

28 June 2019

Richland Resources Ltd (“Richland” or the “Company”)

Final Results for the year ended 31 December 2018 and Availability of Annual Report

Richland (AIM: RLD), the gemstones producer and developer, announces its audited results for the year ended 31 December 2018.

Further to the Company’s announcement yesterday in relation to the option agreement entered into with Fura Gems Inc. to sell the Option Assets (as defined therein) (the “**Fura Transaction**”) it will in due course be issuing notice of the Company’s 2019 Annual General Meeting (“**AGM**”) in order to, *inter alia*, seek shareholder approval for the Fura Transaction.

Copies of the Company’s full Annual Report and Financial Statements for the financial year to 31 December 2018 will be made available to download from the Company’s website at www.richlandresourcesltd.com today and are being posted to shareholders.

Financial Summary (continuing operations)

- US\$0.1 million net loss (2017: US\$0.9 million)
- US\$0.03 million cash and cash equivalents (2017: US\$0.4 million)
- Total Assets of US\$0.06 million (2017: US\$2.1 million)
- Total Liabilities at year end of US\$0.7 million (2017: US\$1.1 million)

Financial Summary (discontinued operations)

- US\$0.9 million net loss (2017: US\$3.1 million)
- US\$1 million – non-current assets and disposal groups classified as held for sale
- US\$0.26 million – liabilities associated with the disposal groups classified as held for sale

Corporate Highlights

- Convertible loan:
 - As announced on 25 June 2018, the Company obtained a secured £300,000 Convertible Loan facility (the “**Convertible Loan Facility**”) from a significant shareholder in the Company. Subsequently, the principal loan amount was increased from £300,000 to £400,000 on 28 September 2018.
- Sales commissions conversion:
 - On 5 February 2018, the Company announced that it had issued 3,581,237 new common shares to Anthony Brooke in respect of certain sales commissions of US\$42,717 earned during the period from 1 December 2016 to 31 December 2017, based on the Company’s volume weighted average share price of 0.84 pence for the year ended 30 November 2017 and a GBP:USD exchange rate of 1.42.

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- Waiver of fees:
 - On 25 June 2018, the Company announced that the Company's existing Directors and senior management team, together with certain former directors and a former consultant, had agreed to waive, in aggregate, US\$314,590 of fees accrued for periods ranging from December 2016 to 31 May 2018.
- Conversion of fees by directors and management:
 - Further to the fees waiver announced on 25 June 2018, existing Directors and senior management personnel, together with certain former directors and a former consultant, agreed to convert the balance of US\$275,215 of unpaid fees accrued for the same period to 31 May 2018 into new common shares of US\$0.0003 each in the capital of the Company ("**Common Shares**"). In aggregate, 74,120,531 new Common Shares (the "**Conversion Shares**") were issued at an issue price of 0.28 pence per share (the "**Conversion Price**").
 - A further 16,000,000 new Common Shares (the "**Professional Fee Shares**") were issued at the Conversion Price in relation to professional fees due through to 31 December 2018.

