	20	55,900	31,818
Merger reserve		-	23,460
Investment reserve		-	(700)
Other reserves		455	417
Retained earnings		(60,535)	(53,130)
Equity attributable to owners of the Company		1,869	7,911

These financial statements were approved by the Board of Directors on 28 April 2017.

Signed on behalf of the Board by:

Brett Boynton
Director

The accounting policies and notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS
YEAR TO 31 DECEMBER 2016

	Share capital £'000	Share Premium £'000	Merger Reserve £'000	Investment reserve £'000	Other reserves £'000	Retained earnings £'000	Total £'000
Balance at 1 January 2015	4,505	31,771	23,460	(699)	350	(29,925)	29,462
Total comprehensive expense for the year	-	-	-	(1)	-	(23,205)	(23,206)
Net proceeds of share issues	1,541	173	-	-	-	-	1,714
Share issue costs	-	(126)	-	-	-	-	(126)
Share based payment costs	-	-	-	-	67	-	67
Balance at 31 December 2015	6,046	31,818	23,460	(700)	417	(53,130)	7,911
Total comprehensive expense for the year	-	-	-	700	-	(7,405)	(6,705)
Issue of shares and warrants	3	622	-	-	5	-	630
Share based payment costs	-	-	-	-	33	-	33
Reclassification of reserves following disposal of subsidiary undertakings	-	23,460	(23,460)	-	-	-	-
Balance at 31 December 2016	6,049	55,900	-	-	455	(60,535)	1,869

Movement in other reserve relates to a share based payment charge for the year of £38,000 (2015: £67,000).

The accounting policies and notes are an integral part of these financial statements.

	2016 £'000	2015 £'000
OPERATING ACTIVITIES		
Loss for the year before taxation	(7,405)	(23,205)
Adjusted for:		
Finance expense	-	9
Depreciation	2	2
Share based payment charge	33	67
Shares issued in settlement of fees	-	189
Loss on disposal of investments	6,463	1,151

Impairment of receivables	133	-
Impairment of investment	-	20,500
Operating cash flows before movements in working capital	(774)	(1,287)
(Increase)/Decrease in trade and other receivables	(33)	(73)
Increase/(Decrease) in trade and other payables	(677)	344
Net cash used in operations	(1,484)	(1,016)
Tax paid	-	-
Net cash used in operating activities	(1,484)	(1,016)
INVESTING ACTIVITIES		
Acquisition of investments	(40)	-
Advances to group companies	-	(664)
Disposal of investments	1,232	504
Net cash from/(used in) investing activities	1,192	(160)
FINANCING ACTIVITIES		
Net proceeds from share issues	630	1,399
Repayment of short term borrowings	1	(139)
Interest paid	-	(9)
Net cash from/(used in) financing activities	631	1,251
Net (decrease)/increase in cash and cash equivalents	339	75
Cash and cash equivalents at beginning of year	154	79
Cash and cash equivalents at end of year	493	154

The accounting policies and notes are an integral part of these financial statements.

1 GENERAL INFORMATION

StratMin Global Resources Plc is a company incorporated in the United Kingdom under the Companies Act 2006. The nature of the Company's operations and its principal activities are set out in the Strategic Report and the Directors' Report on pages 4 and 5.

2 STATEMENT OF COMPLIANCE

The financial statements comply with International Financial Reporting Standards as adopted by the European Union. At the date of these financial statements, the following Standards and Interpretations affecting the Company, which have not been applied in these financial statements, were in issue, but not yet effective (and in some cases had not been adopted by the EU):

	<u>Effective for periods beginning on or after</u>
IFRS 2 (amendments) Classification and Measurement of Share-based Payment Transactions	1 January 2018
IFRS 9 Financial Instruments	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
IFRS 16 Leases	1 January 2019*

IAS 7(amendments) Disclosure of changes in liabilities arising from financing activities	1 January 2017*
IAS 12 (amendments) Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017*
IAS 40 Transfers of Investment Property	1 January 2018*
IFRIC 22 Foreign Currency Transactions and Advance Consideration	1 January 2018*
Annual Improvements to IFRSs: 2014-2016 cycle	1 January 2017*

The Directors anticipate that the adoption of the above Standards and Interpretations in future periods will have little or no impact on the financial statements of the Company when the relevant Standards come into effect for future reporting periods.

