West African Minerals Corporation

(Formerly Emerging Metals Limited)

Consolidated Interim Financial Report

For the six month period year ended 30 September 2012

Registration number: 1415559

West African Minerals Corporation
(formerly Emerging Metals Limited)

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West African Minerals Corporation

(formerly Emerging Metals Limited)

Management and administration

Registered office	Craigmuir Chambers Road Town Tortola British Virgin Islands
Secretary	Denham Eke 4th Floor Viking House Nelson Street Douglas Isle of Man IM1 2AH
Nominated Adviser	Beaumont Cornish Limited 2nd Floor Bowman House 29 Wilson Street London EC2M 2SJ
Broker	Investec Bank Plc 100 Wood Street London EC2V 7AN
Registrar	Computershare Investor Services (Jersey) Limited Queensway House Hilgrove Street St Helier, Jersey JE1 1ES
Auditors	KPMG Audit LLC Heritage Court 41 Athol Street Douglas Isle of Man IM99 1HN
Legal Advisers	Kerman & Co LLP 200 Strand London WC2R 1DJ
Depositary	Computershare Investor Services PLC The Pavilions Bridgewater Road Bristol BS13 8AE
Administrator	Burnbrae Limited 4th Floor Viking House Nelson Street Douglas Isle of Man IM1 2AH

West African Minerals Corporation

(formerly Emerging Metals Limited)

Operational Highlights

- Acquisition of remaining 5% minority interest in CMC Cameroon now provides full ownership and operational control of the Company's major asset in Cameroon

- Post period drilling results at Binga has confirmed the geophysical interpretation and intersected zones of enriched iron mineralization

- Total Assets increased from £26.4 million to £30.6 million

- Following placements, cash still remains over £12.9 million

- Operational expenses rigorously controlled at all levels

- Awarded the Best Performing Share at the AIM Awards 2012

Chairmen's statement

Dear Shareholders,

West African Minerals Corporation ("WAFM") has had a highly successful year to date – both on the AIM market and in Cameroon. The Directors remain excited by the significant potential of the licences in Cameroon and believe further shareholder value can be created in both the short and long-term.

September 2012 Interim period end results

During the financial period under review, the Company's Shareholder Equity grew to £30,294,390 (30 September 201: £15,482,443). On 30 July 2012, the acquisition of the remaining 5% minority interest in Compagnie Minière du Cameroun SA ("CMC Cameroon") was successfully completed, making CMC Cameroon an indirectly wholly-owned subsidiary of WAFM. The acquisition was settled by way of issue of 18,500,000 new ordinary shares in the Company to the vendors with a market valuation of £10,128,750.

Total number of shares in issue increased from 258.95 million to 287.89 million resulting in an increase in Share Premium to £59,613,654 (30 September 2011: £15,871,220). Total shares issued during the period comprised of 10.21 million shares raising £5.61 million in placing proceeds, 18.50 million shares issued on acquisition of the CMC Cameroon minority interest and 0.23 million shares issued pursuant to an exercise of share options.

A total of 6.2 million share options were issued during the period to the directors and certain consultants and employees of the Company.

Total costs capitalised to Deferred Mine Exploration costs increased to £4.32 million from £0.2 million at 30 September 2011. These costs are directly attributable to exploratory activities in Cameroon and Sierra Leone which were capitalised in accordance with the Group's policy and IFRS.

The total operating loss for the six month period ended 30 September 2012 was £1.55 million (30 September 2011: £1.86 million). The directors have instituted a cost control programme which will result in further future savings. Professional fees and other costs of approximately £0.5 million mostly relate to the acquisition of Ferrum Resources and are non-recurring.

Chairmen's statement (continued)

West Africa

Our strategic focus is Africa, and in particular West Africa, which is rapidly gaining recognition as the next major iron ore province evidenced by significant investment and acquisition activity over the last two years by diverse international entities.

Acquisition of CMC Guernsey minority interest

The acquisition of remaining 5% minority interest in CMC Cameroon presented the Company with the exclusive right and full operational control to explore for iron ore and associated minerals over six exploration permits in Cameroon covering approximately 6,000 square kilometres. Given the recent positive results from the aeromagnetic survey, management believe this to have been in the best interests of all shareholders.

