ORTAC RESOURCES LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 2015

Ortac Resources Limited ("Ortac" or "the Company") is a BVI incorporated company quoted on the London Stock Exchange operated AIM Market. Its principal activities are the identification, evaluation, acquisition and development of natural resource projects.

CONTENTS

CHAIRMAN’S STATEMENT AND OPERATIONS AND FINANCE REVIEW

Chairman's Statement

This past period has not been easy for those in the exploration and development of natural resources, but I am pleased to be able to report that your Company has progressed on with its projects and added new opportunities to its portfolio with the objective of delivering shareholder value.

Of particular note has been the Company’s investment in Zamsort Limited (“Zamsort”), which has very attractive assets for copper, cobalt and other base metals in the Zambian copper belt. Its large licence of approximately 1,000 sq km is situated in the Zambia’s North-Western province and is respectively 40 km and 100km to the west of the recent mines developed by First Quantum and Equinox (acquired by Barrick Gold for approximately US$ 7bn in 2011). The last time Zamsort’s ground was explored was by Anglo-American/Equinox (“Zamanglo JV”) in the late 1990s. Since then only limited work has been carried out, mainly on the 4 sq km mining license area where mining has been carried out intermittently over the last 10 years.

The Group’s wholly owned asset is its Šturec project located at the historical Kremnica mining town in Slovakia, just 200 km east of Vienna with approximately 1m ounces of gold in situ at the historical Kremnica mining town in Slovakia, just 200 km east of Vienna. This is a relatively high grade prospective mine, with good potential for both surface and underground mining in the neighbourhood. This is demonstrated by the success of a small underground mine 30 km to the south-west of Kremnica, operated by a local company. Development at the Šturec project has been frustrated by a local residents group who have campaigned against the recommencement of mining operations. Our proposals meet the highest standards of environmental protection as established at EU level and we feel that ultimately this will convince the key responsible organisations that this is a sensible project and one that will generate jobs and revenue for the region and re-establish this core industry for the decades ahead.

Given changes in commodity prices and exchange rates in recent times, the Group has undertaken an internal re-examination of the 2013 Pre-Feasibility Study (completed by SRK Ltd) to reflect changes in economics since the original study was published in May 2013. The main changes to the cost side of the equation are:

- 10% decrease in capex for labour and construction materials wholly sourced in Slovakia, to reflect Euro deflation against the dollar;
- 5% decrease in process mechanical equipment sourced from outside Slovakia, to reflect global mining and steel price reduction;
- No change to mobile equipment costs;
- 10% decrease in fuel, electricity and labour costs, to reflect Euro deflation; and
- 10% decrease in grinding media cost, to reflect reduction in steel prices.

The above reduces:

- pre-production capex from US $ 121.5m to US $ 115.2m;
- total life of mine capex from US $ 146.1 to US $ 142.4m;
- C1 cash operating cost (excluding royalty) from US $ 544/oz to US $ 530/oz.

The revised model was run at a gold price of US$ 1,200 and returned an NPV of US$ 111m at an 8% discount rate, with an IRR of 23%.

Turning now to our strategic investment into Andiamo Exploration Limited ("Andiamo"), it has continued with its work to establish a Maiden JORC code complaint Resource Estimate at Yacob Dewar. Furthermore its partner, Environminerals East Africa Ltd, progressed with its exploration work, in the north of Andiamo's Haykota license area, and carried out a 1,000m drilling program targeting a volcanogenic massive sulphide ore deposit ("VMS") system at an area known as Hoba, 20 km to the southwest of Nevsun Resources' recent Ashelli discovery, near its Bisha mine.

We await full results from both the work at Yacob Dewar and Hoba, but it can be said that at Hoba it appears a new VMS system has been confirmed.

Financial & Corporate Overview

During the period 1 April 2014 to date, and showing commitment to the Company, the Directors acquired a further 98.8 million shares in the Company (2014: 17.5 million) with their holdings now representing 9.76% (2014: 9.77%) of the issued share capital of Ortac.

During the period 1 April 2014 to date and through three placings in December 2014, January 2015 (both placings at 0.1 pence per share), and July 2015 (placing at 0.085 pence per share) we issued a further 1,006 million (approximately) ordinary shares of no par value, (2014:300 million) for a cash consideration of £900,000 before share issue costs, and of this amount the Directors personally subscribed for 89.1 million shares (2014:35 million shares).

In addition to the above, in February 2014 the Company issued 10.6m shares by way of fee and bonus to former advisers and consultants at an effective price of 0.132 pence per share.

In line with expectations and reflecting cost cutting measures, we report a pre-tax loss of £1.333m (2014: loss of £1.768m) and a loss per share of 0.05 pence (2014: 0.08 pence).

Outlook

In the backdrop of challenging markets for resource companies in general, Ortac has now diversified its portfolio from both country and a commodity perspective in order to reduce risk exposure and we believe the Group is now well poised to capitalise on a recovery in the sector.

The focus has been on higher grade and near term production opportunities along with the potential for making world class discovery and we are confident that the potential value of your investments will eventually be reflected in the Company's share price.

I would like to take this opportunity to thank both the staff and management at Ortac for their support and understanding during this difficult period and finally our shareholders, whose patience and commitment is essential for the Group's future.

Anthony Balme
Chairman
24 September 2015

DIRECTORS' REPORT

The Directors are pleased to present this year's annual report together with the audited consolidated financial statements for the year ended 31 March 2015.

Principal Activities

The principal activities of the Group are the identification, evaluation, acquisition and development of natural resource projects.

Business Review and Future Developments

A review of the current and future development of the Group's business is given in the Chairman's Statement, and Operations and Finance Review on pages 2 to 4.

Results and Dividends

The loss on ordinary activities of the Group after taxation amounted to £1.333m (2014: loss of £1.768m). The Directors do not recommend payment of a dividend.

Operations review

Viewed overall, the last year has seen considerable activity, despite implementing cost cutting measures and challenging market conditions.

Slovakia

As previously reported we received an underground mining permit in June 2014 and the following month we commenced metallurgical bulk test sampling work, extracting 400 tonnes of ore from Šturec; the first ore mined from the deposit in twenty years. Recognising the need for alternative processing options we undertook test work on ore samples taken, and have received encouraging results from the tests performed.

Eritrea

Our people have collectively spent several months on the ground in Eritrea working with Andiamo. Together our work has led to considerable exploration work being undertaken, with the completion of a JORC compliant resource estimate for the Yacob Dewar deposit expected shortly. As has been reported, progress has also be made by Andiamo in exploration elsewhere in its Haykota License Area, and the results from its joint venture over the northern part of its Haykota concession are encouraging and bodes well for assessing targets in the rest of the license area.

Zambia

At the end of the period, the Company announced that it had entered into a secured convertible loan note and call option agreement with Zamsort.

The Zamsort licenses are located in North West Zambia, 800km from Lusaka and 200km from Solwezi. The Small-Scale Mining Licence ("SML"), which was renewed for a further 10 years in July 2015, has a non-code compliant estimated oxide resource of 16.59Mt @ 0.94% copper equivalent (non-JORC).

The work programme for Zamsort entails constructing a demonstration plant by year end in the SML to process the ore to recover copper and cobalt. Simultaneously, a small drill program is being planned to firm up on the resources in this license area following which a larger operation can be established.

The large prospecting license ("LPL"), which encompasses the SML, covers an area of approximately 995km2 and is owned 100% by Zamsort and encompasses 7 of the top 10 high priority exploration targets identified through the Zamanglo JV prior to Anglo American exiting the country in 2001. Zamsort plans to firm up on these with a geochemical sampling and drilling program designed to test and confirm the targets previously identified by former operators in the LPL area.

Events after the reporting period

On 7 July 2015 Ortac announced that it had placed a further 705,882,353 ordinary shares of no par value, which were issued at a price of 0.085 pence per share, for a cash consideration of £600,000 before share issue costs. Certain of the Directors participated in this placing purchasing 54,117,647 ordinary shares of no par value, for a cash consideration of £46,000.

On 25 August 2015 Ortac announced that it had exercised its call option agreement with Zamsort. The exercise of this option paved the way for Ortac to invest a further US$ 600,000 into Zamsort, by way of secured convertible loan note, bringing the total invested by Ortac in Zamsort to US$ 1.2 million. Ortac's potential shareholding in Zamsort, upon conversion of the loan notes, has now been increased from 10.71% to 19.35% of the issued share capital of Zamsort.

Other than the above, at the date these financial statements were approved, the Directors were not aware of any other significant events after the reporting period.

Directors

The names of the Directors who served during the year are set out below:

Director	Date of Resignation
Executive Directors:	
Anthony Balme	-
Vassilios Carellas	-
Non-Executive Directors	
David Paxton	-
Paul Heber	-

Directors' Remuneration

The Group remunerates the Directors at levels commensurate with its size and the experience of its Directors. The Remuneration Committee has reviewed the Directors' remuneration and believes the levels uphold these objectives. Details of the Directors' emoluments and payments made for professional services rendered are set out in note 9 to the financial statements.

Directors' Interests

The beneficial interests of the serving Directors in the shares and options of the Company during the year to 31 March 2015 were as follows:

	31 March 2015		1 April 2014	
Director	Shares	Options (1)	Shares	Options (1)
Anthony Balme	**196,169,250**	**26,000,000**	176,373,463	26,000,000
David Paxton	**34,022,220**	**17,500,000**	29,022,220	17,500,000
Paul Heber	**10,000,000**	**15,000,000**	5,000,000	15,000,000
Vassilios Carellas	**40,391,175**	**45,000,000**	35,462,440	45,000,000

1) The Options issued to Directors are detailed in note 9 to the financial statements.

2) Anthony Balme's shares (all ordinary shares of no par value) are held as follows (a) Carter Capital Ltd holds 71,988,088 shares (b) Anthony Balme holds 61,378,158 shares (c) AMC Ltd holds 45,303,004 shares, and (d) Carter Capital Ltd Pension Scheme holds 17,500,000 shares.

3) 19,382,274 of David Paxton's shares (all ordinary shares of no par value) are held by Adit Investment Ltd, a company controlled by Mr Paxton. The balance of shares is held by him personally.

4) Vassilios Carellas' shares (all ordinary shares of no par value) are held as follows (a) Vassilios Carellas holds 30,462,440 shares and (b) Gulli Carellas (spouse) holds 9,928,735 shares.

None of the Directors exercised any share options during the year.

Between 1 April 2015 and 24 September 2015 the interests set out above have changed, with Anthony Balme increasing his shareholdings by 47,562,750 shares, and Vassilios Carellas and Paul Heber both increasing their respective shareholdings by 8,235,294 shares each.

Corporate Governance

A statement on Corporate Governance is set out on pages 17 to 19.

Principal Risks and Uncertainties

A Statement on Principal Risks and Uncertainties is set out as part of the report on Corporate Governance and is also addressed in note 22 to the financial statements.

Environmental Responsibility

The Group is aware of the potential impact that its subsidiary and associated companies may have on the environment. Accordingly, the Group ensures that with regard to the environment, it and its subsidiaries and associated companies at a minimum comply with applicable European Union and local regulatory requirements, as well as the revised Equator Principles.

Employment Policy

The Group is committed to promoting policies to ensure that high calibre employees are attracted, motivated and retained for the ongoing success of the business. Employees and those who seek to work within the Group are treated equally regardless of sex, marital status, creed, colour, race or ethnic origin.