3 ACCOUNTING POLICIES

The principal accounting policies adopted and applied in the preparation of the Company Financial statements are set out below.

These have been consistently applied to all the years presented unless otherwise stated:

BASIS OF ACCOUNTING

The financial statements of StratMin Global Resources plc (the “Company”) have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the European Union (“EU”) applied in accordance with the provisions of the Companies Act 2006.

IFRS is subject to amendment and interpretation by the International Accounting Standards Board (“IASB”) and the International Financial Standards Interpretations Committee (“IFRS IC”) and there is an ongoing process of review and endorsement by the European Commission. The accounts have been prepared on the basis of the recognition and measurement principles of IFRS that were applicable at 31 December 2016.

These financial statements reflect the results of the Company only. As such the comparative figures include the company only position and results as if the acquisition of the subsidiary operations had never occurred. During the year the company ceased to be a parent (note 11) therefore group accounts are not prepared.

3 ACCOUNTING POLICIES (continued)

GOING CONCERN

Any consideration of the foreseeable future involves making a judgement, at a particular point in time, about future events which are inherently uncertain. The ability of the Company to carry out its planned business objectives is dependent on its continuing ability to raise adequate financing from equity investors and/or the achievement of profitable operations.

Nevertheless, at the time of approving these Financial Statements and after making due enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the Financial Statements.

AVAILABLE FOR SALE INVESTMENTS

Investments are initially measured at fair value plus directly attributable incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IAS 39. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted.

Investments are recognised as available-for-sale financial assets. Gains and losses on measurement are recognised in other comprehensive income except for impairment losses and foreign exchange gains and losses on monetary items denominated in a foreign currency, until the assets are derecognised, at which time the cumulative gains and losses previously recognised in other comprehensive income are recognised in the income statement.

The Company assesses at each year end date whether there is any objective evidence that a financial asset or group of financial assets classified as available-for-sale has been impaired. An impairment loss is recognised if there is objective evidence that an event or events since initial recognition of the asset have adversely affected the amount or timing of future cash flows from the asset. A significant or prolonged decline in the fair value of a security below its cost shall be considered in determining whether the asset is impaired.

When a decline in the fair value of a financial asset classified as available-for-sale has been previously recognised in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss is removed from other comprehensive income and recognised in the income statement. The loss is measured as the difference between the cost of the financial asset and its current fair value less any previous impairment.

FOREIGN CURRENCIES

The Company financial statements are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of these financial statements, the results and financial position are expressed in Pounds Sterling, which is both the functional and presentation currency of the Company.

Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in the income statement. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period, except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting Company financial statements, the assets and liabilities of any of the Company's operations that are overseas are translated at exchange rates prevailing on the year end date. Income and expense items are translated at the average exchange rates for the period.

3 ACCOUNTING POLICIES (continued)

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the year end date.

Deferred tax is the tax expected to be payable or recoverable on temporary 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 balance sheet 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 the initial recognition of 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 Company 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 deferred tax assets is reviewed at each year 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and where they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

IMPAIRMENT OF PROPERTY, PLANT & EQUIPMENT AND INTANGIBLE ASSETS EXCLUDING GOODWILL

At each financial year end date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. An intangible asset with an indefinite useful life is tested for impairment annually and whenever there is an indication that the asset may be impaired.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount and the impairment loss is recognised as an expense immediately.

When an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

3 ACCOUNTING POLICIES (continued)

PROPERTY, PLANT AND EQUIPMENT

Property, Plant and equipment are recorded at cost, less depreciation, less any amount adjustments for impairment, if any.

Significant improvements are capitalised, provided they qualify for recognition as assets. The costs of maintenance, repairs and minor improvements are expensed when incurred.

Tangible assets retired or withdrawn from service are removed from the balance sheet together with the related accumulated depreciation. Any profit or loss resulting from such an operation is included in the income statement.

Mining properties (included within Plant & Equipment, Fixtures & Fittings, Buildings and Motor Vehicles) are depreciated using the unit of production method under IAS 16 based on their total useful economic life either by number of tonnes produced or hours available in use. In the units of production method, depreciation is charged according to the actual usage of the asset. Therefore a higher depreciation is charged at times of increased activity and lower depreciation when the plant is either yet to reach full production or idle for the entire period. The Directors have applied this method as they believe it to be a much more accurate technique is estimated the current fair value of their mining assets.