Cameroon

Cameroon has the largest and most diversified economy of the six-nation Central African Economic and Monetary Community, and is one of the most favoured among these countries for investment due to democratic reforms, conservative economic policies, and an industrious population. The country is instituting new reforms and improvements to its economy through privatization, diversification and the attraction of foreign investment through progressive and transparent development policies.

Whereas the prior fiscal year focused on positioning the Company with strategic investments in world class iron ore districts in Cameroon and Sierra Leone in West Africa, the first half of fiscal 2013 was dedicated to securing 100% ownership of the Cameroon licenses through the purchase of the remaining 5% interest in CMC Cameroon, and the initiation of a large scale reverse circulation ("RC") Phase II drill programme.

The 18,000 to 22,500 metre drill programme commenced on 16 August 2012 at the eastern sector of the Binga permit located within 40 kilometres of the Kribi multi-user deep seaport now under construction. The drilling was primarily orientated on two north-south lines to test a variety of magnetic and non-magnetic geophysical anomalies. As a result, WAFM announced on 4 December 2012 that:-

- 5,581m of scout drilling in 114 reverse circulation holes completed on Binga has confirmed the geophysical interpretation and intersected zones of enriched iron mineralization
- Three mineralized clusters of enrichment have been defined to date, located 40km to 100km east of the planned deep water Kribi port
- Follow up drilling at Binga and metallurgical testing are currently being planned
- Scout drilling programme now underway at Djadom South adjacent to Mbarga deposit.

Four geophysical targets of high degrees of enrichment in the western sector of Binga were visually evident from surface and road-cut indications from the construction of Sinosteel's road associated with the Memve'ele hydroelectric power project, which is being built on WAFM's licenses between Binga and Minko. These road exposures presented a symbiotic advantage in advancing WAFM's access to and interpretation of mineralization at Binga.

The channel samples of high-grade float material have confirmed that Binga is highly weathered with good potential for enriched hematite, particularly where the road cuttings are perpendicular to strike, demonstrating the potential for channel-fill development. Further, there is clear evidence of hematite enrichment in near-surface pisolitic fill deposits and within areas of structural interference.

Chairmen's statement (continued)

The objective of the Phase II drilling program is to verify the targets identified from the geophysical survey. To date modelling has shown strong correlation between the interpreted high magnetic anomalies and iron enriched bands of greater than 60% on surface. This has advanced the understanding of the detailed geology to facilitate following the strike continuation and identifying areas of greatest potential for follow up. It has also led to a breakthrough of the first significant drill hole intersection and the discovery of at least two separate enriched BIF structures within a larger package of meta-sedimentary country rock with strike extents estimated to be up to 45 kilometres.

Given the extensive strike length of the geophysical anomalies, the enrichment encountered in the holes drilled to date, and the near proximity to planned deep water port facilities, the Directors believe that these early indications considerably enhance the potential of WAFM's Binga permit.

Throughout the year, significant activities across the southern Cameroon iron basin have confirmed WAFM's strategic positioning in this prolific emerging global iron district. In June 2012 Sundance Resources announced the increase by almost 50% in the high grade global hematite resource at its Mbalam project to 775.4 million tonnes grading 57.2% Fe with over 95% categorised as 'Indicated', bringing total defined resources at Mbalam to 3.7 billion tonnes of Itabirite Hematite. The Mbalam project is located immediately adjacent to WAFM's Djadom and Dja licenses, which are believed to be extensions of the magnetic anomalies having similar geophysical signatures. Sundance is currently the subject of a takeover bid by Hanlong Mining for US$1.4 billion.

Similarly, to the west of this area and in proximity to WAFM's Lele license, Afferro Mining has issued a series of high grade intercepts at its Nkout project coincident with magnetite rich BIF over a cumulative strike length of approximately 10km.

In addition to the planned 510 kilometre rail line to the coast and the current construction of the Kribi multi-user deep seaport with expected completion in 2014, a number of other rail and hydro power projects are being fast tracked by the Government of Cameroon to provide economic stimulus to the south.

For its three priority leases - Binga, Lele and Djadom - WAFM is finalizing its Phase II Cameroon infrastructure study focused on high level capital and operating costs and logistical assessment including port, marine iron ore terminal, heavy gauge rail and road haul for production from Binga, Lele and or Djadom.