Subsequent events

- **Increase in Convertible Loan Facility:** On 1 April 2019, the Company announced that it had negotiated and agreed an increase in the amount available for drawdown under the Convertible Loan Facility of US\$150,000 (the "**Additional US\$ Facility**"). Save for the fact that the Additional US\$ Facility has no conversion rights and is therefore not convertible into shares in the Company, all other terms and conditions of the Convertible Loan Facility, which remain unaltered, apply to the Additional US\$ Facility.
- **Option Agreement to sell the Capricorn Sapphire Project:** As announced on 27 June 2019, Richland entered into an option agreement on 26 June 2019 (the "**Option Date**") with Fura Gems Inc. ("**Fura**") which is listed on the TSX Venture Exchange ("**TSX-V**") (the "**Option Agreement**"). Pursuant to the terms of the agreement, Fura has, for an option fee of CAD150,000, been granted an option valid until 31 July 2019 (the "**Option**") to conditionally acquire from the Company: (i) all of the issued shares of its wholly owned subsidiary Richland Corporate Ltd ("**Richland Corporate**") (the "**Shares**"); and (ii) all of the Company's loans to Richland Corporate (the "**Shareholder Loan**") (together, the "**Option Assets**") (the "**Proposed Disposal**"). Richland Corporate owns 100 per cent. of Capricorn Sapphire Pty Ltd ("**Capricorn Sapphire**"), which in turn holds the group's Capricorn Sapphire project in Queensland, Australia.
 - **Purchase Price:** The price payable by Fura for the Option Assets at completion is US\$185,000 (the "**Cash Consideration**") and the issue of 4,859,825 new common shares in Fura (the "**Consideration Shares**") (together, the "**Purchase Price**").
 - **Additional Consideration:** In addition to the Purchase Price, further payments in respect of the Proposed Disposal will be due from Fura as follows:
 - on completion, Fura is to: (i) pay the Company US\$90,000 by way of a contribution towards the expenses incurred by the Company in respect of Capricorn Sapphire during 2019 to date (the "**Additional Cash Payment On Completion**"); and (ii) issue to Richland such number of additional new Fura shares as is equivalent to AUD150,000 by way of a partial refund of the financial assurance deposits of AUD371,911 (the "**Financial Assurance Deposits**") lodged by the Company on behalf of Capricorn Sapphire (the "**Additional Share Consideration On Completion**"); and

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- 18 months after completion, Fura is to pay the Company a further AUD221,911 in cash (less any environmental liability claims made against the Financial Assurance Deposits by the relevant government authorities) being the refund of the balance of the abovementioned Financial Assurance Deposits.
- **Proposed Repayment of Convertible Loan Facility:** The Purchase Price and Additional Consideration will be used to repay the principal amount due under the Convertible Loan Facility which based on the GBP:US\$ FX rate as at 26 June 2019 of 0.78563 equated to approximately £527,045.
- **Conditional extension of Loan Maturity Date:** Conditional upon completion of the Proposed Disposal, the Lender under the Convertible Loan Facility has agreed to extend the maturity date of the Loan to the Longstop Date under the Option Agreement which is 31 October 2019.
- **Additional Director & Management Fee Waiver and proposed fee conversion:** The Directors and senior management team have agreed to waive, in aggregate, US\$452,559 of accrued fees due to them up to 30 June 2019 and to convert, in aggregate, a further US\$86,250 of unpaid fees into new Common Shares (subject to the Company being in an open period). Accordingly, all outstanding fees due to the Company's current Directors and senior management up to 30 June 2019 are expected to be waived/settled in full.

Outlook

- Following successful completion of the Proposed Disposal, the Company will become an AIM Rule 15 cash shell and, as such, will be required to make an acquisition, or acquisitions, which constitutes a reverse takeover under AIM Rule 14 (including seeking re-admission under the AIM Rules for Companies) within six months from the completion date. Alternatively, within such time period, the Company could seek to become an investing company pursuant to AIM Rule 8, which requires, *inter alia*, the raising of at least £6 million and publication of an admission document.
- The Company intends to secure additional funding through debt and/or an equity fundraising in order to provide the Company with sufficient working capital for the period through to completion of the Proposed Disposal and, in anticipation of the successful completion of the Fura Transaction in due course, is currently seeking to identify and evaluate suitable reverse takeover opportunities in the mining sector.

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The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014.

Notes to Editors:

Further information is available on the Company's website: www.richlandresourcesltd.com. Neither the contents of the Company's website nor the contents of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

Chairman's Statement

As Chairman of Richland Resources Ltd ("**Richland**" or the "**Company**"), I am pleased to present the Group's final results for the financial year ending 31 December 2018 and to report on the Company's ongoing activities to the date of this statement.