Other tangible and intangible assets are depreciated on straight-line method based on the estimated useful lives from the time they are put into operations, so that the cost diminished over the lifetime of consideration to estimated residual value as follows:

- Other Fixtures & Fittings - Over 5 years
- Other Buildings - Between 5 and 10 years
- Other Motor Vehicles - Over 5 years

TRADE RECEIVABLES, LOANS AND OTHER RECEIVABLES

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified under 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short term receivables when the recognition of interest would be immaterial.

Other receivables, that do not carry any interest, are measured at their nominal value as reduced by any appropriate allowances for irrecoverable amounts.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

FINANCIAL LIABILITIES

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

There were no financial liabilities 'at FVTPL' during the current, or preceding, period.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

OTHER FINANCIAL LIABILITIES, BANK AND SHORT TERM BORROWINGS

Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges are accounted for on an accruals basis in profit or loss using the effective interest rate method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise. Other short term borrowings being intercompany loans and unsecured convertible loan notes issued in the year are recognised at amortised cost net of any financing or arrangement fees.

3 ACCOUNTING POLICIES (continued)

TRADE PAYABLES

Trade payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

EQUITY INSTRUMENTS INCLUDING SHARE CAPITAL

Equity instruments issued by the Company are recorded at the proceeds received, net of incremental costs attributable to the issue of new shares.

An equity instrument is any contract that evidences a residual interest in the assets of a company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

Share capital represents the amount subscribed for shares at nominal value.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Any bonus issues are also deducted from share premium.

The merger reserve represents the premium on the shares issued less the nominal value of the shares, being the difference between the fair value of the consideration and the nominal value of the shares. It arose from the acquisition of Graphmada Equity Pte. Limited by the Company. Following the disposal the merger reserve was transferred to the Share Premium account.

The investment reserve represents the difference between the purchase costs of the available for sale investments less any impairment charge and the market or fair value of those investments at the accounting date.

The warrant reserve represents the fair value, calculated at the date of grant, of warrants unexercised at the balance sheet date.

Retained earnings include all current and prior period results as disclosed in the statement of comprehensive income.

SHARE-BASED PAYMENTS

The Company has applied the requirements of IFRS 2 Share-based payments.

The Company operates a number of equity-settled share-based payment schemes under which share options are issued to certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company'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 the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

4 CRITICAL ACCOUNTING JUDGEMENTS AND ESTIMATIONS

In the application of the Company's accounting policies, which are described in note 3, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period. Judgements and estimates that may affect future periods are as follows:

GOING CONCERN

The adoption of the going concern basis by the Directors is following a review of the current position of the Company and the forecasts for the next 18 months. To ensure the Company has adequate resources to continue in operation or existence for the foreseeable future, it is dependent on executing the impending acquisition of Signature Gold as well as the concurrent placing which will finance the Enlarged Group going forwards. If the deal does not go ahead, the Company will most likely be cancelled from trading on AIM, which provides an additional source of funding.

The Company's continuing activities did not generate any revenue in 2016 (2015: £445,000 prior to the agreed disposal) and incurred a loss of £809,000 during the year (2015: £2,185,000 loss). In addition as at 31 December 2016 there was a cash balance of £493,000 as at 31 December 2016.

However, the funds received and receivable, from Bass for their acquisition of Graphmada, together with a cost-cutting exercise undertaken by the Board should ensure that it could continue for the foreseeable future if the RTO of Signature Gold and concurrent placing do not transpire.

So, after making enquiries, the Directors have formed a judgement that there is a reasonable expectation that the Company can secure further adequate resources when needed, to continue in operational existence for the foreseeable future and that adequate arrangements will be in place to enable the settlement of their financial commitments.

For this reason, the Directors continue to adopt the going concern basis in preparing the financial statements. Whilst there are inherent uncertainties in relation to future events, and therefore no certainty over the outcome of the matters described, the Directors consider that, based upon financial projections and dependent on the success of their efforts to complete these activities, the Company will be a going concern for the next twelve months. If it is not possible for the Directors to realise their plans, over which there is significant uncertainty, the carrying value of the assets of the Company is likely to be impaired.