Best performing share 2012

West African Minerals Corporation has won the Best Performing Share award at the AIM Awards 2012. This award is based on the share performance of all companies listed on AIM (approximately 1,100). The award reflects the significant shareholder value that is being created – by the founders securing the deal in very difficult market conditions, to the operators who continue to drive the project forward, and by the directors and management who continue to position the company as a leading iron ore exploration and development company in West Africa.

Chairmen's statement (continued)

Outlook

The Phase II drill programme has moved east to WAFM's Djadom license and, following the verification of the magnetic targets, drilling will continue on to Lele where initial mapping and community consultation has been completed. A gravity survey programme has been commissioned to target enriched cap material and has commenced at Lele.

The Company continues to gain momentum in the field through a highly effective operations team with headquarters established in Yaounde. Based on these encouraging indications, WAFM believes that its multiple DSO targets have the potential to host a regionally significant discovery. Results from the Phase II drill programme will be followed up by a third-phase resource definition diamond core and RC drilling programme towards defining a maiden resource estimate early in 2013.

The Directors remain excited by the significant potential of the licences in Cameroon and believe further shareholder value can be created in both the short and long-term.

Stephen Dattels
Executive Co-Chairman & CEO
24 December 2012

Jim Mellon
Non-Executive Co-Chairman
24 December 2012

West African Minerals Corporation
(formerly Emerging Metals Limited)

Directors' report

The Directors present their interim report and the financial statements for West African Minerals Corporation ("WAFM" or the "Company") for the six month period ended 30 September 2012.

Principal activity

The Company seeks investment opportunities across all types of natural resources projects. This investing policy permits the review and consideration of potential investments in not just metals and metals projects, but also investment in all types of natural resources projects, including but not limited to all metals, minerals and hydrocarbon projects, or physical resource assets on a worldwide basis.

Results and transfers to reserves

The results and transfers to reserves for the period are set out on pages 7 to 12 of the interim financial statements.

The Group made a total comprehensive loss for the period after taxation of £1,609,117 (period ended 30 September 2011: £1,279,632).

Dividend

The Directors do not propose the payment of a dividend for the period (2011: £nil).

Directors

The Directors who served during the period and to date are:

	Appointed	**Resigned**
Mitchell Alland		29 November 2011
Stephen Dattels		
James Mellon *		
Denham Eke		
Patrick Weller *		17 April 2012
Guy Elliot *		11 October 2012
Bradford Mills	23 April 2012	
Anton Mauve	23 April 2012	
Gualtiero Giori *	23 April 2012	
Gerard Holden *	23 April 2012	

* *non-executive*

By order of the Board

Denham Eke
Secretary

Craigmuir Chambers
Road Town
Tortola
British Virgin Islands

West African Minerals Corporation
(formerly Emerging Metals Limited)

Unaudited consolidated statement of comprehensive income
for the six month period ended 30 September 2012

	Notes	**For the period from 1 April 2012 to 30 September 2012 (Unaudited)**	For the period from 1 April 2011 to 30 September 2011 (Unaudited)	For the year ended 31 March 2012 (Audited)
		£	£	£
Income		**-**	-	-
Expenses				
Directors' fees	*17*	**(307,506)**	(315,824)	(696,157)
Salaries and wages		**(38,146)**	-	(36,173)
Consultants' fees		**(6,798)**	(32,191)	(5,288)
Other professional fees		**(481,500)**	(863,024)	(1,640,868)
Administration expenses		**(286,830)**	(459,968)	(420,020)
Share option and warrants	*15*	**(420,709)**	-	(483,788)
Other costs		**(22,758)**	(30,679)	(99,521)
Unrealised exchange (losses)/gain		**5,227**	(171,811)	(191,074)
Loss before finance income	*4*	**(1,559,020)**	(1,873,497)	(3,572,889)
Finance income		**4,477**	11,938	12,910
Loss before income tax		**(1,554,543)**	(1,861,559)	(3,559,979)
Taxation	*5*	**-**	-	-
Loss after income tax		**(1,554,543)**	(1,861,559)	(3,559,979)
Other comprehensive (loss)/income				
- foreign currency translation reserve		**(54,574)**	581,927	350,921
Total comprehensive loss for the period/year		**(1,609,117)**	(1,279,632)	(3,209,058)
Loss attributable to:				
Owners of the Company		**(1,553,432)**	(1,096,357)	(3,000,857)
Non-controlling interest		**(1,111)**	(765,202)	(559,122)
		(1,554,543)	(1,861,559)	(3,559,979)
Total comprehensive loss attributable to:				
Owners of the Company		**(1,608,006)**	(958,874)	(3,063,552)
Non-controlling interest		**(1,111)**	(320,758)	(145,506)
		(1,609,117)	(1,279,632)	(3,209,058)
Basic and diluted loss per share	*19*	**(0.0056)**	(0.0154)	(0.0281)

The notes on pages 13 to 25 form part of these condensed consolidated interim financial statements.