Health and Safety

The Group's aim is to maintain a high standard of workplace safety. In order to achieve this, the Group provides training and support to employees and sets demanding standards for workplace safety.

Insurance

The Group maintains insurance in respect of its Directors and Officers against liabilities in relation to the Company and the Group. The Group maintains insurance in respect of its exploration and development and operational programs in the Slovak Republic.

Payment to Suppliers

The Group's policy is to agree terms and conditions with suppliers in advance; payment is then made in accordance with the agreement, provided the supplier has met the terms and conditions. Trade payables as at 31 March 2015 were equivalent to 17 days costs (2014: 23 days).

Political Contributions and Charitable Donations

The Group has a policy of not paying any political contributions, but last year for the first time did not pay any charitable donations either. Previously in 2014 it paid £43,199 in support of a number of local community causes in Slovakia, and of this amount, £24,561 was paid to Forum Kremnicko, a not for profit foundation set up with the assistance of Ortac.

Annual General Meeting ("AGM")

The annual report and financial statements will be presented to shareholders for their approval at the AGM. Notice of the AGM will be distributed to shareholders in the near future.

Future developments

Our focus in 2015 will be:

a) Slovakia: although we have rationalised costs in the country to reflect the current cycle in the natural resource sector, we will continue to progress our work in reaching a solution whereby shareholder value in the project is further enhanced;

b) Eritrea: we will continue to work with Andiamo in realising the full potential of the Haykota Licence (which we believe could be significant);

c) Zambia: we intend to exercise our option to convert our existing loans to Zamsort to take up our equity stake in the company. At the same time, we will provide support to Zamsort in setting up a plant in its SML area and assisting Zamsort in exploring the LPL area.

Statement of Disclosure of Information to the Auditor

As at the date of this report the serving Directors confirm that:

- So far as each Director is aware, there is no relevant audit information of which the Group's auditor is unaware, and
- The Directors have taken all the steps that they ought to have taken in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditors

PKF Littlejohn LLP has signified its willingness to continue in office as auditors.

Going Concern

Notwithstanding the loss incurred during the year under review, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and, therefore, continue to adopt the going concern basis in preparing the Annual Report and Financial Statements. Further details on their assumptions and their conclusion thereon are included in the statement on going concern included in note 1f to the Financial Statements.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Financial Statements in accordance with the applicable law and regulations.

The Directors are required to prepare financial statements for each financial year. The Directors have elected to prepare the Group and Company Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and of the profit or loss of the Group for that year. 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 as adopted by the European Union 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 Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company. They are also responsible for safeguarding the assets of the Group, 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 Group's website. The Group is compliant with AIM Rule 26 regarding the Group's website.

Other

Legislation in the British Virgin Islands governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

This report was approved by the Board and was signed on its behalf:

Vassilios Carellas
Chief Executive Officer

24 September 2015

GROUP STRATEGIC REPORT

Ortac Resources Limited
Company number: 1396532
Registered office: Craigmuir Chambers, Road Town, Tortola, British Virgin Islands VG 1110

The Directors of Ortac Resources Limited present their strategic report on Ortac Resources Ltd and its subsidiaries ("the Group") for the year ended 31 March 2015.

Organisation overview

The Board of Directors ("the Board") is responsible for providing strategic direction for the Group, setting objectives and management policies and agreement on performance criteria. The Board monitors compliance with these through regular reporting, budget updates and operational reviews.

As at 31 March 2015 the Board comprises a Chief Executive Officer, an Executive Chairman, and two Non-Executive Directors. The Board believes its present composition provides an appropriate mix to conduct the Group's affairs.

The Group's business is managed on a day to day basis by the Chief Executive Officer, based at the Company's offices in London, United Kingdom. The Group's exploration and development activities in Slovakia are managed by way of Slovak incorporated entities.

The Group's investment in Andiamo is overseen through the appointment of the Executive Chairman to the board of Andiamo, supported by Ortac's Technical Director who oversees the technical work program in Eritrea.

Subsequent to the year end, the Group's Chief Executive Officer was appointed to the board of Zamsort, enabling him to oversee the investment into Zamzort.

Strategic Approach

Aim

The Group's aim is to maximize shareholder value through the advancement of economic mineral deposits through the various stages of development.

Strategy

Having further diversified its portfolio of projects and country risk, the Group's strategy is to continue to progress the evolution of its 100%-owned Šturec project, and work on the enhancement of its interests in Eritrea, which arise out of its investment into Andiamo, and its interests in Zambia, which arise out of its investment into Zamsort.

Given the Group's present circumstances, the Group will downplay the search for investment opportunities. But it will however, continue to be proactive to respond to opportunities to invest into advanced staged projects which can be fast-tracked to achieve near term production, and which might increase Ortac's resource inventory and maximise shareholder value.

The Board will continuously monitor and review its investment strategies and will in certain circumstances entertain the introduction of joint-venture partners to minimise risk, reduce Company costs and to take projects through to production.

Business Plans

The Board runs the Group with a low cost base, in order to maximise the amount that is spent on exploration and development, as this is where shareholder value can be added. To this extent, the corporate office is run by a small core team with specialist skills, with other activities outsourced as appropriate.

The Group finances its activities through periodic capital raisings with share placings. As the Group continues to develop its projects, there may be opportunities to obtain funding through other financial instruments, including royalty, debt or other arrangements with strategic parties.

Slovakia

The Group's plan for Slovakia is to keep costs to a minimum and at the same time progress the development of its Šturec project by way of its existing small scale trial underground mining license, leading to the development of a program for a large scale surface application. Such an application would be developed by way of an Environmental and Social Impact Assessment, which in conjunction with an engagement program, would develop solutions endorsed by the local community.

When the above is completed, the penultimate step would be to initiate and complete a Definitive Feasibility Study as a precursor to securing project financings for the build out of the final project.

As previously reported during the period, in light of some legislative changes in the country regarding the processing of gold ores, the Group is investigating potential alternative solutions to the processing of ore from Šturec. However we still believe that the traditional processing methods are best practise and that at the time the commencement of the mine is being negotiated, the authorities will review these legislative changes.

At the same time, there remains a small but vocal local opposition whose goal is to block the project entirely. Recent actions taken by these parties include court cases against the Slovak Mining Bureau, in connection with its approval of the Mining Permit that it granted to the Company, and also certain other matters. Although the Group is not a direct participant to these cases, it is monitoring the situation as they might have an impact on the Groups ability to progress the project.

Eritrea

The Group's plan for its Eritrean interest was to assist Andiamo in defining the extent of the copper and gold mineralisation at its Yacob Dewar deposit, thus enabling Andiamo to produce a JORC compliant resource estimate for the deposit, and having completed the technical work required, to submit an application for a mining permit in respect of the Haykota Exploration Project. The JORC compliant resource estimate for the deposit should be completed shortly. The next step would be to complete a Technical and Economic Study sufficient for Andiamo to apply for a mining license.

However, Ortac believes that the Haykota License area remains highly prospective for gold and copper mineralisation and is clearly has significant potential for further exploration and this thesis is supported by the encouraging exploration results being achieved by Andiamo joint venture partner in the northern area of the license. Ortac is supportive of expanding this exploration effort into the southern part of the license.

Zambia

The Group's plan for its Zambian interest, which is a copper and cobalt project, is initially to assist Zamsort in developing a small scale mining operation to satisfy the regulatory requirements. This should then allow expansion into a larger operation once the exploration in and around the small mining license area has been completed. In addition the Company will work with Zamsort to explore and test the larger scale prospecting license where significant potential exists to discover a world class deposit.

Review of business

A number of events stand out for the year.

The first was the commencement of underground mining at our Šturec deposit in Slovakia, in June 2014, marking the return of mining at Šturec after a break of nearly 20 years. Since then small scale underground mining has been successfully undertaken and bulk samples have been extracted and tested using non cyanide processing technologies with encouraging results. This mining activity also satisfied the Group's obligations to the Slovak Republic, for maintaining the validity of its Mining License Area.

Secondly, in November 2014, the Slovak Republic forbad the use of cyanide leach technology when processing minerals. Ortac is now cooperating in the development of alternative processing methods and is encouraged by results received to date and that there are moves within the industry to embrace alternative process technologies.

Thirdly, on the 20 April 2014, at a cost of £305,000 Ortac increased its investment in Andiamo from 18.47% to 25.37%, which resulted in the investment being reclassified from an available-for-sale holding to an associate.

Following this, in March 2015 Ortac invested £305,000 into Zamsort by way of a secured US$600,000 convertible loan note which, when fully subscribed to, gave Ortac a potential shareholding in Zamsort, upon conversion of the loan note, of 10.71%. In addition Ortac has an option to invest a further US$600,000 into Zamsort, by way of a further secured convertible loan note, which, if exercised, would bring the total investment by Ortac into Zamsort to US $1.2 million, and extend Ortac's equity conversion right from 10.71% to 19.35% of the issued share capital of Zamsort.

Finally Ortac, in a series of connected capital raisings during the period December 2014 to February 2015, raised a further 310.65m ordinary shares of no par value, for a cash consideration of £ 314,065 before share issue costs; the Directors participated in these subscriptions purchasing 35.0m shares.

Financial review

Loss for the year

The results of the Group for the year ended 31 March 2015 are set out in the Financial Statements on pages 22 to 56). The loss for the year was £1.333m, (2014: loss of £1.768m).

Cash flows

Cash balances during the year were augmented by a private placement concluded in December 2014 which raised £265,000 before expenses, and by a Directors subscription in January 2015 which raised £35,000 –there were no expenses.

Total exploration costs in the year – before exchange differences and amortisation- were £590,000 (2014: £1,174,000).

Cash and cash equivalents as at 31 March 2015 were £498,000 (2014: £2,253,000).

Net assets

Net assets at 31 March 2015 were £13,588,000 (2014: £15,460,000) a decrease of £1,872,000 (2014: a decrease of £1,172,000).

Exploration assets (net of exchange differences) decreased by £666,000 (2014: an increase of £947,000).

Key performance indicators

The Group is not yet producing minerals and so has no income other than bank interest and sundry activities. Consequently the Group is not expected to report profits until it disposes of, or is able to profitably develop or otherwise turn to account, its exploration and development projects.

The Board monitors the activities and performance of the Group on a regular basis and uses both financial and non-financial indicators to assess the Group's performance. The indicators set out below were used by the Board during the year ended 31 March 2015 and will continue to be used to assess performance during the year to 31 March 2016.

Financial KPIs

The financial KPIs monitored by the Board concern levels and usage of cash. Three main financial KPIs for the Group allow it to monitor costs and plan future exploration and development activities.

Financial KPIs	**Measure**	2015	2014
Cash and cash equivalents	£ 000's	**498**	**2,253**
Administrative expenses as a % of total assets	%	**-10%**	**-10%**
Exploration costs capitalised	£ 000's	**590**	**1,174**

During the year, and in line with budget, cash decreased by £1.755m (2014: £2.912m); of this approximately 34% (2014: 40%) was associated with the financing of exploration work capitalised in connection with the Šturec project. Investments made by the Company (increasing the Company's investment stake in Andiamo in the amount of £305,000 and taking an investment stake into Zamsort in the amount of £304,000) contributed to a net outflow of funds after net fund raisings of £0.3m (2014: £0.1m).