The accounts provide details of an option agreement which Richland entered into on 26 June 2019 (the "**Option Date**") with Fura Gems Inc. ("**Fura**") which is listed on the TSX Venture Exchange ("**TSX-V**") (the "**Option Agreement**"), whereby Fura has an option until 31 July 2019 to conditionally acquire from the Company: (i) all of the issued shares of its wholly owned subsidiary Richland Corporate Ltd ("**Richland Corporate**") (the "**Shares**"); and (ii) all of the Company's loans to Richland Corporate (the "**Shareholder Loan**") (together, the "**Option Assets**") (the "**Proposed Disposal**"). Richland Corporate owns 100 per cent. of Capricorn Sapphire Pty Ltd ("**Capricorn Sapphire**"), which in turn holds the group's Capricorn Sapphire project in Queensland, Australia. In accordance with IFRS reporting requirements the Company's 2018 accounts distinguish between the financials of the Disposal Group ("**Discontinued Operations**") and Richland's ongoing operations ("**Continuing Operations**") and comparative information has been restated to ensure comparability.

Operations: There was no production during the year as in mid-December 2017, we decided to temporarily halt mining operations in light of, *inter alia*, extreme weather conditions experienced during Q4 2017 and a weak market environment, in order to conserve cash resources and in anticipation of a recovery in sapphire pricing levels and market demand. Regrettably, we haven't subsequently been able to raise sufficient financing to re-commence production leading to the abovementioned Proposed Disposal.

Financial Performance:

	2018	2017
	(US\$M)	(US\$M)
Continuing operations		
Net Loss	0.1	0.9
Total Assets	0.06	2.1
Total Liabilities	0.7	1.1
Disposal Group		
Net Loss	0.9	3.1
Total assets	1.0	N/A
Total Liabilities	0.3	N/A
Net assets	0.7	N/A

Strategic review process: Production at our Capricorn Sapphire mine was temporarily halted in December 2017. Further to the suspension of mining operations and the subsequent appointment of our Chief Executive Officer, Anthony Brooke, in early 2018, we conducted a comprehensive review of Capricorn Sapphire's mining, marketing and sales operations, which was concluded in June 2018. A summary of the review's principal findings is set out below.

Key findings

- Following the suspension of mining operations in December 2017, the Company has conducted regular and ongoing maintenance activities to keep the mine's infrastructure and equipment in good standing and in a state of readiness to be able to recommence production at short notice. Accordingly, subject to the Company securing sufficient additional funding, it was envisaged that mining operations could be recommenced within a one month timeframe from a re-start decision being made.
- The Company's exploration activities during the review period focussed on refining the mine plan and the identification and delineation of two initial target areas on the licenced acreage for opening-up when production recommenced.
- A further exploration programme had been formulated, for when the mine was back in production, to target potential resource expansion and improvement in grade and recovery comprising, subject to funding, a ground penetrating radar survey and further drilling together with the potential appointment of a site geologist in order to more tightly control mining and exploration geology.
- It was intended that mine stockpiles would be created and maintained onsite concurrently with production, alongside the use of additional pumps as required in order to better manage production flow during adverse weather conditions.

Financing

Simultaneously with the results of the strategic review process, the Company announced:

- A financing facility of up to £300,000 for short term working capital purposes obtained by way of a secured convertible loan at an interest rate of 3 month GBP LIBOR plus 7.5 per cent. per annum, with an initial scheduled maturity date of 31 December 2018, from Astor Management AG, a private company controlled by a long-term significant shareholder in the Company (the "**Convertible Loan**"); and
- That the Directors, senior management team, certain former directors and a former consultant had agreed to waive, in aggregate, £237,230 (approximately US\$314,000) of accrued fees due to them and, subject to the Company being in an open period following the publication of the 2017 annual report and financial statements, to convert, in aggregate, a further £207,537 (approximately US\$275,215) of unpaid fees into new Common Shares. Accordingly, all outstanding fees due to the Company's current and former Directors, and existing senior management and a former consultant up to 31 May 2018 were waived/settled in full.