The Directors consider that all results derive from continuing activities.

West African Minerals Corporation

(formerly Emerging Metals Limited)

Unaudited consolidated statement of financial position

as at 30 September 2012

	Notes	**At 30 September 2012 (Unaudited) £**	At 30 September 2011 (Unaudited) £	At 31 March 2012 (Audited) £
Assets				
Property, plant and equipment	*7*	**424,374**	-	307,165
Deferred mine exploration costs	*6*	**4,323,827**	199,444	2,481,177
Exploration permits	*10, 11*	**11,798,193**	2,544,603	11,798,193
Goodwill	*10*	**858,275**	1,646,509	858,275
Total non-current assets		**17,404,669**	4,390,556	15,444,810
Current assets				
Cash and cash equivalents		**12,938,265**	11,053,281	10,639,862
Trade and other receivables	*13*	**251,264**	38,606	272,273
Total current assets		**13,189,529**	11,091,887	10,912,135
Total assets		**30,594,198**	15,482,443	26,356,945
Equity				
Share premium	*8*	**59,613,654**	15,871,220	43,838,819
Share based payment reserves		**-**	142,540	-
Share options reserves	*15, 17*	**429,251**	-	29,546
Share warrants reserves	*15, 17*	**555,246**	-	534,242
Foreign currency translation reserve		**(117,269)**	137,483	(62,695)
Retained deficit		**(30,186,492)**	(7,034,220)	(18,517,934)
Shareholders' equity		**30,294,390**	9,117,023	25,821,978
Non-controlling interest		**-**	4,137,856	14,735
Total equity		**30,294,390**	13,254,879	25,836,713
Current Liabilities				
Trade and other payables	*14*	**299,808**	387,564	520,232
Proceeds from share issue received in advance		**-**	1,840,000	-
Total liabilities		**299,808**	2,227,564	520,232
Total equity and liabilities		**30,594,198**	15,482,443	26,356,945

The notes on pages 13 to 25 form part of these condensed consolidated interim financial statements.

These financial statements were approved by the board of directors on 24 December 2012 and were signed on their behalf by:

Denham Eke
Director

West African Minerals Corporation
(formerly Emerging Metals Limited)

Unaudited consolidated statement of changes in equity
for the six month period ended 30 September 2012

	Notes	Share premium £	Share options reserve £	Share warrants reserve £	Share based payment reserves £	Foreign currency translation reserves £	Retained deficit £	Total shareholders' Equity £	Non – controlling interest £	Total £
Balance at 1 April 2012 (audited)		43,838,819	29,546	534,242	-	(62,695)	(18,517,934)	25,821,978	14,735	25,836,713
Total comprehensive loss for the period										
Loss for the period		-	-	-	-	-	(1,553,432)	(1,553,432)	(1,111)	(1,554,543)
Other comprehensive loss for the period		-	-	-	-	(54,574)	-	(54,574)	-	(54,574)
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Shares issued for cash subscription	*8*	5,613,578	-	-	-	-	-	5,613,578	-	5,613,578
Exercise of options		32,507	-	-	-	-	-	32,507	-	32,507
Shares issued in settlement of subsidiary acquisitions	*8, 10*	10,128,750	-	-	-	-	-	10,128,750	-	10,128,750
Share based payment transactions	*15, 17*	-	399,705	21,004	-	-	-	420,709	-	420,709
Changes in ownership interests in subsidiaries										
Non-controlling interest on acquisition	*10*	-	-	-	-	-	(10,115,126)	-	(13,624)	(10,128,750)
Balance at 30 September 2012 (unaudited)		**59,613,654**	**429,251**	**555,246**	**-**	**(117,269)**	**(30,186,492)**	**30,294,390**	**-**	**30,294,390**

The notes on pages 13 to 25 form part of these condensed consolidated interim financial statements.