The Group has a prudent policy of only capitalising cost directly related to exploration and does not attempt to allocate the costs of its London based technical team to projects. Administration expenses are therefore those costs that do not directly related to exploration, but rather the operations of the Group. Such costs also include the non cash items of depreciation and Loss/gains on foreign exchange. Despite foreign exchange losses increasing as a result of the deterioration of the Euro versus Sterling, overall Administrative expenses decreased by 10% (2014: increased by 5%). Viewed in cash terms the impact of cost cutting during the last year is significant, with cash costs reduced by 32% (2014: 0%).

Exploration costs capitalised as intangible assets in the year were £590,000 (2014: £1,174,000) representing the fact that there has been a slow down in our work in Slovakia, following on from the decision of the Slovak Government to ban the use of cyanide in the extraction of gold.

At 31 March 2015 the Group's intangible assets had a carrying value of £11,688,000 (2014: £12,354,000).

Non-Financial KPIs

The Board monitors the following key non-financial KPIs on a regular basis:

Health and safety – number of reported incidents

Health & Safety	**Measure**	**2015**	2014
	No of Incidents	-	-

There were no reportable incidents in the current or prior year.

Principal Risks and Uncertainties

Set out below are the principal risks and uncertainties facing the Group:

General and Economic Risks

- Contractions in the world's major economies or increases in the rate of inflation in the United Kingdom and Slovakia;
- Movements in the equity and share markets in the United Kingdom and throughout the world and particularly the UK AIM Listed market and its natural resource sector;
- Weakness in global equity and share markets in the United Kingdom, and particularly the UK AIM Listed market and adverse changes in market sentiment towards the natural resource industry in general, and particularly gold exploration and companies in that sector;
- Currency exchange rate fluctuations and, in particular, the relative prices of the UK Pound, Euro and the US dollar;
- Exposure to interest rate fluctuations in the United Kingdom in particular and specifically those connected with Sterling deposits;
- Adverse changes affecting the success of exploration and development programmes in Slovakia such as: changes in government policy and further local regulation of the industry as well as emanating from the European Union);
- Operational issues such as: increases in expenses, the availability of skilled people with the appropriate skills in Slovakia; unforeseen major failure, breakdowns or repairs required to key items of plant and equipment resulting in significant delays, notwithstanding regular programmes of repair, maintenance and upkeep; variations in grades and unforeseen adverse geological factors or prolonged weather conditions.

Funding Risk

- The successful exploration of natural resources on any project will require very significant capital investment. The only sources of financing currently available to the Group are through the issue of additional equity capital in the Company or through bringing in partners to fund exploration and development costs. The Group's ability to raise further funds will depend on the success of its investment strategy and acquired operations. The Group, or the companies in which it has invested, may not be able to raise, either by debt or by further equity, sufficient funds to enable completion of planned exploration, investment and/or development projects.

Exploration and Development Risks

- Exploration and development activity is subject to numerous risks, including failure to achieve estimated mineral resource, recovery and production rates and capital and operating costs.
- Success in identifying economically recoverable reserves can never be guaranteed. The Group also cannot guarantee that the companies in which it has invested will be able to obtain the necessary permits and approvals required for development of their projects.
- The countries in which the Group operates have native title laws that could affect exploration and development activities. The companies in which the Group has an interest may be required to undertake clean-up programmes on any contamination from their operations or to participate in site rehabilitation programmes that may vary from country to country. The Group's policy is to follow all applicable laws and regulations and the Group is not currently aware of any material issues in this regard.

License and permit risk

- The Group's activities will be dependent upon the grant of appropriate licences, concessions, leases, permits, and regulatory consents that may be withdrawn or made subject to limitations. There can be no assurance that they will be granted or renewed or, if so, on what terms. There is also the possibility that the terms of any licence may be changed or other than as represented or expected.

Environmental risk

- The environmental impact of the Group's projects to date is largely limited to activities associated with exploration activities. The ultimate development of any project will inevitably impact considerably on the local landscape and communities. The projects sit in areas of considerable natural beauty; therefore, there is likely to be opposition to mining by some parties. This may impact on the cost and/or Group's ability to sell or move these projects into production.
- While the Group believes that its operations and future projects are currently, and will be, in compliance with all relevant material environmental and health and safety laws and regulations, there can be no assurance that new laws and regulations, or

amendments to, or stringent enforcement of, existing laws and regulations will not be introduced.

This Strategic Report was approved by the Board of Directors on 24 September 2015.

Hugo Green

Company Secretary

CORPORATE GOVERNANCE STATEMENT

The Board is committed to maintaining high standards of corporate governance. The Listing Rules of the Financial Conduct Authority incorporate the UK Corporate Governance Code, which sets out the principles of Good Governance, and the Code of Best Practice for listed companies. Whilst the Group is not required to comply with the UK Corporate Governance Code, the Group's corporate governance procedures take due regard of the principles of Good Governance set out in the UK Corporate Governance in relation to the size and the stage of development of the Group. However, it should not be considered that the Group has voluntarily complied with the Code.

Board of Directors

The Board of Directors currently comprises two Executive Directors and two Non-Executive Directors. The Directors are of the opinion that the Board composition contains a suitable balance. The Board maintains regular contact with its advisers and public relations consultants in order to ensure that the Board develops an understanding of the views of shareholders about the Group.

Board Meetings

The Board meets regularly throughout the year. For the year ended 31 March 2015, the Board met twelve times in relation to normal operational matters. The Board is responsible for formulating, reviewing and approving the Group's strategy, financial activities and operating performance. Day to day management is devolved to the Executive Directors who are charged with consulting the Board on all significant financial and operational matters.

All Directors have access to the advice of the parent Company's solicitors. Necessary information is supplied to the Directors on a timely basis to enable them to discharge their duties effectively, and all Directors have access to independent professional advice, at the Group's expense, as and when required.

Board committees

The Board has established the following committees, each of which has its own terms of reference:

Audit committee

The Audit Committee considers the Group's financial reporting (including accounting policies) and internal financial controls. The Audit Committee comprises two non executive Directors: Paul Heber (Chairman) and David Paxton, and is responsible for ensuring that the financial performance of the Group is properly monitored and reported on and in this capacity interacts as needed with the Group's External Auditors.

Remuneration committee

The Remuneration Committee is responsible for making recommendations to the Board on the remuneration of the Directors and senior executives. It comprises two non executive Directors: David Paxton (Chairman) and Paul Heber. Non-Executive Directors' remuneration and conditions are considered and agreed by the Board.

Financial packages for Executive Directors are established by reference to those prevailing in the employment market for executives of equivalent status both in terms of level of responsibility of the position and their achievement of recognized job qualifications and skills. The Committee also gives regard to the terms that may be required to attract equivalent experienced executives to join the Board from other companies.

Internal controls

The Directors acknowledge their responsibility for the Group's systems of internal controls and for reviewing their effectiveness. These internal controls are designed to safeguard the assets of the Group and to ensure the reliability of financial information for both internal use and external publication. Whilst the Directors are aware that no system can provide absolute assurance against material misstatement or loss, regular reviews of internal controls are undertaken to ensure that they are adequate and effective.

Risk management

The Board considers risk assessment important in achieving its strategic objectives. There is a process of evaluation of performance targets through regular reviews by senior management who compare actual progress to forecasts. Project milestones and timelines are regularly reviewed.

Risks and uncertainties

Risk assessment and evaluation is an essential part of the Group's planning and an important aspect of the Group's internal control system. The principal risks facing the Group are set out in the Directors Report.

Risk management and treasury policy

The Board considers risk assessment to be important in achieving its strategic objectives, with the Board regularly reviewing its projects and activities in this regard.

The Group finances its operations through equity and holds its cash as a liquid resource to fund the obligations of the Group. Decisions regarding the management of these assets are approved by the Board. Please refer to note 22 to the financial statements below.

Securities trading

The Board has adopted a Share Dealing Code that applies to Directors, senior management and any employee who is in possession of "inside information". All such persons are prohibited from trading in the Company's securities if they are in possession of "inside information". Subject to this condition and trading prohibitions applying to certain periods, trading can occur provided the relevant individual has received the appropriate prescribed clearance.

Relations with shareholders

The Board is committed to providing effective communication with the shareholders of the Company. Significant developments are disseminated through stock exchange announcements and regular updates of the Company's website. The Board views the AGM as a forum for communication between the Company and its shareholders and encourages their participation in its agenda.

INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ORTAC RESOURCES LIMITED

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

This report is made solely to the Company's members, as a body. 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 Auditor

As explained more fully in the Statement of Directors' Responsibilities, 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 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 Group's and the Parent Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the Directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 31 March 2015 and of their respective losses for the year then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the European Union.

Emphasis of Matter – Going Concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1f to the financial statements concerning the Company's ability to continue as a going concern. The Group incurred a net loss of £1,333,000 during the year ended 31 March 2015 and, at that date, the Group's net assets amounted to £13,588,000, which comprise almost entirely non-current assets, and the Group's net current assets were £781,000. These conditions, along with the other matters explained in note 1f to the financial statements, indicate the existence of a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

PKF Littlejohn LLP
Chartered Accountants and Registered Auditor

1 Westferry Circus
Canary Wharf
London E14 4HD

24 September 2015

FINANCIAL STATEMENTS

Group Statement of Comprehensive Income for the year ended 31 March 2015

	Notes	**Year to 31 March 2015 £ 000s**	Year to 31 March 2014 £ 000s
Revenue		**-**	-
Other Operating Income	**3**	**74**	24
Administrative expenses	**4**	**(1,386)**	(1,546)
Share-based payments	**9, 21**	**(19)**	(258)
Operating loss		**(1,331)**	(1,780)
Finance Income	**11**	**4**	12
Share of loss of associate accounted for using the equity method	**15**	**(6)**	-
Loss before income tax		**(1,333)**	(1,768)
Income tax expense	**7**	**-**	-
Loss for the year from continuing operations		**(1,333)**	(1,768)
Other comprehensive income:			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		**(872)**	(162)
Other comprehensive income for the year, net of tax		**(872)**	(162)
Total comprehensive income for the year attributable to owners of the parent		**(2,205)**	(1,930)
All operations			
Loss per share attributable to owners of the parent during the year			
- Basic & diluted (pence per share)	**10**	**(0.05)**	(0.08)

The notes on pages 30 to 56 are an integral part of these consolidated financial statements

Company Statement of Comprehensive Income for the year ended 31 March 2015

	Notes	Year to 31 March 2015 £ 000s	Year to 31 March 2014 £ 000s
Revenue		**-**	-
Administrative expenses	**4**	**(558)**	(868)
Share-based payments	**9, 21**	**(19)**	(258)
Operating loss		**(577)**	(1,126)
Finance Income	**11**	**4**	12
Loss before income tax		**(573)**	(1,114)
Income tax expense	**7**	**-**	-
Loss for the year		**(573)**	(1,114)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		-	-
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**(573)**	(1,114)

The notes on pages 30 to 56 are an integral part of these consolidated financial statements