Post balance sheet waiver/proposed conversion of fees: The Directors and senior management team have agreed to waive, in aggregate, US\$452,559 of accrued fees due to them up to 30 June 2019 and to convert, in aggregate, a further US\$86,250 of unpaid fees into new Common Shares (subject to the Company being in an open period). Accordingly, all outstanding fees due to the Company's current Directors and existing senior management up to 30 June 2019 is expected to be waived/settled in full.

Background to the Proposed Disposal: The Company has, for some time, been engaged in discussions with potential strategic investors to procure sufficient funding to enable the recommencement of production at the Capricorn Sapphire mine or, alternatively, conclude negotiations in respect of the sale of all or part of Capricorn Sapphire. Accordingly, the granting of

the abovementioned option to Fura on 26 June 2019 and successful consummation of the Proposed Disposal in due course will result in the sale of the entire Capricorn Sapphire project.

AIM Rule 15 and General Meeting: In accordance with AIM Rule 15, the Proposed Disposal will constitute a fundamental change of business for the Company and will therefore require the approval of shareholders at a duly convened general meeting. Accordingly, the Company will shortly be publishing a circular, incorporating a notice of general meeting, to the Company's shareholders, which will include customary salient information in relation to the Proposed Disposal (the "GM Notice").

AIM Rule 15 cash shell status: Following successful completion of the Proposed Disposal, Richland will become an AIM Rule 15 cash shell and, as such, will be required to make an acquisition, or acquisitions, which constitutes a reverse takeover under AIM Rule 14 (including seeking re-admission under the AIM Rules for Companies) within six months from the Completion date. Alternatively, within such time period, the Company could seek to become an investing company pursuant to AIM Rule 8, which requires, *inter alia*, the raising of at least £6 million and publication of an admission document.

As a significant shareholder I, like you, am most disappointed that we were unable to achieve sustainable profitability at an operational level for our Capricorn Sapphire operation leading to its proposed disposal at a loss, but as the Company was unable to raise funds to re-finance Capricorn Sapphire, the Board had to make this difficult decision to sell Capricorn Sapphire.

The fee waiver and fee conversions in 2018 and the post balance sheet additional waiver/proposed conversion of fees by the Directors and senior management team serve to demonstrate our continued commitment to the Company. Accordingly, following completion of the Proposed Disposal the Company intends to seek to identify a suitable reverse takeover transaction in the mining sector, with a clear alignment between the interests of its directors, management and shareholders.

Last but not least, on behalf of the Board I wish to express our appreciation for the support and patience of the Company's various stakeholders during this period of transition.

Edward Nealon
Non-Executive Chairman

28 June 2019

Chief Executive's Operational and Financial Review

1. Overview

In mid December 2017, the Company decided to temporarily halt mining operations in light of, *inter alia*, adverse weather conditions and a weak market environment in order to conserve cash resources. Following a comprehensive review of the strategic options available for its mining operations in Australia, on 28 September 2018, Richland announced, *inter alia*, that it was engaged in discussions with potential strategic investors to procure sufficient funding to enable the recommencement of production at the Capricorn Sapphire mine or, alternatively, was seeking to conclude ongoing negotiations with different parties in relation to the potential sale of all or a part of Capricorn Sapphire.