West African Minerals Corporation
(formerly Emerging Metals Limited)

Unaudited consolidated statement of changes in equity (continued)
for the six month period ended 30 September 2012

	Notes	Share premium £	Share options reserve £	Share warrants reserve £	Share based payment reserves £	Foreign currency translation reserves £	Retained deficit £	Total shareholders' Equity £	Non – controlling interest £	Total £
Balance at 1 April 2011 (audited)		15,804,554	-	-	97,305	-	(5,937,863)	9,963,996	-	9,963,996
Total comprehensive loss for the period										
Loss for the period		-	-	-	-	-	(1,096,357)	(1,096,357)	(765,202)	(1,861,559)
Other comprehensive loss for the period		-	-	-	-	137,483	-	137,483	444,444	581,927
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Shares issued for cash subscription	*8*	-	-	-	-	-	-	-	-	-
Shares issued in lieu of directors' fees	*8, 17*	66,666	-	-	(66,666)	-	-	-	-	-
Shares issued in settlement of subsidiary acquisitions	*8, 10*	-	-	-	-	-	-	-	-	-
Share based payment transactions	*15, 17*	-	-	-	31,901	-	-	31,901	-	31,901
Changes in ownership interests in subsidiaries										
Fair value of non-controlling interest on acquisition of non-controlling interest	*10*	-	-	-	-	-	-	-	-	-
Non-controlling interest share buy back	*10*	-	-	-	-	-	-	-	-	-
Non-controlling interest on acquisition	*10*	-	-	-	80,000	-	-	80,000	4,458,614	4,538,614
Balance at 30 September 2011 (unaudited)		**15,871,220**	**-**	**-**	**142,540**	**137,483**	**(7,034,220)**	**9,117,023**	**4,137,856**	**13,254,879**

The notes on pages 13 to 25 form part of these condensed consolidated interim financial statements.

West African Minerals Corporation
(formerly Emerging Metals Limited)

Unaudited consolidated statement of cash flows
for the six month period ended 30 September 2012

	Notes	**For the period from 1 April 2012 to 30 September 2012 (Unaudited)**	For the period from 1 April 2011 to 30 September 2011 (Unaudited)	For the year ended 31 March 2012 (Audited)
		£	£	£
Cash flows from operating activities				
Loss before income tax		**(1,554,543)**	(1,861,559)	(3,559,979)
Adjusted for non cash and non operating items:				
Depreciation	*7*	**10,351**	-	12,248
Share based payment charge		**-**	31,901	31,901
Share options and warrants		**420,709**	-	483,788
Finance income		**(4,477)**	(11,938)	(12,910)
		(1,127,960)	(1,841,596)	(3,044,952)
Change in trade and other receivables		**21,009**	(6,959)	(240,642)
Change in trade and other payables		**(220,424)**	14,206	367,855
Net cash used in operating activities		**(1,327,375)**	(1,834,349)	(2,917,739)
Cash flows from investing activities				
Property, plant and equipment acquisition	*7*	**(165,142)**	-	(282,491)
Amount paid for capitalised deferred mine exploration cost	*6*	**(1,805,068)**	(199,444)	(1,910,276)
Loan advanced to subsidiary prior to acquisition		**-**	(418,357)	(466,675)
Cash acquired on acquisition of subsidiary		**-**	1,049,710	86,165
Net cash used in investing activities		**(1,970,210)**	431,909	(2,573,277)
Cash flows from financing activities				
Interest received		**4,477**	11,938	12,910
Cash proceeds from issue of shares	*8*	**5,613,578**	-	5,250,000
Cash proceeds from share issue received in advance		**-**	1,840,000	-
Cash proceeds from issue of shares to non-controlling interest		**-**	-	898,095
Amount paid to non-controlling interest for shares bought back		**-**	-	(381,690)
Exercise of share options		**32,507**	-	-
Net cash generated from financing activities		**5,650,562**	1,851,938	5,779,315
Effect of foreign exchange movement on cash		**(54,574)**	603,140	350,920
Increase in cash and cash equivalents		**2,298,403**	1,052,638	639,219
Cash and cash equivalents at beginning of period/year		**10,639,862**	10,000,643	10,000,643
Cash and cash equivalents at end of period/year		**12,938,265**	11,053,281	10,639,862

The notes on pages 13 to 25 form part of these condensed consolidated interim financial statements.