SHARE BASED PAYMENTS

The calculation of the fair value of equity-settled share based awards and the resulting charge to the statement of comprehensive income requires assumptions to be made regarding future events and market conditions. These assumptions include the future volatility of the Company's share price. These assumptions are then applied to a recognised valuation model in order to calculate the fair value of the awards. Details of these assumptions are set out in note 21.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company holds investments that have been designated as available for sale on initial recognition. Where practicable the Company determines the fair value of these financial instruments that are not quoted (Level 3), using the most recent bid price at which a transaction has been carried out. These techniques are significantly affected by certain key assumptions, such as market liquidity. Other valuation methodologies such as discounted cash flow analysis assess estimates of future cash flows and it is important to recognise that in that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.

5 SEGMENTAL INFORMATION

A segment is a distinguishable component of the Company's activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker, the Board of Directors, to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available.

As the chief operating decision maker reviews financial information for and makes decisions about the Company's activities as a whole, the directors have identified a single operating segment, that of holding investments. The directors consider that it would not be appropriate to disclose any geographical analysis of the Company's activities at this point in time, given the level of current activity. Although the directors can confirm that all revenue and expenses relate to the investment activity.

6 OPERATING LOSS

	2016 £'000	2015 £'000
Operating loss is stated after charging:		
Staff costs as per Note 8 below	223	448
Depreciation of property, plant and equipment	1	2
Net foreign exchange gain	(124)	(195)

7 AUDITORS' REMUNERATION

The analysis of auditors' remuneration is as follows:

	2016 £'000	2015 £'000
Fees payable to the Company's auditors for the audit of the Company's annual accounts	30	39
Total audit fees	30	39
Fees payable to the Company auditor and their associates for other services to the Company:		
- Tax services	2	2
	32	41

8 STAFF COSTS

The average monthly number of employees (including executive directors) for the continuing operations was:

	2016	2015
	No.	No.
Company total staff	4	6

	2016	2015
	£'000	£'000
Wages and salaries	190	380
Social security costs	-	6
Share based payment expense	33	62
	223	448

Directors' emoluments were as follows:

	2016	2016	2016	2015
	Directors	Consultancy	Total	Total
	fees	payments		
	£'000	£'000	£'000	£'000
Laurie Hunter	18	-	18	80
Manoli Yannaghas	-	-	-	120
Jeff Marvin	4	-	4	30
David Premraj	25	-	25	30
Marius Pienaar	-	-	-	14
Shishir Poddar	68	-	68	96
Zeg Choudhry	6	-	6	-
Brett Boynton	65	-	65	48
	186	-	186	418

9 FINANCE COSTS

	2016	2015
	£'000	£'000
Short term loan finance costs	-	9

10 TAXATION

There is no UK tax charge/credit in 2016 or 2015.

Reconciliation of tax charge:

	2016 £'000	2015 £'000
Loss on continuing operations before tax	(7,405)	(23,205)
Tax at the UK corporation tax rate of 20% (2015: 20%)	1,481	4,641
Effects of:		
Tax effect of expenses that are not deductible in determining taxable profit:	-	-
Unutilised tax losses carried forward	(1,481)	(4,641)
Tax charge for period	-	-

No deferred tax asset has been recognised in respect of the losses. See Note 19 for further details

Where it is anticipated that future taxable profits will be available against which these losses will be utilised a deferred tax asset is recognised.

The total taxation charge in future periods will be affected by any changes to the corporation tax rates in force in the countries in which the Company operates.

11 DISPOSAL OF SUBSIDIARY

In December 2015 Bass Metals Limited ("Bass") acquired 6.25% of Graphmada Mauritius, the holding company for the Group's graphite operations in Madagascar, and in May 2016 it was announced that Bass would proceed with an offer to acquire the remaining 93.75% of Graphmada Mauritius that it did not already own.

On 14 September 2016, the Company completed the disposal of its remaining 93.75% shareholding in Graphmada Mauritius Limited.

By 15 December, following the completion OF the disposal, the Board concluded negotiations with Bass regarding settling the outstanding payments due in shares in Bass for cash as well as the warranties provided as part of the Sale and Purchase Agreement ("SPA"). This resulted in a total aggregate consideration of A\$4,050,000 (£3,090,000). This includes deferred consideration being the net smelter royalty of 2.5%, which has been valued at A\$500,000 (£292,000).