Subsequently, Richland entered into an option agreement on 26 June 2019 (the "Option Date") with Fura Gems Inc. ("Fura") which is listed on the TSX Venture Exchange ("TSX-V") (the "Option

Agreement). Pursuant to the terms of the agreement, Fura has, for an option fee of CAD150,000, been granted an option valid until 31 July 2019 (the **“Option”**) to conditionally acquire from the Company: (i) all of the issued shares of its wholly owned subsidiary Richland Corporate Ltd (**“Richland Corporate”**) (the **“Shares”**); and (ii) all of the Company’s loans to Richland Corporate (the **“Shareholder Loan”**) (together, the **“Option Assets”**) (the **“Proposed Disposal”**). Richland Corporate owns 100 per cent. of Capricorn Sapphire Pty Ltd (**“Capricorn Sapphire”**), which in turn holds the group’s Capricorn Sapphire project in Queensland, Australia. As Fura did not wish to acquire the Company’s online operations, it was decided to wind down the affairs of Richland Gemstones Ltd. The Company’s audited financial results, in accordance with IFRS 5, therefore distinguish between the financials of the Disposal Group (**“Discontinued Operations”**) and Richland’s ongoing operations (**“Continuing Operations”**) and comparative information has been restated to ensure comparability.

2. Financial Performance

2.1 Discontinued Operations

Net loss from Discontinued Operations of US\$0.9 million (2017: US\$3.1 million) has been recognised.

The **total assets** for the Discontinued Operations were US\$1 million at the year end.

The **total liabilities** for the Discontinued Operations were US\$263k at the year end.

2.2 Continuing Operations

Net loss for the year was US\$0.1 million against the prior year loss of US\$0.9 million.

The **total assets** for Continuing Operations were US\$58k at the year end.

The Continuing Operations had a net **cash** position of US\$28k as at the year end.

The Continuing Operations had **total liabilities** of US\$700k as at the year end. The secured convertible loan, with a carrying value of US\$249k as at 31 December 2018, is intended to be settled upon completion of the abovementioned transaction with Fura and US\$295k of fees outstanding at the year end to directors and management have been waived post the balance sheet date.

3. Dividend

The directors have not declared a dividend (2017: Nil).

4. Corporate Activities

Secured Convertible Loan

On 25 June 2018, the Company announced a Secured Convertible Loan facility of up to £300,000 for short term working capital purposes at an interest rate of 3 month GBP LIBOR plus 7.5 per cent. per annum, with a scheduled maturity date of 31 December 2018, from Astor Management AG (the **“Lender”**), a private company controlled by a long-term significant shareholder in the Company. Subsequently, the principal loan amount was increased from £300,000 to £400,000 in September 2018 and by a further US\$150,000 in April 2019. It has been agreed with the Lender to extend the maturity date to the Option Agreement’s longstop date of 31 October 2019, conditional on completion of the Proposed Disposal.

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The salient terms of the Secured Convertible Loan Facility as at the date of the accounts are summarised below:

- (i) Term: A scheduled maturity date of 31 October 2019 (conditional on completion of the Proposed Disposal) when, unless otherwise converted, the principal amount and any accrued interest is repayable in full. The Company may pre-pay the whole or any part of the loan on any day prior to the scheduled maturity date upon giving not less than 15 business days' prior written notice to the Lender and provided that any amount prepaid will still accrue interest as though it were repaid on the maturity date.
- (ii) Principal amount: £400,000 and US\$150,000 (with the Company to pay the Lender's legal costs in respect of preparing and entering into the facility documentation).
- (iii) Interest rate: 3 month GBP LIBOR + 7.5 per cent. per annum, payable quarterly in arrears.
- (iv) Security: Charge over all of the assets of Capricorn Sapphire, the Company's wholly owned subsidiary that holds the Company's mining tenements and operates the Capricorn Sapphire mine, as well as the group's shares in Capricorn Sapphire.
- (v) Conversion rights: Sterling principal amount and any accrued interest convertible at the discretion of the Lender during the term at the lower of:
 - a) 0.25 pence per share;
 - b) the Company's volume weighted average share price for the thirty trading days up to and including the trading day prior to the conversion date specified in the conversion notice or such other date as the parties may agree; and
 - c) any price at which the Company issues new shares for cash from the commencement of the loan period to the date of conversion.
- (vi) Board representation: The Lender has the right to nominate a non-executive director, subject to the prior approval of the Company's Nominated Adviser, whilst the Lender and its associates have (a) a shareholding representing more than 10 per cent. of the Company's issued share capital from time to time; or (b) greater than or equal to £75,000 principal amount is outstanding under the Secured Convertible Loan Facility.
- (vii) Events of default include customary solvency and regulatory matters for a facility of this nature, including whether the Company's financial statements are qualified by its auditor on a going concern basis, if the Company's shares are cancelled from admission to trading on AIM and if the Company is in breach of the AIM Rules for Companies.