Group Balance Sheet as at 31 March 2015

	Note	31 March 2015 £ 000s	31 March 2014 £ 000s
ASSETS			
Non-current assets			
Intangible assets	**12**	**11,688**	12,354
Property, plant and equipment	**13**	**215**	273
Investment in associate	**15**	**904**	-
Total non-current assets		**12,807**	12,627
Current assets			
Inventories	**17**	**37**	5
Trade and other receivables	**18**	**433**	195
Available for sale financial assets	**15**	**-**	604
Cash & cash equivalents	**23**	**498**	2,253
Total current assets		**968**	3,057
TOTAL ASSETS		**13,775**	15,684
LIABILITIES			
Current liabilities			
Trade and Other payables	**19**	**(187)**	(224)
TOTAL LIABILITIES		**(187)**	(224)
NET ASSETS		**13,588**	15,460
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT			
Share Capital	**20**	**-**	-
Share premium		**30,725**	30,411
Share based payments reserve		**2,320**	2,301
Foreign exchange reserve		**(1,043)**	(39)
Retained earnings		**(18,414)**	(17,213)
TOTAL EQUITY		**13,588**	15,460

These financial statements were approved by the Board of Directors on 24 September 2015 and signed on its behalf by:

Anthony Balme

Executive Chairman

Vassilios Carellas

Chief Executive Officer

The notes on pages 30 to 56 are an integral part of these consolidated financial statements

Company Balance Sheet as at 31 March 2015

	Notes	31 March 2015 £ 000s	31 March 2014 £ 000s
ASSETS			
Non-current assets			
Property, plant and equipment	**13**	**-**	6
Investment in subsidiaries	**14**	**7,485**	7,485
Investment in associate		**910**	-
Trade and other receivables	**18**	**8,846**	7,951
Total non-current assets		**17,241**	15,442
Current assets			
Trade and other receivables	**18**	**320**	17
Available for sale financial assets	**15**	**-**	605
Cash and cash equivalents	**23**	**483**	2,199
Total Current Assets		**803**	2,821
TOTAL ASSETS		**18,044**	18,263
LIABILITIES			
Current Liabilities			
Trade and other payables	**19**	**(59)**	(38)
TOTAL LIABILITIES		**(59)**	(38)
NET ASSETS		**17,985**	18,225
EQUITY ATTRIBUTABLE TO SHAREHOLDERS			
Share capital	**20**	**-**	-
Share premium		**30,725**	30,411
Share based payments reserve		**2,320**	2,301
Retained earnings		**(15,060)**	(14,487)
TOTAL EQUITY		**17,985**	18,225

These financial statements were approved by the Board of Directors on 24 September 2015 and signed on its behalf by:

Anthony Balme

Executive Chairman

Vassilios Carellas

Chief Executive Officer

The notes on pages 30 to 56 are an integral part of these consolidated financial statements

Group Statement of Cash Flows for the Year ended 31 March 2015

	Notes	Year to 31 March 15 £ 000s	Year to 31 March 14 £ 000s
Cash flows from operating activities			
Loss before income tax		**(1,333)**	(1,768)
Finance Income		**(4)**	(12)
Share based payments	**9, 21**	**19**	258
Share of loss from associates		**6**	-
Foreign exchange difference		**104**	70
Loss on available for sale investments		**-**	32
Depreciation and amortisation	**12, 13**	**32**	28
Operating loss before changes in working capital		**(1,176)**	(1,392)
(Increase)/Decrease in inventories	**17**	**(32)**	4
Increase in trade and other receivables	**18**	**(238)**	(53)
Decrease in trade and other payables	**19**	**(37)**	(263)
Net cash used in operating activities		**(1,483)**	(1,704)
Cash flows from investing activities			
Purchase of intangible assets	**12**	**(590)**	(1,174)
Proceeds from disposals of property, plant, and machinery	**13**	**-**	21
Purchase of available-for-sale financial assets	**15**	**-**	(605)
Proceeds from sale of available for sale investments	**15**	**-**	38
Interest received	**11**	**4**	12
Net cash used in investing activities		**(586)**	(1,708)
Cash flows from financing activities			
Proceeds from issue of ordinary shares- net of share issue costs	**20**	**314**	500
Net cash from financing activities		**314**	500
Net decrease in cash and cash equivalents		**(1,755)**	(2,912)
Cash and cash equivalents at beginning of year		**2,253**	5,165
Cash and cash equivalents at end of the year	**23**	**498**	2,253

There were no material non-cash items.

The notes on pages 30 to 56 are an integral part of these consolidated financial statements

Company Statement of Cash Flows for the Year Ended 31 March 2015

	Notes	**Year to 31 March 15 £ 000s**	Year to 31 March 14 £ 000s
Cash flows from operating activities			
Loss before income tax		**(573)**	(1,114)
Finance Income		**(4)**	(12)
Share-based payments	**9, 21**	**19**	258
Loss on sale of available for sale financial asset	**15**	**-**	32
Depreciation	**12, 13**	**6**	6
Operating loss before changes in working capital		**(552)**	(830)
Increase in trade and other receivables	**18**	**(303)**	-
Increase in trade and other payables	**19**	**21**	16
Net cash used in operating activities		**(834)**	(814)
Cash flows from investing activities			
Loans to subsidiaries	**18**	**(895)**	(1,938)
Purchase of available-for-sale financial assets	**15**	**-**	(605)
Proceeds from sale of available for sale investments	**15**	**-**	38
Investment in associates		**(305)**	-
Interest received	**11**	**4**	12
Net cash used in investing activities		**(1,196)**	(2,493)
Cash flows from financing activities			
Proceeds from issue of ordinary shares net of share issue costs	**20**	**314**	500
Net cash from financing activities		**314**	500
Net increase in cash and cash equivalents		**(1,716)**	(2,807)
Cash and cash equivalents at beginning of year		**2,199**	5,006
Cash and cash equivalents at end of the year		**483**	2,199

The notes on pages 30 to 56 are an integral part of these consolidated financial statements

Financial Statements (continued)

Group Statement of Changes in Equity for the year ended 31 March 2015

	Attributable to the owners of the parent					
	Share capital	Share premium	Foreign exchange reserve	Share based payment reserve	Retained earnings	Total equity
	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s	£ 000s
Balance as at 1 April 2013	-	29,911	133	2,043	(15,455)	16,632
Loss for the year	-	-	-	-	(1,768)	(1,768)
Other comprehensive income for the year – currency translation differences	-	-	(172)	-	10	(162)
Total comprehensive income for the year	-	-	(172)	-	(1,758)	(1,930)
Share capital issued net of share issue costs	-	500	-	-	-	500
Share based payments	-	-	-	258	-	258
Total transactions with owners, recognised directly in equity	-	500	-	258	-	758
Balance as at 31 March 2014	-	30,411	(39)	2,301	(17,213)	15,460
Balance as at 1 April 2014	**-**	**30,411**	**(39)**	**2,301**	**(17,213)**	**15,460**
Loss for the year	**-**	**-**	**-**	-	**(1,333)**	**(1,333)**
Other comprehensive income for the year- currency translation differences	**-**	**-**	**(1,004)**	**-**	**132**	**(872)**
Total comprehensive income for the year	**-**	**-**	**(1,004)**	**-**	**(1,201)**	**(2,205)**
Share capital issued net of share issue costs	**-**	**314**	**-**	**-**	**-**	**314**
Share based payments	**-**	**-**	**-**	**19**	**-**	**19**
Total transactions with owners, recognized directly in equity	**-**	**314**	**-**	**19**	**-**	**333**
Balance as at 31 March 2015	**-**	**30,725**	**(1,043)**	**2,320**	**(18,414)**	**13,588**

Share capital: This represents the nominal value of equity shares in issue and is nil as the shares have a nil par value.

Share premium: This represents the premium paid above the nominal value of shares in issue.

Foreign exchange reserve: This reserve represents exchange differences arising from the translation of the financial statements of foreign subsidiaries and the retranslation of monetary items forming part of the net investment in those subsidiaries.

Share-based payments reserve: This represents the value of share-based payments provided to employees and Directors as part of their remuneration and provided to consultants and advisors hired from time to time as part of the consideration paid. The reserve represents the fair value of options and performance share rights recognised as an expense. Upon exercise of options or performance share rights, any proceeds received are credited to share capital and share premium.

Retained earnings: This represents the accumulated profits and losses since inception of the business and adjustments relating to options and warrants.

The notes on pages 30 to 56 are an integral part of these consolidated financial statements

Company Statement of Changes in Equity for the year ended 31 March 2015

	Share capital	Share premium	Share based payment reserve	Retained earnings	Total equity
	Attributable to equity shareholders				
Balance as at 1 April 2013	**-**	29,911	2,043	(13,373)	18,581
Loss for the year	-	-	258	(1,114)	(856)
Total comprehensive income for the year	**-**	-	258	(1,114)	(856)
Share capital issued net of share issue costs	-	500	-	-	500
Total transactions with owners, recognized directly in equity	**-**	500	-	-	500
Balance as at 31 March 2014	-	30,411	2,301	(14,487)	18,225
Balance as at 1 April 2014	**-**	**30,411**	**2,301**	**(14,487)**	**18,225**
Loss for the year	-	-	**19**	**(573)**	**(554)**
Total comprehensive income for the year	**-**	**-**	**19**	**(573)**	**(554)**
Share capital issued net of share issue costs	-	**314**	-	-	**314**
Total transactions with owners, recognized directly in equity	**-**	**314**	**-**	**-**	**314**
Balance as at 31 March 2015	**-**	**30,725**	**2,320**	**(15,060)**	**17,985**

Share capital: This represents the nominal value of equity shares in issue and is nil as the shares have a nil par value.

Share premium: This represents the premium paid above the nominal value of shares in issue.

Share-based payments reserve: This represents the value of share-based payments provided to employees and Directors as part of their remuneration and provided to consultants and advisors hired from time to time as part of the consideration paid. The reserve represents the fair value of options and performance share rights recognised as an expense. Upon exercise of options or performance share rights, any proceeds received are credited to share capital and share premium.

Retained earnings: This represents the accumulated profits and losses since inception of the business and adjustments relating to options and warrants.

The notes on pages 30 to 56 are an integral part of these consolidated financial statements

NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

a. General Information and Authorisation of Financial Statements

The Company is registered in the British Virgin Islands under the BVI Business Companies Act 2004 with registered number 1396532. The Company's ordinary shares are traded on the AIM Market operated by the London Stock Exchange.

The principal activity of the Company during the year was that of a holding company for a group engaged in the identification, evaluation, acquisition and development of natural resource projects.

The Group Financial Statements of Ortac Resources Limited for the year ended 31 March 2015 were authorised for issue by the Board on 24 September 2015 and the Balance Sheets were signed on the Board's behalf by Mr. Anthony Balme and Mr. Vassilios Carellas.

b. Statement of Compliance with IFRS and new standards, amendments and interpretations adopted during the year

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Financial Statements are listed below. The Company and Group intend to adopt these standards, if applicable, when they become effective. Unless stated below, there are no IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the group.