	2016 £'000	2015 £'000
Consideration received or receivable:		
Cash	2,215	-
Shares in Bass Metals Limited	624	-
Initial consideration	2,839	-
Deferred consideration - smelter royalty	292	-
Total consideration	3,131	-
Less the carrying amount of net assets sold	(8,894)	-
Loss on sale before tax and reclassification of foreign currency translation reserve	(5,763)	-
Reclassification of deficit on investment reserve	(700)	-
Impairment of intercompany balance	(133)	-

Loss on sale after tax	(6,596)	-
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12 EARNINGS PER SHARE

The basic earnings per share is based on the profit/(loss) for the year divided by the weighted average number of shares in issue during the year. The weighted average number of ordinary shares for the year ended 31 December 2016 assumes that all shares have been included in the computation based on the weighted average number of days since issue.

	2016 £'000	2015 £'000
Loss for the year attributable to owners of the Company	(7,405)	(23,205)
Weighted average number of ordinary shares in issue for basic and fully diluted earnings*	164,514,863	139,754,569
LOSS PER SHARE (PENNY PER SHARE)		
BASIC AND FULLY DILUTED*:	(4.5p)	(16.6p)

*Since the Company has incurred losses in both 2015 and 2016 the basic loss and the diluted loss per share are the same as the effect of exercise of options and warrants is not dilutive.

13 AVAILABLE-FOR-SALE INVESTMENTS

	2016 £'000	2015 £'000
Investments at fair value at 1 January	1	6
Disposals	(53)	(5)
Acquisition	40	-
Investments acquired as part consideration for the sale of subsidiary	624	-
	612	1
Market value adjustments to investment	-	-
Market value of investments at 31 December	612	1
Long term investments	40	1
Short term investments	572	-
Market value of investments at 31 December	612	1
Categorised as:		
Level 2 Investments	572	1
Level 3 Investments	40	-

The table above sets out the fair value measurements using the IFRS 7 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 - valued using quoted prices in active markets for identical assets.

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data.

13 AVAILABLE-FOR-SALE INVESTMENTS (continued)

There were no transfers between Level 1, Level 2 and Level 3 in either 2016 or 2015.

The changes in level 3 investments for the year include:

	2016 £'000	2015 £'000
Investments at fair value at 1 January	-	-
Acquisition	40	-
Value of investments at 31 December	40	-

The above acquisition relates to the investment in Tirupati Resources Mauritius Limited ("TRM"), the joint venture holding company of the joint venture agreement between StratMin and Tirupati Carbons and Chemicals Pvt. Ltd ("Tirupati"). US\$50,000 was invested by way of a subscription for 1.48% of the enlarged issued share capital of TRM. TRM is the 98% owner of Tirupati Madagascar Ventures SARL ("TMV"), the owner of the Vatomaina licence, Exploitation Permit (PE) No. 38321.

Measurement of fair value of financial instruments

The management team of StratMin Global Resources plc perform valuations of financial items for financial reporting purposes, including Level 3 fair values. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximising the use of market-based information.

14 TRADE AND OTHER RECEIVABLES

	2016 £'000	2015 £'000
Prepayments and accrued income	13	20
Trade receivable	-	103
VAT receivable	11	1
	24	124
Short term loans to Graphmada	-	823
Due from Bass under early settlement agreement	983	-
	1,007	947

No receivables were past due or provided for at the year-end or at the previous year end. The Directors consider the carrying amount of trade and other receivables approximates to their fair value.

15 CASH AND CASH EQUIVALENTS

	2016 £'000	2015 £'000
Cash and cash equivalents	493	154
	493	154

The Directors consider the carrying amount of cash and cash equivalents approximates to their fair value.

16 TRADE AND OTHER PAYABLES

	2016	2015
	£'000	£'000
Trade payables	360	261
Other payables	11	132
Accrued expenses	76	305
	447	698

The Directors consider the carrying amount of trade payables approximates to their fair value.

17 SHORT TERM BORROWINGS

The following amounts relate to short term borrowings:

	2016	2015
	£'000	£'000
Other short term borrowings*	88	87

Included in short term loans is a loan of £88,000 (2015: £30,000) from current Managing Director Brett Boynton. The loan does not accrue interest and is repayable on demand. It was repaid in full in February 2017.

The Directors consider the carrying amount of short term borrowings approximates to their fair value.