If an event of default is not remediated or has not been remedied within 7 business days then the conversion price as calculated in accordance with clause v) above is to be reduced by 50 per cent. with respect to any conversion notice issued after such an event occurs.

Waiver of certain Directors' and Management's Fees

As announced on 25 June 2018, in order to preserve cash reserves within the Company, the Directors, senior management personnel, certain former Directors and a former consultant agreed to waive, in aggregate, US\$314,590 of accrued fees due to them for periods from December 2016 up to and including 31 May 2018 (the "**Fee Waiver**").

Conversion of certain Directors' and Management's and other fees into new Common Shares

On 5 February 2018, the Company announced that it had issued 3,581,237 new Common Shares to Anthony Brooke in respect of certain sales commissions of US\$42,717 earned during the period from 1 December 2016 to 31 December 2017, based on the Company's volume weighted average

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share price of 0.84 pence for the year ended 30 November 2017 and a GBP:USD exchange rate of 1.42.

Further to the Company's announcements of 25 June 2018 and 6 July 2018, in order to further conserve the Company's cash reserves, certain of the Directors, senior management personnel, former Directors and a former consultant agreed to convert, in aggregate, US\$275,215 of unpaid fees due to them for periods ranging from December 2016 up to and including 31 May 2018 into new Common Shares (the "**Fee Conversion**"). The Fee Conversion settled all remaining fees due to the current and former directors, former consultant and current senior management up to 31 May 2018.

Pursuant to the Fee Conversion, the Company issued, in aggregate, 74,120,531 new Common Shares (the "**Conversion Shares**") at an issue price of 0.28 pence per share (the "**Conversion Price**"), representing a premium of approximately 27 per cent. to the Company's closing mid-market share price of 0.22 pence on 5 July 2018.

In addition, the Company issued a further 16,000,000 new Common Shares (the "**Professional Fee Shares**") at the Conversion Price in relation to professional fees due through to 31 December 2018.

The Directors and senior management team have agreed to waive, in aggregate, an additional US\$452,559 of accrued fees due to them up to 30 June 2019 and to convert, in aggregate, a further US\$86,250 of unpaid fees into new Common Shares (subject to the Company being in an open period). Accordingly, all outstanding fees due to the Company's Directors and existing senior management team up to 30 June 2019 are expected to be waived/settled in full.

5. Outlook

Following successful completion of the abovementioned proposed disposal of the Option Assets to Fura ("**Completion**"), the Company will become an AIM Rule 15 cash shell and, as such, will be required to make an acquisition, or acquisitions, which constitutes a reverse takeover under AIM Rule 14 (including seeking re-admission under the AIM Rules for Companies) within six months from the Completion date. Alternatively, within such time period, the Company could seek to become an investing company pursuant to AIM Rule 8, which requires, *inter alia*, the raising of at least £6 million and publication of an admission document.

The Company intends to secure additional funding through debt and/or an equity fundraising in order to provide the Company with additional working capital for the period through to Completion.