- IFRS 9, Financial instruments
- IFRS 14, Regulatory deferral accounts IFRS 15, Revenue from contracts with customers
- Amendment to IAS 19, Employee contributions
- Amendment to IFRS 11, Accounting for acquisitions of interests in joint operations
- Amendments to IAS 16 and IAS 38, Clarification of acceptable methods of depreciation and
- Amendment to IFRS 10, IFRS 12 and IAS 28, Investment entities, applying the consolidation exemption
- Amendments to IAS 1, Disclosure initiative
- Amendments to IAS 27, Equity method in separate financial statements
- Amendments to IFRS 10 and IAS 28, Sale of contribution of assets between an investor and its associate or joint venture
- Annual Improvements 2010 – 2012 Cycle
- Annual Improvements 2011 – 2013 Cycle
- Annual Improvements 2012 – 2014 Cycle

Whilst the Directors do not anticipate the adoption of these standards and interpretation in future reporting periods will have a material impact on the Group's financial statements, they have yet to complete their full assessment in relation to the impact of IFRS 9 and IFRS 15.

The following standards were adopted by the Group during the year;

IFRS 10 Consolidated financial statements

IFRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by IFRS 10 required management to exercise judgement to determine which entities are controlled and, therefore, are required to be consolidated. The Group has applied IFRS 10 retrospectively in accordance with the transition provisions of IFRS 10. There is no material impact on the Group as a result of applying this standard.

There has been no material impact on the financial statements as a result of the adoption of IFRS 11, 12, IAS 27 and IAS 28 other than in relation to disclosure.

c. Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRSIC) as adopted by the European Union.

The consolidated financial statements have been prepared on the historical convention, as modified by the measurement to fair value of available-for-sale financial assets as described in the accounting policies below.

The financial information is presented in Pounds Sterling (£) and all values are rounded to the nearest thousand Pounds Sterling (£000's) unless otherwise stated.

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied unless otherwise stated.

d. Basis of Consolidation

The consolidated Financial Statements consolidate the Financial Statements of Ortac Resources Limited and the audited Financial Statements of its subsidiary undertakings made up to 31 March 2015.

Subsidiaries are entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

e. Associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes any goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the statement of comprehensive income, and its share of post-acquisition movements is recognised in the other comprehensive income section of the statement of comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amounts of the associate and its carrying value and recognises the amount adjacent to 'share of profit/loss of associates' in the statement of comprehensive income.

Gains and losses resulting from upstream and downstream transactions between the group and its associates are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Dilution gains and losses arising in investments in associates are recognised in the statement of comprehensive income.

f. Going Concern

The Group's business activities together with the factors likely to affect its future development, performance and position are set out in the Chairman's Statement on pages 2 and 3; in addition note 23 to the Financial Statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposure to credit and liquidity risk.

The Financial Statements have been prepared on a going concern basis. Although the Group's assets are not generating revenues, an operating loss has been reported and an operating loss is expected in the 12 months subsequent to the date of these financial statements, the Directors believe, having considered all available information including cash flows prepared by management, that the Group, having raised £600,000 in July 2015, has sufficient funds to meet its expected committed and contractual expenditure, and are confident that they will be able to raise additional funding to provide additional working capital to continue its current exploration programme as well as additional works.

Based on the Board's assessment that the cash flow budgets can be achieved and that the necessary funds will be raised, the Directors have a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements for the year ended 31 March 2015.

Should the Group be unable to continue trading, adjustments would have to be made to reduce the value of the assets to their recoverable amounts, to provide for further liabilities which might arise and to classify fixed assets as current.

The Financial Statements do not include any adjustments that may be required should the Group be unable to continue as a going concern. If the Group were unable to continue as a going concern, then adjustments would be necessary to write assets down to their recoverable amounts, non-current assets and liabilities would be reclassified as current assets and liabilities and provisions would be required for any costs associated with closure.

Going concern is referred to in the auditor's report as an emphasis of matter wthout any modification of their opinion.

g. Business combinations

The acquisition of subsidiaries in a business combination is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date, except for non-current assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *"Non Current Assets Held for Sale and Discontinued Operations*", which are recognised and measured at fair value less costs to sell.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the fair value of noncontrolling interest over the identifiable net assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognised in profit or loss in the Income Statement.

Any interest of non-controlling interests in the acquiree is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised. There are no minority/non- controlling shareholders of subsidiaries.

h. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive Officer, the Group's chief operating decision-maker.

i. Contingent consideration

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39 either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity. See note 26 below.

j. Foreign currencies

The Group and Company's functional and presentational currency is Pounds Sterling. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. At present the functional currency of all of the Slovakian subsidiaries is Euro.

The results and financial position of all the Group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- monetary assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each statement of comprehensive income presented are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income where material.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of monetary items receivable from foreign subsidiaries for which settlement is neither planned nor likely to occur in the foreseeable future are taken to other comprehensive income. When a foreign operation is sold, such cumulative exchange differences are subsequently reclassified in the income statement as part of the gain or loss on sale.

k. Taxation

Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss.

In principle, deferred tax liabilities are 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.

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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax assets and liabilities are not discounted.

There has been no tax credit or expense for the period relating to current or deferred tax.

l. Intangible assets

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liabilities of the acquired subsidiary at the date of acquisition. Goodwill arising on the acquisition of subsidiaries is included in 'intangible assets'. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Exploration and evaluation assets

Exploration and development costs are carried forward in respect of areas of interest where the consolidated entity's rights to tenure are current and where these costs are expected to be recouped through successful development and exploration, or by sale. Alternatively, these costs are carried forward while active and significant operations are continuing in relation to the areas of interest and it is too early to make reasonable assessment of the existence or otherwise of economically recoverable reserves. When the area of interest is abandoned, exploration and evaluation costs previously capitalised are impaired.

In accordance with the full cost method, costs incurred by the Company on behalf of its subsidiaries and associated with mining development and investment are capitalised on a project-by-project basis pending determination of the feasibility of the project. Costs incurred include appropriate technical and administrative expenses but not general overheads. If a mining development project is successful, the related expenditures will be written-off over the estimated life (useful economic life) of the commercial ore reserves on a unit of production basis. Impairment reviews are carried out regularly by the Directors of the Company. Where a project is abandoned, or is considered to be of no further commercial value, the related costs will be written off to the Statement of Comprehensive Income.

The recoverability of deferred mining costs and mining interests is dependent upon the discovery of economically recoverable reserves, the ability of the Group to obtain necessary financing to complete the development of reserves and future profitable production or proceeds from the disposal of recoverable reserves.

m. Significant accounting judgements, estimates and assumptions

Critical Accounting Estimates and Judgements

The preparation of financial statements using accounting policies consistent with IFRS requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities and the reported amounts of income and expenses. The preparation of financial statements also requires the Directors to exercise judgement in the process of applying the accounting policies. Changes in estimates, assumptions and judgements can have a significant impact on the financial statements.

Critical accounting estimates

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively from the period in which the estimates are revised. The following are the key estimate and assumption uncertainties that have a significant risk of resulting in a material adjustment within the next financial year:

i) Impairment of Intangible assets

Exploration and evaluation costs have a carrying value at 31 March 2015 of £11,418,000 (2014: £12,084,000). Management tests annually whether exploration projects have future economic value in accordance with the accounting policy stated in note u. below). Each exploration project is subject to an annual review. When there are indications that an asset may be impaired, the Group is required to estimate the asset's recoverable amount. Recoverable amount is the greater of value in use and fair value less costs to sell.

Determining the value in use requires the Group to estimate expected future cash flows associated with the asset and a suitable discount rate in order to calculate present value. If this proves to be incorrect and the project does not have any value, the exploration and evaluation costs will be written off to the Statement of Comprehensive Income.

Goodwill has a carrying value at have a carrying value at 31 March 2015 of £270,000 (2014: £270,000). The Group tests annually whether goodwill has suffered any impairment. Management has concluded that there is no impairment charge necessary to the carrying value of goodwill.

Further information as to the impairment review carried out by the Directors can be found in notes 5 and 12.

ii) Contingent Liability

As referred to in note 26, the contingent consideration arrangement requires Ortac Resources UK Limited to pay vendor royalties of up to US$3,750,000 -£2,414,370- at 31 March 2015 (2014: £2,253,335) in either shares or cash-being $15 per ounce on the first 250,000 ounces of gold equivalent (gold plus silver) resource defined as proven and probable reserve in the bankable feasibility study. This will become payable within 60 days of all required permits being obtained to allow commercial production at the Kremnica property.

The fair value of the above have been determined on the basis that the Directors are confident that the resource threshold referred to above will be exceeded, and in which case the carrying value is the maximum vendor royalties payable, as translated at year end US$/ Sterling exchange rates.

The Directors estimate that the carrying value of contingent consideration would be £ 75,298 lower/higher (2014: 65,726) if the US$ exchange rate was to change by 5% from its year end rate.

n. Finance income

Finance income consists of bank interest on cash and cash equivalents which is recognised as accruing on a straight line basis, over the period of the deposit. There is no finance income in respect of the available for sale financial assets.

o. Cash and cash equivalents

Cash and Cash Equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

p. Inventories

Inventories largely consist of operational and maintenance consumables held and are stated at the lower of cost and net realisable value (“NRV”). Cost is determined using the first-in, first-out (“FIFO”) method. NRV is the estimated selling price in the ordinary course of business, less applicable selling expenses.

q. Trade and other receivables

Trade receivables, which generally have 15-day terms, are recognised initially at cost, being their initial fair value. These are classified as loans and receivables, and so are subsequently carried at cost using the effective interest method. The Directors are of the view that such items are collectible and no provisions are required.

r. Investments

Investments in subsidiary undertakings are stated at cost less any provision for impairment in value, prior to their elimination on consolidation.

s. Financial instruments

The Group’s financial instruments are classified as loans and receivables and available for sale financial assets. The classification depends on the purpose for which the financial instruments were acquired. Management determines the classification of its financial instruments at initial recognition.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, and comprise trade and other receivables and cash and cash equivalents (see separate accounting policies for these items).

Available-for-sale financial assets are non-derivatives that are not included in any other category, and comprise current asset investments. They are initially recognised at fair value plus transaction costs, and are subsequently carried at fair value with changes in fair value being recognised in other comprehensive income.

Trade and other payables are classified as financial liabilities, and are initially recognised a cost, being its fair value, and subsequently measured at amortised cost using the effective interest method. Any interest is recognised as a finance cost within the Statement of Comprehensive Income.

There is no material difference between the carrying values and fair value of the Group’s financial instruments.

t. Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on all property, plant and equipment to write off the cost less estimated residual value of each asset over its expected useful economic life on a straight-line basis at the following annual rates:

- Office equipment 20% or straight line over the period of the lease- whichever is the lesser;
- Field equipment – between 5% and 25%

All assets are subject to annual impairment reviews.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replacement part is derecognised. All other repairs and maintenance are charged to the Statement of Comprehensive Income during the financial period in which they are incurred.

The asset's residual value and useful economic lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying value is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposal are determined by comparing the proceeds with the carrying amount and are recognised within the Statement of Comprehensive Income.

u. Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use. This is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, and the asset's value in use cannot be estimated to be close to its fair value. In such cases, the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, it is considered impaired and is written down to its recoverable amount.

In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset, unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Comprehensive Income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

v. Trade and other payables

Trade and other payables are carried at amortised cost under the effective interest method and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

w. Share-based payments

The Group provides benefits to senior personnel, consultants and advisors of the Group in the form of share-based payments, whereby such parties render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with such parties is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Ortac Resources Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant party become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

(i) the extent to which the vesting period has expired and;

(ii) the Group's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met, as the effect of these conditions is included in the determination of fair value at grant date. The charge to the Income Statement for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings/ (loss) per share.

x. Operating leases

Leases of assets under which a significant amount of the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Operating lease payments are charged to the Statement of Comprehensive Income on a straight-line basis over the period of the respective leases.

y. Earnings per share

Basic Earnings per share is calculated as profit attributable to equity holders of the parent for the period, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

2. Segmental analysis

Segment information has been determined based on the information reviewed by the Board, being the Group's chief operating decision-maker, for the purposes of allocating resources and assessing performance. No revenue is currently being generated.