18 FINANCIAL INSTRUMENTS

FINANCIAL ASSETS BY CATEGORY

The IAS 39 categories of financial assets included in the Statement of financial position and the headings in which they are included are as follows:

	2016	2015
	£'000	£'000
Financial assets:		
Cash and cash equivalents	493	156
Available for sale investments	612	1
Deferred consideration	292	-
Loans and receivables	994	124
	2,391	281

FINANCIAL LIABILITIES BY CATEGORY

The IAS 39 categories of financial liability included in the Statement of financial position and the headings in which they are included are as follows:

	2016	2015
	£'000	£'000
Financial liabilities at amortised cost:		
Trade and other payables	371	311
Short term borrowings	88	87
	459	398

18 FINANCIAL INSTRUMENTS (continued)

CAPITAL RISK MANAGEMENT

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The capital structure of the Group consists of debt, (previously includes the borrowings) cash and cash equivalents and equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings, all as disclosed in the Statement of Financial Position.

FINANCIAL RISK MANAGEMENT OBJECTIVES

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated by the board of directors, and focuses on actively securing the Company's short to medium term cash flows by minimising the exposure to financial markets.

The main risks the Company is exposed to through its financial instruments are credit risk, liquidity risk and market price risk.

FOREIGN CURRENCY RISK MANAGEMENT

The Company undertakes transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Since the disposal of Graphmada Equity Pte. Ltd, the Company's major activity is now investment in Mauritius and Madagascar, bringing exposure to the exchange rate fluctuations of GBP/£ Sterling with both USD/\$ Dollars, Mauritian Rupee and Madagascan Ariary. The risk is reduced however, given the investments were in USD, Company cash liquidity is in GBP and the Company has primarily incurred expenditure during the year denominated in GBP.

Exchange rate exposures are managed within approved policy parameters. The Company does not enter into forward exchange contracts to mitigate the exposure to foreign currency risk as amounts paid and received in specific currencies are expected to largely offset one another and the currencies most widely traded are relatively stable.

The Directors consider the balances most susceptible to foreign currency movements to be the Investment Available for Sale (2015: Investments in Subsidiaries).

These assets are denominated in the following currencies:

	AUD £'000	USD £'000
Company 31 December 2016		
Investment Available for Sale	572	-
Deferred consideration	292	-
	864	-
Company 31 December 2015		
Investment in Subsidiaries	-	6,396

18 FINANCIAL INSTRUMENTS (continued)

The following table illustrates the sensitivity of the value of the foreign currency denominated assets in regards to the change in AUD and USD exchange rates.

It assumes a +/- 15% change in the AUD/GBP exchange rate for the year ended 31 December 2016 and a +/- 7.104% change in the USD/GBP exchange rate for the year ended 31 December 2015. These percentages have been based on the average market volatility in exchange rates in the previous twelve months for those periods.

Impact of exchange rate fluctuations:

	AUD impact 2016 £'000	USD impact 2015 £'000
Average movement in exchange rate	15%	7.104%
Change in equity		
increase in GBP value	(85)	(306)
decrease in GBP value	85	306
Result for the period		
increase in GBP value	(44)	-
decrease in GBP value	44	-

Exposure to foreign exchange rates varies during the year depending on the volume and nature of foreign transactions. Nonetheless, the analysis above is considered to be representative of the Group's exposure to currency risk.

INTEREST RATE RISK MANAGEMENT

The Company's exposure to interest rates on financial assets and financial liabilities is detailed in the liquidity risk management section of this note.

There are no long term loans or short term loans that carry any interest and thus sensitivity analyses have not been provided on the exposure to interest rates for both derivatives and non-derivative instruments during the year.

There would have been no effect on amounts recognised directly in equity.

CREDIT RISK MANAGEMENT

The Company's financial instruments, which are subject to credit risk, are considered to be cash and cash equivalents and trade and other receivables, and its exposure to credit risk is not material. The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks.

The Company's maximum exposure to credit risk is £1,779,000 (2015: £280,000) comprising other receivables and cash.

LIQUIDITY RISK MANAGEMENT

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which monitors the Company's short, medium and long-term funding and liquidity management requirements on an appropriate basis. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities. The Company's liquidity risk arises in supporting the trading operations in the subsidiaries, which hopefully will start to generate profits and positive cash-flows in the short term. However, as referred to in Note 4 the Company is currently exposed to significant liquidity risk and needs to obtain external funding to support the Company going forwards.