Anthony Brooke
Chief Executive Officer

28 June 2019

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Financial Statements

Richland Resources Ltd
 Consolidated statement of profit or loss
 for the Year Ended 31 December 2018
 (Audited)

	<u>2018</u> US\$'000	<u>2017</u> US\$'000
<u>CONTINUING OPERATIONS</u>		
Other income	74	17
Operating expenses	<u>(426)</u>	<u>(865)</u>
Operating loss	(352)	(848)
Net finance income	<u>269</u>	<u>-</u>
Loss before taxation	(83)	(848)
Income tax charge	<u>-</u>	<u>-</u>
Loss for the year from continuing operations	(83)	(848)
<u>DISCONTINUED OPERATIONS</u>		
Loss for the year from discontinued operations	<u>(941)</u>	<u>(3,105)</u>
Loss for the year	<u>(1,024)</u>	<u>(3,953)</u>
Attributable to:		
Equity owners of the parent	(1,024)	(3,953)
- Continuing operations	(83)	(848)
- Discontinued operations	(941)	(3,105)
Other comprehensive income		
Loss for the year	(1,024)	(3,953)
<i>Items that may be reclassified to profit or loss:</i>		
Foreign exchange (loss)/gain on translation of foreign operation	<u>(79)</u>	<u>106</u>
Total comprehensive loss for the year	<u>(1,103)</u>	<u>(3,847)</u>
Attributable to:		
Equity owners of the parent	(1,103)	(3,847)
- Continuing operations	(83)	(848)
- Discontinued operations	(1,020)	(2,999)
Total comprehensive loss for the year	<u>(1,103)</u>	<u>(3,847)</u>
Loss per share attributable to the owners of the parent during the year		
Basic and diluted loss per share from continuing operations (US cents/share)	(0.02)	(0.20)
Basic and diluted loss per share from discontinued operations (US cents/share)	(0.18)	(0.72)
Basic and diluted loss per share from all operations (US cents/share)	(0.20)	(0.92)

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Richland Resources Ltd
 Consolidated statement of financial position
 as at 31 December 2018
 (Audited)

	<u>2018</u> US\$'000	<u>2017</u> US\$'000
Assets		
Non-current assets		
Property, plant and equipment	-	964
Intangible assets	-	52
Total non-current assets	-	1,016
Current assets		
Inventories	-	139
Trade and other receivables	30	289
Restricted cash and cash equivalents	-	296
Cash and cash equivalents	28	386
	58	1,110
Non-current assets and disposal groups classified as held for sale	1,007	-
Total current assets	1,065	1,110
Total assets	1,065	2,126
Equity		
Share capital	173	145
Share premium	54,644	54,389
Share option reserve	47	123
Foreign currency translation reserve	54	133
Accumulated loss	(54,816)	(53,792)
Total equity	102	998
Liabilities		
Non-current liabilities		
Provision for environmental rehabilitation	-	273
Total non-current liabilities	-	273
Current liabilities		
Trade and other payables	451	855
Convertible loan	249	-
	700	855
Liabilities associated with disposal groups classified as held for sale	263	-
Total current liabilities	963	855
Total liabilities	963	1,128
Total equity and liabilities	1,065	2,126

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Richland Resources Ltd
 Consolidated statement of cash flows
 for the Year Ended 31 December 2018
 (Audited)

	<u>2018</u> US\$'000	<u>2017</u> US\$'000
Cash flows from operating activities		
Cash utilised by operations	(827)	(1,335)
Interest received	2	-
Interest paid	(6)	(9)
	(831)	(1,344)
Net cash utilised in operating activities		
Cash flows from investing activities		
Purchase of property, plant and equipment	(10)	(282)
Purchase of intangible assets	(11)	(19)
Derecognise disposal group cash	-	(33)
	(21)	(334)
Net cash (utilised)/generated in investing activities		
Cash flows from financing activities		
Proceeds from issue of shares	-	1,731
Proceeds from borrowings	533	-
	533	1,731
Net cash generated from financing activities		
Net increase/(decrease) in cash and cash equivalents		
	(319)	53
Movement in cash and cash equivalents		
Exchange losses	(8)	(26)
At the beginning of the year	386	359
Increase/(decrease)	(319)	53
At the end of the year		
	59	386
Cash and cash equivalents - continuing operations	28	259
Cash and cash equivalents included in asset from disposal group classified as held for sale	31	127