Head office activities are mainly administrative in nature and are located in the UK/BVI whilst the activities in Slovakia relate to exploration and evaluation work.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

By geographical area **31 March 2015**	UK/BVI	Slovakia	Eritrea	Zambia	**Total**
	£ 000's	£ 000's	£ 000's	£ 000's	**£ 000's**
Result					
Operating loss	(1,289)	(42)	-	-	**(1,331)**
Share of loss of associate	-	-	(6)	-	**(6)**
Finance income	4	-	-	-	**4**
Loss before & after taxation	**(1,285)**	**(42)**	**(6)**	**-**	**(1,333)**
Other information					
Depreciation and impairment	18	14	-	-	**32**
Investment into available for sale financial assets	-	-	(605)	-	**(605)**
Investment in associate	-	-	910	-	**910**
Capital additions	-	(590)	-	-	**(590)**
Assets					
Non-current Assets	910	10,993	-	-	**11,903**
Current assets less cash and cash equivalents	1,013	72	-	304	**1,389**
Cash and equivalents	475	8	-	-	**483**
Consolidated total assets	**2,398**	**11,073**	**-**	**304**	**13,775**
Liabilities					
Non-current liabilities	-	-	-	-	**-**
Current liabilities	(160)	(27)	-	-	**(187)**
Consolidated total liabilities	**(160)**	**(27)**	**-**	**-**	**(187)**

By geographical area **31 March 2014**	UK/BVI	Slovakia	Eritrea	Zambia	**Total**
	£ 000's	£ 000's	£ 000's	£ 000's	**£ 000's**
Result					
Operating loss	(1,780)	-	-	-	**(1,780)**
Finance income	12	-	-	-	**12**
Loss before & after taxation	**(1,768)**	**-**	**-**	**-**	**(1,768)**
Other information					
Depreciation	1	27	-	-	**28**
Investment in available for sale financial investments			(605)		
Capital additions	-	(1,153)	-	-	**(1,153)**
Assets					
Non current Assets	-	12,627	-	-	**12,627**

Current assets less cash and cash equivalents	717	87	-	-	**804**
Cash and equivalents	2,208	45	-	-	**2,253**
Consolidated total assets	**2,925**	**12,759**	**-**	**-**	**15,684**
Liabilities					
Non current liabilities	-	-	-	-	**-**
Current liabilities	(129)	(95)	-	-	**(224)**
Consolidated total liabilities	**(129)**	**(95)**	**-**	**-**	**(224)**

3. Other operating income

	2015	2014
	£ 000's	£ 000's
Rental income	**36**	18
Other sundry income	**38**	6
	74	24

4. Expenses by nature

	Group 2015 £ 000's	**Company 2015 £ 000's**	Group 2014 £ 000's	Company 2014 £ 000's
Directors' fees	**182**	**106**	296	202
Wages and salaries	**229**	**98**	268	98
Establishment expenses	**92**	**2**	126	20
Loss on foreign exchange	**428**	**4**	164	103
Travel and subsistence expenses	**41**	**15**	147	78
Professional fee's- legal, consulting, exploration	**129**	**98**	175	124
AIM related costs including Public Relations	**209**	**209**	193	181
Auditor's remuneration – audit	**29**	**19**	45	21
Loss on sale of available for sale financial asset	**-**	**-**	32	32
Donations and Sponsorship	**-**	**-**	44	-
Depreciation and amortisation	**32**	**6**	28	6
Other expenses	**15**	**1**	28	3
Total operating expenses	**1,386**	**558**	1,546	868

Establishment expenses includes £46,731 (2014: £46,780) relating to operating lease payments in connection with the Group's rental of office space in London.

Auditor's remuneration includes £10,000 (2014: £24,000) relating to the audit of the subsidiary companies. Professional fees include £7,462 (2014: £3,375) relating to non-audit related fees paid to the Group's auditors.

5. Impairment

An impairment review of exploration and evaluation assets is carried on out an annual basis in order to ensure that it is valued at the lower of cost and recoverable amount. Following their assessment the Directors concluded that no impairment of exploration and evaluation assets was necessary as at 31 March 2015 (2014: £nil) and that no impairment of goodwill was required either (2014: £nil).

6. Employee information

	2015	2014
Staff Costs comprised:	**£ 000's**	£ 000's
Wages and salaries	**360**	404

Less: capitalised exploration expenditure	**(131)**	(136)
Charge to the profit or loss	**229**	268

The average number of persons employed in the Group, including Executive Directors, was:

	2015	2014
Average number of persons employed:	**Number**	Number
Operations	**9**	16
Administration	**3**	4
	12	20

7. Taxation

	2015	**2014**
	£'000	**£'000**
Current income tax charge	-	-
Deferred tax charge/ (credit)	-	-
Total taxation charge/ (credit)	-	-

Taxation reconciliation

The charge for the year can be reconciled to the loss per the consolidated statement of comprehensive income:

	2015	**2014**
	£'000	**£'000**
Loss before income tax	**(1,333)**	**(1,769)**
Tax on loss at the weighted average Corporate tax rate of 11.9% (2014: 8.74 %)	158	(155)
Effects of:		
Permanent differences	-	9
Tax losses carried forward	-	4
Non-taxable income/Non-deductible expenses for tax purposes	158	143
Total income tax expense	-	-

The deferred tax asset has not been provided for in accordance with IAS 12. The Group does not have a material deferred tax liability at the year end.

The weighted average applicable tax rate used is a combination of the rates used in the BVI, UK and Slovakia.

8. Dividends

No dividends were paid or are proposed (2014:nil).

9. Directors' remuneration

	2015	2014
	£ 000's	£ 000's
Directors' remuneration	**182**	408

2015	Short term employee benefits	Share based payments	Total
	£ 000's	£ 000's	£ 000's
Executive Directors			
Anthony Balme	36	-	**36**
Vassilios Carellas	111	-	**111**
Non-Executive Directors			
Paul Heber	17	-	**17**
David Paxton	18	-	**18**
	182	**-**	**182**

2014	Short term employee benefits	Share based payments	Total
	£ 000's	£ 000's	£ 000's
Executive Directors			
Anthony Balme	42	21	**63**
Vassilios Carellas	127	40	**167**
Charles Wood	87	10	**97**
Non-Executive Directors			
Paul Heber	20	21	**41**
David Paxton	20	20	**40**
	296	**112**	**408**

No pension benefits are provided for any Directors.

10. Earnings per share

The calculation of Earnings per share is based on the loss attributable to equity holders divided by the weighted average number of share in issue during the year.

	2015	2014
	£ 000's	£ 000's
Loss	**(1,333)**	(1,768)
Weighted average number of ordinary shares per share (millions)	**2,610.4**	2,350.2
Basic earning per share (expressed in pence)	**(0.05)**	(0.08)

As the inclusion of potential Ordinary shares would result in a decrease in the earnings per share, they are considered to be anti-dilutive. As such, diluted and basic earnings per share are the same.

11. Finance income

	2015	2014
	£ 000's	£ 000's
Bank interest receivable	**4**	12

12. Intangible assets

	Total	Goodwill	Exploration and evaluation assets
Group	£ 000's	£ 000's	£ 000's
Cost			
At 1 April 2013	11,407	270	11,137
Additions	1,174	-	1,174
Currency translation adjustments	(226)	-	(226)
Amortisation	(1)	-	(1)
Net book value as at 31 March 2014	12,354	270	12,084
At 1 April 2014	**12,354**	270	12,084
Additions	**590**	-	590
Currency translation adjustments	**(1,255)**	-	(1,255)
Amortisation	**(1)**	-	(1)
Net book value as at 31 March 2015	**11,688**	**270**	**11,418**

The net book value is analysed as follows:

	2015	2014
The net book value is analysed as follows;	**£ 000's**	£ 000's
Exploration and development costs – Slovakia	**11,418**	12,084
Goodwill – Slovakia	**270**	270
	11,688	12,354

Exploration projects carried out by the subsidiaries are at an early stage of development and can be split into two categories:

1. Those based upon JORC or JORC compliant resource estimates which enable value in use calculations to be prepared: A reclassification of resource estimates undertaken in 2012 by a leading group of mining consultants led to the announcement of maiden JORC Ore Reserves for the Šturec Deposit with 13.97Mt of ore at a grade of 1.70g/t Au and 14.22g/t Ag (1.90g/t Au Equivalent) classified in the Proven and Probable categories, giving an open pit Ore Reserve of 873,000oz of gold equivalent (28 tonnes). Subsequently, a Pre-Feasibility Study, carried out by a leading practice of mining consultants, of the Šturec Project announced on 8 April 2013 further confirmed the economic feasibility of the Šturec project: which based upon a metals price of (at US$1,343/oz Au Eq net price) and a discount rate of 8% gave an NPV of US$195m (post tax US$145m) and Internal Rate of Return ('IRR') of 30%. Gold prices are presently close to this price.

   As regards the status of the mining license, as previously reported in June 2014 and following an application which was approved by the Slovak Authorities, a program of trial underground mining was started, which plans to extract 4,000 tonnes of ore over the three year period till 2017, and this in the context of its Mining License Area, which remain valid until 2018 and confirmation from the relevant authorities that Ortac holds both underground and surface mining rights to the Kremnica Mining License Area.

To date some 500 tonnes of ore has been successfully mined and from this, bulk samples have been extracted and tested using non cyanide processing technologies, with encouraging results. At the same time Ortac has paid royalties to the Slovak State on the ore extracted.

With the Slovak Republic having now banned the use of cyanide leaching technology in the processing of minerals, Ortac's work on alternative processing is opportune and indeed as previously announced, 20 tonnes of material mined from the Šturec Deposit was sent for pilot scale tests utilising a potential alternative gold recovery process, with encouraging results, that the Board believes will be economic. Ortac is therefore optimistic that a more eco friendly process will be developed.

2. Those other projects, for which no JORC or non-JORC compliant resource estimates, are available to enable value in use calculations to be prepared. Given that these projects are at an early stage, and are unlikely to be pursued and with preliminary results indicating modest returns, the Directors have continued with the policy of expensing the exploration costs incurred on these projects during the year.

   An impairment review of exploration and evaluation assets and goodwill is carried on out an annual basis in order to ensure that each is valued at the lower of cost and recoverable amount. Following their assessment the Directors concluded that no impairment of exploration and evaluation assets was necessary as at 31 March 2015 (2014: £nil) and that no impairment of goodwill was required either (2014: £nil).