19 DEFERRED TAX

At the year-end date, the Company had unused tax losses of £36.1m (2015: £32.1m) available for offset against future gains and trading profits. No deferred tax asset has been recognised in respect of these losses (2015: £nil) due to the unpredictability of future profit streams.

20 CALLED UP SHARE CAPITAL

	Number of shares		Nominal value		Share premium £'000
	Ordinary shares	Deferred shares	Ordinary shares £'000	Deferred shares £'000	
ISSUED AND FULLY PAID:					
At 31 December 2014	112,634,237	-	4,505	-	31,771
Ordinary shares of 4p each	38,515,154	-	1,541	-	173
Expenses of share issues	-	-	-	-	(126)
At 31 December 2015	151,149,391	-	6,046	-	31,818
Share reorganisation (see note below)					
Ordinary shares of 0.01p each	151,149,391	151,149,391	15	6,031	31,818
Share issues	25,780,022	-	3	-	637
Expenses of share issues	-	-	-	-	(15)
Reclassification of merger reserve following disposal of subsidiaries	-	-	-	-	23,460
At 31 December 2016	176,929,413	151,149,391	18	6,031	55,900

Note: During the year the Company undertook a share capital reorganisation subdividing each existing ordinary share of 4p into one ordinary share of 0.01p and one deferred share of 3.99p.

On 4 March 2016, the Company issued 12,000,000 new ordinary shares of 0.01p each at a price of 2.5p each, raising in aggregate gross proceeds of approximately £299,000.

On 30 September 2016, the Company issued 13,780,022 new ordinary shares of 0.01p each at a price of 2.5p each to its directors.

On 4 March 2016 the Company issued warrants to subscribe for 600,000 ordinary shares at 0.025p per share, exercisable on or before 4 March 2018 to Optiva Securities Limited. The warrants issued were part of placing of the same date and so the charge was taken against Share premium as part of the placing fees.

21 SHARE-BASED PAYMENTS

WARRANTS

Details of the warrants outstanding during the year are as follows:

	2016		2015	
	Number of Warrants 000's	Weighted average exercise price £	Number of Warrants 000's	Weighted average exercise price £
Outstanding at the beginning of the year	16,136	0.0578	11,970	0.1389
Granted during the year	600	0.025	9,880	0.0784
Exercised during the year*	-	-	-	-
Lapsed during the year	(14,030)	0.0925	(5,714)	0.1389
Outstanding at the end of the year	2,706	0.0672	16,136	0.0578
Exercisable at the end of the year	2,706	0.0672	16,136	0.0578

The warrants outstanding at 31 December 2016 had a weighted average remaining contractual life of 1.2 years (2015: 1.9 years).

21 SHARE-BASED PAYMENTS (continued)

The estimated fair value of the warrants granted was calculated by applying the Black-Scholes option pricing model. The assumptions used in the calculation were as follows:

	4 March 2016	9 November 2015	12 July 2015	28 March 2014
Share price at date of grant	2.65 pence	4.25 pence	4.02 pence	8.63 pence
Exercise price	2.5 pence	6.00 pence	4.00 pence	9.00 pence
Expected volatility	40%	40%	40%	40%
Expected dividend	Nil	Nil	Nil	Nil
Vesting criteria	Exercisable on date of grant	Exercisable on date of grant	Exercisable on date of grant	Exercisable on date of grant
Contractual life	1.5 years	5 years	3 year	3-5 years
Risk free rate	1.5%	1.5%	1.5%	2.5%
Estimated fair value of each warrant	0.7929 pence	1.4753 pence	1.9894 pence	2.9835 -3.8608 pence

The total share-based payment expense recognised in the option and warrant reserve for the year ended 31 December 2016 in respect of the warrants issued was £nil (2015: £nil) given the warrants issued were part of fundraising. Thus the charge has been taken against Share premium as part of the placing fees.

EQUITY-SETTLED SHARE OPTION SCHEMES

The Company has granted a variety of options to certain employees and consultants. Options are exercisable at a price equal to the average quoted market price of the Company's shares on the date of grant. Exercise period is between 3 and 10 years from the date of grant, the options are forfeited if the employee leaves the Company before the options vest.