West African Minerals Corporation
(formerly Emerging Metals Limited)

Unaudited consolidated statement of cash flows (continued)
for the six month period ended 30 September 2012

	Notes	**For the period from 1 April 2012 to 30 September 2012 (Unaudited)**	For the period from 1 April 2011 to 30 September 2011 (Unaudited)	For the year ended 31 March 2012 (Audited)
		£	£	£
Significant non-cash transactions				
Conversion of loan into equity interest	*9, 10*	**-**	-	466,675
Shares issued in settlement of acquisition of non-controlling interest in Ferrum Resources Limited	*10*	**-**	-	8,705,791
Shares issued in settlement of acquisition of non-controlling interest in CMC Guernsey/ CMC Cameroon	*10*	**10,128,750**	-	13,949,268

The notes on pages 13 to 25 form part of these condensed consolidated interim financial statements.

Notes
forming part of the condensed interim financial statements for the six month period ended 30 September 2012

1 Reporting Entity

West African Minerals Corporation (formerly Emerging Metals Limited) (the "Company" or "WAFM") is a company domiciled in the British Virgin Islands. The Company's strategic objective is to acquire holdings in natural resources companies and/or physical resource assets which the Directors believe are undervalued and where such a transaction has the potential to create value for Shareholders. The Directors intend to take an active role in the management of such investments and estimate that they will be held for periods of up to five years.

2 Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS34 Interim Financial Reporting and do not include all of the information required for full annual financial statements.

These consolidated financial statements were authorised for issue by the Board of Directors on 24 December 2012.

(b) Basis of measurement

Functional and Presentation Currency

The condensed consolidated interim financial statements of the Group are presented in Pounds Sterling (£) which is the Company's functional currency. All financial information presented in Pounds Sterling has been rounded to the nearest pound.

Estimates

The preparation of condensed consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2012.

Going concern

The condensed consolidated interim financial statements have been prepared on a going concern basis, taking into consideration the level of cash and cash equivalents presently held by the Group, in addition to the assessment of the Directors that the current status and plans for the current projects in Sierra Leone and Cameroon remain viable. The Directors therefore have a reasonable expectation despite the economic uncertainty that the Company will have adequate resources and liquidity management (note 12) for its continuing existence and projected activities for the foreseeable future, and for these reasons, continue to adopt the going concern basis in preparing the condensed consolidated interim financial statements for the period ended 30 September 2012.

Notes (continued)
forming part of the condensed interim financial statements for the six month period ended 30 September 2012

3 Significant accounting policies
The condensed consolidated interim financial statements of the Company for the period ending 30 September 2012 comprise the Company and its subsidiaries (together referred to as the "Group").

The accounting policies adopted by the Group in the preparation of these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 March 2012. There were no new accounting policies adopted during the period.

The audited consolidated financial statements of the Group as at and for the year ended 31 March 2012 are available at the Group's website below:
http://westafricanminerals.com/content/investor-centre/annual-interim-filings

4 Loss before finance income
Loss before finance income is stated after charging:

Company and Group	**For the period from 1 April 2012 to 30 September 2012 (Unaudited)**	For the period from 1 April 2011 to 30 September 2011 (Unaudited)	For the year ended 31 March 2012 (Audited)
	£	£	£
Auditors' Fees	**18,630**	12,100	63,824
Auditors' Fees – non audit services	**-**	-	137,138
Directors' Fees	**307,506**	315,824	696,157
Depreciation	**10,351**	-	12,248

5 Taxation

The British Virgin Islands under the International Business Companies Act 2004 imposes no corporate taxes or capital gains taxes. However, the Group may be liable for taxes in the jurisdictions where it is operating however, such operations are currently loss making.

The corporate tax rate in Cameroon is 35%. Taking into account the 10% surcharge, the effective rate is 38.5%. The basic rate is reduced to 30% for the first three years a company is listed on the national stock exchange. Losses may be carried over for utilisation for up to four years. The operating subsidiary in Cameroon incurred losses therefore it is not subject to tax liability.