13. Property, plant and equipment

Group **Property, Plant and Equipment**	Office Equipment £ 000's	Field Equipment £ 000's	Total £ 000's
Cost			
As at 1 April 2013	102	304	406
Additions	-	-	-
Disposals	-	(21)	(21)
Currency translation adjustment	-	(10)	(10)
As at 31 March 2014	102	273	375
As at 1 April 2014	**102**	**273**	**375**
Additions	**-**	-	**-**
Disposals	**-**	-	**-**
Currency translation adjustment	**-**	**(56)**	**(56)**
As at 31 March 2015	**102**	**217**	**319**
Depreciation			
As at 1 April 2013	(52)	(28)	(80)
Charge for the year	(23)	(4)	(27)
Currency translation adjustment	-	5	5
As at 31 March 2014	(75)	(27)	(102)
As at 1 April 2014	(75)	(27)	(102)
Charge for the year	**(18)**	**(13)**	**(31)**
Currency translation adjustment	**-**	**29**	**29**

As at 31 March 2015	**(93)**	**(11)**	**(104)**

Net book value	Office Equipment £ 000's	Field Equipment £ 000's	Total £ 000's
At 31 March 2014	27	246	273
At 31 March 2015	**9**	**206**	**215**

Depreciation charges for the year ended 31 March 2015 of £31,000 (2014: £27,000) have been charged to "administrative expenses".

Company **Office Equipment**	Company £ 000's
Cost	
As at 1 April 2013	17
Additions	-
Disposals	-
Currency translation adjustment	-
As at 31 March 2014	17
As at 1 April 2014	**17**
Additions	**-**
Disposals	**-**
Currency translation adjustment	**-**
As at 31 March 2015	**17**
Depreciation	
As at 1 April 2013	**(5)**
Charge for the year	**(6)**
Currency translation adjustment	**-**
As at 31 March 2014	**(11)**
As at 1 April 2014	**(11)**
Charge for the year	**(6)**
Currency translation adjustment	**-**
As at 31 March 2015	**(17)**
Net book value	
At 31 March 2014	6
At 31 March 2015	-

14. Investment in subsidiaries

At 31 March 2015 the Company held 100% of the share capital of the following wholly owned subsidiary companies:

Company	**Place of Business**	**% Ownership held**	**Nature of business**
Ortac Resources (UK) Limited	England and Wales	100%	Holding Company

St. Stephans Gold s.r.o.*	Slovak Republic	100%	Mineral Exploration
Ortac s.r.o *	Slovak Republic	100%	Mineral Exploration

* Wholly owned subsidiary of Ortac Resources (UK) Limited.

On 1 April 2014, the Bellmin s.r.o, and G.B.E s.r.o both previously 100% owned by Ortac Resources (UK) Limited where merged into St. Stephans Gold s.r.o. One the same day Kremnica Gold s.r.o also previously 100% owned by Ortac Resources (UK) Limited was merged into Ortac s.r.o.

15. Investment in associate

On the 20 April 2014, Ortac Resources Limited increased its investment in Andiamo from 18.47% to 25.37%, which resulted in the investment being reclassified from an available-for-sale holding to an associate.

Andiamo is involved in the exploration of gold and other minerals in Eritrea. The investment in this company is part of a move to diversify Ortac's project portfolio. In accordance with IAS 28 the figures used in respect of Andiamo relate to the 31 December 2014 as the year end is not co-terminous with that of Ortac. No significant events occurred at Andiamo between 31st December 2014 and 31 March that would have had a material effect on the Group's results.

The carrying value of the associate is £904,000 and it is determined as follows:

Group	2015 £ 000's
Beginning of the year	**-**
Transfer from available for sale financial assets	**910**
Share of loss from associate	**(6)**
End of the year	**904**

Ortac's share of the results in Andiamo are shown below:

Group and Company	**2015** **£ 000's**	2014 £ 000's
Revenues	-	-
Share of loss	**(6)**	-

Nature of investment in associate:

Name of entity	Place of business/country of incorporation	% of ownership interest	Nature of the relationship	Measurement method
Andiamo Exploration Limited	England	25.37%	Strategic partnership	Equity

As at the year end, the fair value of the Group's interest in Andiamo equated to its carrying value. Andiamo is a private company and there is no quoted market price available for its shares.

Summarised statement of financial position for associate, as at 31 December 2014:

Group and Company	**2015** **£ 000's**	2014 £ 000's
Cash and cash equivalents	239	-
Other current assets	154	-
Total current assets	**393**	-
Financial liabilities	-	-
Other current liabilities	12	-
Total current liabilities	**12**	-
Non-current		
Assets	6,792	-
Financial liabilities	-	-
Other liabilities	-	-
Total non-current liabilities	-	-
Net assets	**7,173**	**-**

Summarised statement of comprehensive income for associate:

Group and Company	**2015** **£ 000's**	2014 £ 000's
Loss before tax	**(73)**	-
Income tax expense	**-**	-
Post-tax loss from operations	**(73)**	-
Other comprehensive income	**-**	-
Total comprehensive income	**(73)**	-

The information above reflects the amounts presented in the financial statements of the associates (and not Ortac Resources Limited's share of those amounts) adjusted for differences in accounting policies between the Group and the associates.

Reconciliation of summarised financial information:

Group and Company	**2015** **£ 000's**	2014 £ 000's
Opening net assets	**6,238**	**0**
Issue of shares	1,008	
Loss for the period	(73)	-
Other comprehensive income	-	-
Foreign exchange differences	-	-
Closing net assets	**7,173**	**0**
Interest in associates (25.37%) –book value of assets acquired as recognised under equity accounting.	**1,820**	**0**
Exchange differences	-138	
Difference between book value of assets acquired and cost of the investment	(778)	
Carrying value	**904**	**0**

16. Available for sale financial assets

Group and Company	**2015** **£ 000's**	2014 £ 000's
As at 1 April	**605**	70
Additions	**305**	605
Disposal	**-**	(38)
Loss on disposals	**-**	(32)
Investments in associate	**(910)**	-

As at 31 March	-	605

The available for sale financial asset refers to the Ortac's investment in Andiamo. Due to Ortac Resources Limited increasing its shareholding in Andiamo at a cost of £305,000, this investment is now treated as an associate – see note 15 above.

17. Inventories

Inventories	**Group 2015 £ 000's**	**Company 2015 £ 000's**	Group 2014 £ 000's	Company 2014 £ 000's
Stocks and consumables	**37**	-	5	-
Total	**37**	**-**	5	**-**

18. Trade and other receivables

Current trade and other receivables	**Group 2015 £ 000's**	**Company 2015 £ 000's**	Group 2014 £ 000's	Company 2014 £ 000's
Other receivables	**35**	**-**	83	-
Loan advanced to Zamsort	**304**	**304**	-	-
Prepayments	**94**	**16**	112	17
Total	**433**	**320**	195	17

Current trade and other receivables are all due within one year.

Company **Non current trade and other receivables**	**2015 £ 000's**	2014 £ 000's
Loans advanced to subsidiaries	**8,846**	7,951

Loans advanced to subsidiaries are unsecured, interest free and have no fixed repayment date.

The fair value of trade and other receivables is the same as their carrying values as stated above.

The carrying amounts of the Group's and Company's current and non current trade and other receivables are denominated in the following currencies:

Current trade and other receivables	**Group 2015 £ 000's**	**Company 2015 £ 000's**	Group 2014 £ 000's	Company 2014 £ 000's
UK Pounds	**94**	**16**	195	17
US Dollars	**304**	**304**	-	-
Euros	**35**	**-**	-	-
Total	**433**	**320**	195	17

Non current trade and other receivables	**Group 2015 £ 000's**	**Company 2015 £ 000's**	Group 2014 £ 000's	Company 2014 £ 000's
UK Pounds	-	-	-	-
Euros	-	**8,846**	-	7,951
Total	**-**	**8,846**	**-**	7,951

Trade and other receivables do not contain any impaired assets.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

19. Trade and other payables

Current trade and other payables	**Group 2015 £ 000's**	**Company 2015 £ 000's**	Group 2014 £ 000's	Company 2014 £ 000's
Trade payables	**64**	**20**	99	10
Other payables	**51**	**11**	48	7
Accruals	**72**	**28**	77	21
Total	**187**	**59**	224	38

The carrying values of trade and other payables are considered to be a reasonable approximation of the fair value and are considered by the Directors as payable within one year.

20. Share capital

Authorised	£ 000's
Unlimited Ordinary shares of no par value	-

Called up, allotted, issued and fully paid	Number of shares	Nominal value
As at 31 March 2014	**2,515,679,020**	-
Additions:		-
2 December 2014	265,000,000	-
6 January 2015	35,000,000	-
12 February 2015	10,650,000	-
Total additions	**310,650,000**	-
As at 31 March 2015	**2,826,329,020**	-

On 2 December 2014, 265,000,000 ordinary shares of no par value were issued at a price of 0.10 pence per share, for a cash consideration of £265,000 before share issue costs. Subsequently, on 6 January 2015, the Directors subscribed to 35,000,000 ordinary shares of no par value, issued at a price of 0.10 pence per share, for a cash consideration of £35,000 before share issue costs. Finally, on 12 February 2015 Ortac announced that it had issued a total of 10,650,000 new ordinary shares of no par value to an adviser to Ortac in lieu of fees generated in the ordinary course of business ("Fee Shares") and to a former Consultant to Ortac in respect of a performance bonus ("Bonus Shares").

The funds raised are to be used by Ortac to further develop its existing portfolio of mineral projects, working capital purposes and enable the Group to exploit additional opportunities that may arise.

21. Share based payments

Total share options in issue

Movements on the number of share options and their exercise price are as follows:

	Weighted average price pence	**2015 Number**	Weighted average price pence	2014 Number
Outstanding as at 1 April	**0.94p**	**279,300,000**	1.10p	209,800,000
Modified during year	-	-	1.19p	(72,500,000)
Granted during year	-	-	0.83p	142,000,000
Outstanding at 31 March	**0.94p**	**279,300,000**	0.94p	279,300,000

No options were exercised or forfeited in the years ended 31 March 2015 or 31 March 2014.

The options outstanding as at 31 March 2015 had a weighted average remaining contractual life of 2.97 years (2014: 3.97years).

As at 31 March 2015 279,300,000 options were exercisable (2014: 279,300,000).

The fair value of the share options was determined using the Black-Scholes valuation model.

Total share warrants in issue

No share warrants over ordinary shares were recognised as having been granted during the year ended 31 March 2015 (2014: £nil).

As at 31 March 2015, the unexercised warrants in issue were:

Exercise Price	Vesting Date	Expiry Date	**Warrants in Issue 31 March 2015**	Warrants in Issue 31 March 2014
1p	15-Sep-10	31-Dec-15	**16,500,000**	16,500,000
1.25p	11-May-12	11-May-15	**20,000,000**	20,000,000
			36,500,000	36,500,000

Under IFRS 2 "Share-based Payments", the Company determines the fair value of options issued to Directors, Employees and other parties as remuneration and recognises the amount as an expense in the Statement of Comprehensive Income with a corresponding increase in equity.

The total number of options in issue during the year has given rise to a charge to the Income Statement for the year ended 31 March 2015 of £19,000 (2014: £258,000) based on the fair values at the time the options were granted.

22. Share premium

	2015 £ 000s	2014 £ 000s
As at 31 March	**30,411**	29,911
Additions		
2 December 2014	**265**	
6 January 2015	**35**	
12 February 2015	**14**	
Total Additions	**314**	500
As at 31 March	**30,725**	30,411

On 2 December 2014, 265,000,000 ordinary shares of no par value were issued at a price of 0.10 pence per share, for a cash consideration of £265,000 before share issue costs.