The estimated fair value of the options granted was calculated by applying the Black-Scholes option pricing model. The assumptions used in the calculation were as follows:

	6p Options	9p Options	14p Options
Share price at date of grant	5.25 pence	5.25 pence	9.00 pence
Exercise price	6.00 pence	9.00 pence	14.00 pence
Expected volatility	50%	50%	50%
Expected dividend	Nil	Nil	Nil
Vesting criteria	Exercisable on date of grant	Exercisable on date of grant	Exercisable on date of grant
Contractual life	1.5 years	1.5 years	3 years
Risk free rate	1.5%	1.5%	2.5%
Estimated fair value of each Option	1.05 pence	0.4502 pence	2.2054 pence

The total share-based payment expense recognised in the option and warrant reserve for the year ended 31 December 2016 in respect of the options granted was £Nil (2015: £66,714).

21 SHARE-BASED PAYMENTS (continued)

Details of the options outstanding during the year are as follows:

	2016		2015	
	Number of options 000's	Weighted average exercise price £	Number of options 000's	Weighted average exercise price £
Outstanding at the beginning of the year	17,379	0.1107	7,479	0.1610
Granted during the year	-	-	10,650	0.0740
Cancelled during the year	-	-	(750)	0.0900
Lapsed during the year	(14,879)	0.0764	-	-
Outstanding at the end of the year	2,500	0.0861	17,379	0.1107
Exercisable at the end of the year	2,500	0.0913	16,379	0.1129

The options outstanding at 31 December 2016 had a weighted average remaining contractual life of 0.7 years (2015: 2.4 years).

The charge in the income statement in respect of options was £Nil for 2016 (2015: £66,714).

22 EVENTS AFTER THE REPORTING PERIOD

There were no material events after the reporting period.

23 RELATED PARTY TRANSACTIONS

The remuneration of the Directors, who are the key management personnel of the Group, is set out in note 8.

Loans receivable from the related parties are disclosed in note 14.

During the year the Directors lent the Company £58,000 (2015: £152,000) by way of short term Director Loans free of interest. This has been included within Short Term Borrowings. The amount outstanding at year end was £87,832 (2015: £87,170) (see note 17).

At the beginning of the year there was a loan owing to former Director David Premraj of £46,797. The loan was unsecured, repayable on demand and zero coupon. Further amounts totalling £48,947 were lent to the Company on the same basis through Consolidated Minerals (Pty) Limited ("Consolidated Minerals"). Consolidated Minerals is connected to the Company as D Premraj is also a Director and significant shareholder through connected parties of Consolidated Minerals and the Company. Both of the loans were repaid in full during the year.

During the year Consolidated Chrome charged the Company £154,000 for professional fees in relation to the investment in Tirupati Resources Mauritius Limited. Ghanshyam Champaklal, director and significant shareholder of Consolidated Chrome is also a significant shareholder of the Company. Consolidated Chrome is also connected through previous director D Premraj. The balance at the year-end in respect of this fee is £127,301 (2015: £Nil).

During the year the Company was charged £28,800 for consultancy fees by Sreeram Kesava Purushotham, a significant shareholder of the Company through connected parties, and a Director of Graphmada Equity (Pte) Limited ("GME"). GME was the former intermediate holding company of Graph Mada Sarl before it transferred its holding to Graphmada Mauritius Limited in 2014. GME was removed from the Company register in Singapore on 19 February 2016. The balance owing at year end in respect of these fees was £23,800.

During the year the following transactions took place with Tirupati and subsidiary entities of the Tirupati Group. Director and Shareholder Shishir Poddar is a major shareholder and Director of Tirupati:

	2016	2015
	£'000	£'000
Tirupati Carbon and Chemicals Group Limited		
Goods and services provided to the Group	25	96
Goods and services provided from the Group	157	34
Technical consultancy services paid for in shares	-	100
Included in the accounts receivable / (payable) at 31 December	-	(31)
Tirupati Mauritius Limited		
Investments in Tirupati Resources Mauritius Limited	40	-
Goods and services provided from the Group	204	86
Trade debt and assignment fee written off in the year	200	-
Included in the accounts receivable / (payable) at 31 December	-	(28)

24 CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

The Company had no capital commitments or contingent liabilities as at 31 December 2016 (2015: £nil).

25 ULTIMATE CONTROLLING PARTY

The Directors do not consider there to be one single ultimate controlling party.

For further information please visit www.stratminglobal.com or contact:

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