Subsequently, on 6 January 2015, the Directors subscribed to 35,000,000 ordinary shares of no par value, issued at a price of 0.10 pence per share, for a cash consideration of £35,000 before share issue costs.

Finally, on 12 February 2015 Ortac announced that it had issued a total of 10,650,000 new ordinary shares of no par value to an adviser to Ortac in lieu of fees generated in the ordinary course of business ("Fee Shares") and to a former Consultant to Ortac in respect of a performance bonus ("Bonus Shares"). This issuance had a cash equivalent value of £14,065.

23. Financial instruments and capital risk management

Financial Risk Management

Financial Risk Factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is carried out by the Board of Directors under policies approved at Board meetings. The Board frequently discusses principles for overall risk management including policies for specific areas such as foreign exchange.

a) Market Risk

i) Foreign Exchange Risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the UK pound sterling and Euro and the US Dollar. Foreign exchange risk arises from recognised monetary assets and liabilities, where they may be denominated in a currency that is not the Group's functional currency. The exposure to this risk is not considered material to the Group's operations and thus the Directors consider that, for the time being, no hedging or other arrangements are necessary to mitigate this risk.

On the assumption that all other variables were held constant, and in respect of the Group and the Company's expenses the potential impact of a 10% increase/decrease in the UK Sterling/Euro Foreign exchange rate on the Group's loss for the year and on equity is as follows:

Potential impact on euro expenses: 2015		**Effect on loss before tax for the year ended**		Effect on equity before tax for the year ended	
		Group	**Company**	Group	Company
Increase/(decrease) in foreign exchange rate		**£ 000's**	**£ 000's**	£ 000's	£ 000's
	10%	**68**	**22**	**68**	**22**
	-10%	**(68)**	**(22)**	**(68)**	**(22)**

b) Credit Risk

Credit risk arises from cash and cash equivalents.

The Group considers the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk. The Group will only keep its holdings of cash and cash equivalents with institutions which have a minimum credit rating of 'A'.

The Group considers that it is not exposed to major concentrations of credit risk.

The Group holds cash as a liquid resource to fund its obligations. The Group's cash balances are held in Sterling and Euros. The Group's strategy for managing cash is to maximise interest income whilst ensuring its availability to match the profile of the Group's expenditure. This is achieved by regular monitoring of interest rates and monthly review of expenditure forecasts.

The Group has a policy of not hedging and therefore takes market rates in respect of foreign exchange risk; however, it does review its currency exposures on an ad hoc basis. Currency exposures relating to monetary assets held by foreign operations are included within the foreign exchange reserve in the Group Balance Sheet.

The currency profile of the Group's cash and cash equivalent is as follows:

	2015	2014
Cash and cash equivalents	**£ 000's**	£ 000's
Sterling	**487**	2,208
Euros	**11**	45
At end of year	**498**	2,253

On the assumption that all other variables were held constant, and in respect of the Group's cash position, the potential impact of a 10% increase/decrease in the UK Sterling/Euro foreign exchange rate would have decreased/increased the Group's loss for the year and reduced/increased equity as at 31 March 2015 as follows:

Potential impact on:	**Loss for the year**		**Other components of equity**	
	2015	2014	**2015**	2014
	£ 000's	£ 000's	**£ 000's**	£ 000's
Cash and cash equivalents	**2**	6	**2**	6

c) Liquidity Risk

To date the Group has relied upon equity funding to finance operations. The Directors are confident that adequate funding will be forthcoming with which to finance operations. Controls over expenditure are carefully managed.

The Group ensures that its liquidity is maintained by a management process which includes projecting cash flows and considering the level of liquid assets in relation thereto, monitoring Balance Sheet liquidity and maintaining funding sources and back-up facilities.

Fair Value Estimation

Fair value measurements are disclosed according to the following fair value measurement hierarchy:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2);
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's financial assets and financial liabilities that are measured at fair value at 31 March 2015.

Items at fair value as at 31 March 2015	Level 1	Level 2	Level 3	Total
Assets	£ 000's	£ 000's	£ 000's	£ 000's
Total Assets	-	-	-	-

The following table presents the Group's financial assets and financial liabilities that are measured at fair value at 31 March 2014.

Items at fair value as at 31 March 2014	Level 1	Level 2	Level 3	Total
Assets	£ 000's	£ 000's	£ 000's	£ 000's
Available-for-sale financial assets				
-Equity securities	-	-	605	605
Total Assets	-	-	605	605

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets

Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market

The movement in the levels during the year to 31 March 2015 are attributable to the additional acquisition of shares in Andiamo.

Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to position as a going concern and to continue its exploration and evaluation activities. The Group has no debt at 31 March 2015 and has capital, defined as the total equity of the Group, of £13,588,000 (2014: £15,460,000).

The Group monitors its level of cash resources available against future planned exploration and evaluation activities and may issue new shares in order to raise further funds from time to time.

24. Secured loan

Current	Group		Company	
	2015	2014	**2015**	2014
	£ 000's	£ 000's	**£ 000's**	£ 000's
Secured Lendings at amortised cost				
8% secured convertible loan note	**304**	-	**304**	-
At 31 March 2015	**304**	**-**	**304**	**-**

On 30 March 2015, Ortac Resources Limited announced that it had entered into a US $600,000 8% Secured Convertible Loan Note (the "Convertible") and a one note for one share Call Option Agreement (the "Option") with Zamsort, a private company registered in Zambia that holds a prospective Cu-Co mining and exploration licence in the Zambian Copper Belt.

As at 31 March 2015, Ortac Resources Limited had advanced US$ 450,000 (£304,000) to Zamsort as a first instalment of this loan, with the balance of US$ 150,000 following due diligence, paid on 9 April 2015.

The loan notes are convertible at any time prior to the redemption date. The net proceeds received from the issue of the loan notes have been split between a receivable/liability element and an equity component, representing the fair value of the embedded option to convert the liability into equity.

25. Commitments

Operating leases

Future aggregate minimum lease payments	Group 2015 £ 000's	Company 2015 £ 000's	Group 2014 £ 000's	Company 2014 £ 000's
Not later than one year	**18**	**-**	18	-
Later than one year but not later than five years	**-**	**-**	-	-
Total lease commitment	**18**	**-**	18	-

As at 31 March 2015, the Group has entered into only one material commitment, as follows:

On 16 August 2011, Ortac Resources (UK) Limited, at that time Ortac Resources plc entered into a 5-year lease agreement to rent space located at 96-97 Jermyn Street, at a rent payable of £36,000 per year, payable in 4 equal instalments in advance on a quarterly basis. The lease is terminable after 3 years, subject to six months notice.

Exploration commitments

Ongoing exploration expenditure is required to maintain title to the Group's mineral exploration permits. No provision has been made in the Group financial statements for these amounts as the expenditure is expected to be fulfilled in the normal course of the operations of the Group.

26. Contingent liability

As part of its acquisition of Kremnica Gold s.r.o. and Kremnica Gold Mining s.r.o. (since 1 April 2014 both merged together and renamed Ortac s.r.o) on 15 September 2010, the Company agreed to pay:

a) Vendor royalties of up to US$3,750,000 in either shares or cash - being $15 per ounce on the first 250,000 ounces of gold equivalent (gold plus silver) resource defined as proven and probable reserve in the bankable feasibility study. Said royalty will become payable within 60 days of all required permits being obtained to allow commercial production at the Kremnica property; and

b) A 2 per cent Net Smelter Royalty ("NSR") on gold and silver production from the Kremnica Gold Project to a limit of the first 1,000,000 ounces produced, reduced to a 1 per cent NSR on the next 1,000,000 ounces and zero per cent thereafter. At any time prior to the reduction of the NSR percentage to 1 per cent, Ortac may acquire half of the 2 per cent NSR for US$1,000,000. After the reduction of the NSR to 1 per cent, the Purchaser may acquire all of the Vendor NSR for US$1,000,000.

On the basis of the updated third party resource study, the Directors are confident that proven and probable reserves will significantly exceed 250,000 ounces of gold equivalent (gold plus silver) resource. Notwithstanding this, until such time as it is clear that all the required permits to achieve commercial production will be secured, no provision for such amounts can be included in the Group financial statements.

The maximum contingent liability as at 31 March 2015 is £ 2,414,370 (2014: £2,253,335) in each case being the pounds sterling equivalent of US$3,750,000 at rates of exchange prevailing at the respective year ends.

27. Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Balances owed to the Company by Ortac Resources (UK) Limited as at 31 March 2015 were £8,846,000 (2014: £7,951,000).

The following transactions took place with subsidiaries in the year to 31 March 2015 and 31 March 2014:

Amounts totalling £895,000 (2014: £1,938,000) were lent by the Company to Ortac Resources (UK) Limited, which, in turn and after meeting its own costs, then provided funding to the Group's subsidiaries in Slovakia.

Remuneration of Key Management Personnel

The remuneration of the Directors, and other key management personnel of the Group, is set out in note 9. The Directors remunerations is largely paid to them by way of service companies, wholly controlled by them: A Balme's remuneration is paid on the basis of invoices from Carter Capital Limited, V Carrellas's remuneration is paid remuneration is paid on the basis of invoices from VC Resources Limited, D Paxton's remuneration is paid on the basis of invoices from Adit Limited, and P Heber's remuneration is paid on the basis of invoices from Pumba Consulting Limited.

28. Ultimate controlling party

The Directors believe there to be no ultimate controlling party.

29. Events after the reporting period

On 7 July 2015 Ortac announced that it had raised a further 705,882,353 ordinary shares of no par value, which were issued at a price of 0.085 pence per share, for a cash consideration of £600,000 before share issue costs. Certain of the Directors participated in this placing and purchased 54,117,647 ordinary shares of no par value, for a cash consideration of £46,000.

On 25 August 2015 Ortac announced that it had exercised its call option agreement with Zamsort. The exercise of this option paved the way for Ortac to invest a further US$600,000 into Zamsort, by way of secured convertible loan note, bringing the total invested by Ortac in Zamsort to US $1.2 million. Ortac's potential shareholding in Zamsort, upon conversion of the loan notes, has now been increased from 10.71% to 19.35% of the issued share capital of Zamsort.

Other than the above, there have been no post balance sheet events to disclose.

CORPORATE INFORMATION

Registered number	**1396532 registered in British Virgin Islands**
Directors	**Anthony Balme** - Executive Chairman **Vassilios Carellas** – Chief Executive Officer **David Paxton** – Non Executive Director **Paul Heber**– Non Executive Director
Company Secretary	**H Green**
Registered Office	**Craigmuir Chambers** Road Town, Tortola British Virgin Islands VG 1110 Email: info@ortacresources.com Website: www.ortacresources.com
Independent Auditors	**PKF Littlejohn LLP (**Registered Auditor) 1 Westferry Circus Canary Wharf London E14 4HD United Kingdom
Solicitors	**Kerman & Co LLP** 200 The Strand Strand, London WC2R 1DJ United Kingdom
Nominated Advisor and Broker	**SP Angel Corporate Finance LLP** Prince Frederick House 35-39 Maddox Street London W1S 2PP United Kingdom
Registrars	**Computershare Investor Services (Channel Islands) Ltd** PO Box 83 Ordnance House, 31 Pier Road St Helier JE4 8PW Channel Islands
Principal Bankers	**Bank of Scotland** 33 Old Broad Street London EC2H 1HZ United Kingdom