For mining companies in Sierra Leone, the tax rate is 37.5% subject to additional tax on profits agreed between the Minister of Mines and Mineral Resources and the company. However, the deduction for any year of assessment must not be such that the tax payable will be less than 50% of the tax due if the loss is not carried forward. Losses may be carried over indefinitely. The operating subsidiary in Cameroon incurred losses therefore it is not subject to tax liability.

Deferred tax assets have not been recognised in respect of the losses incurred due to insufficient evidence of the timing of suitable future profits against which they can be recovered. No deferred tax liability has been recognised as a result of the losses in the period.

Notes (continued)

forming part of the condensed interim financial statements for the six month period ended 30 September 2012

6 Deferred mine exploration costs

The schedule below details the current projects of the Group and the related acquisition cost capitalised:

	Cameroon	Sierra Leone	Total
	£	£	£
Deferred mine exploration costs at 1 April 2012	1,581,457	899,720	2,481,177
Costs capitalised during the period	1,461,145	343,923	1,805,068
Depreciation charges capitalised during the period (note 7)	2,710	34,872	37,582
Balance at 30 September 2012	**3,045,312**	**1,278,515**	**4,323,827**

Deferred mine exploration costs represent intangible assets. Equipment and other assets used in exploratory activities are capitalised in Property, Plant and Equipment. Depreciation charges in respect of these assets are capitalised in deferred mine exploration costs.

The CMC Exploration Permits comprise six permits for the exclusive rights to explore for iron ore and associated minerals in each of the Dja, Djadom, Lélé, Binga, Minko and Sanaga zones in Cameroon, covering a total area of approximately 6,000 square kilometers pursuant to exploration permits 234, 226, 225, 224, 236 and 235. The licences were granted in September/October 2010 and are valid for three years, renewable for two additional periods of up to two years each. The permit area must be reduced by 50% at each renewal. The CMC Exploration Permits are held by Compagnie Minière du Cameroun ("CMC Cameroon").

The Sierra Leone Licences comprise five exploration licences (EL.05/11, EL.06/11, EL.07/11, EL.08/11 and EL.09/11) for the exclusive right to explore for all minerals over a total area of approximately 687 square kilometres. Three of the Sierra Leone Licences (EL.05/11, EL.06/11 and EL.07/11) are held by Ingwe Investments Limited and the other two are held by Tanziron Resources Limited (EL.08/11 and EL.09/11).

The Company assessed the deferred mine costs for impairment as at 31 March 2012 and considered that the recoverable amount of these assets exceeded the carrying amount and as such, no impairment was recognized. There have been no indications of impairment since the last review and exploration activities to date have continued to be positive.

7 Property, plant and equipment

Group	Geological tools & equipment	Furniture & equipment	Leasehold improvements	Transportation equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2012 (audited)	68,766	71,304	27,347	185,484	352,901
Additions	2,364	14,835	-	147,943	165,142
As at 30 September 2012 (unaudited)	**71,130**	**86,139**	**27,347**	**333,427**	**518,043**
Depreciation					
At 1 April 2012 (audited)	5,453	13,340	1,424	25,519	45,736
Charge for the period - expensed	-	5,861	-	4,490	10,351
Charge for the period – capitalised (note 6)	11,664	7,623	1,690	16,605	37,582
As at 30 September 2012 (unaudited)	**17,117**	**26,824**	**3,114**	**46,614**	**93,669**
Net book value					
As at 30 September 2012 (unaudited)	**54,013**	**59,315**	**24,233**	**286,813**	**424,374**

Notes (continued)

forming part of the condensed interim financial statements for the six month period ended 30 September 2012

7 Property, plant and equipment (continued)

Group	Leasehold improvements	Office furniture, tools & equipment	Transportation equipment	Total
	£	£	£	£
Cost				
At 1 April 2011 (audited)	-	-	-	-
Acquired on acquisition of subsidiary	-	-	70,410	70,410
Additions	27,347	140,070	115,074	282,491
As at 31 March 2012 (audited)	**27,347**	**140,070**	**185,484**	**352,901**
Depreciation				
At 1 April 2011 (audited)	-	-	-	-
Acquired on acquisition of subsidiary	-	-	1,628	1,628
Charge for the period - expensed	-	4,847	7,401	12,248
Charge for the period - capitalised	1,424	13,946	16,490	31,860
As at 31 March 2012 (audited)	**1,424**	**18,793**	**25,519**	**45,736**
Net book value				
As at 31 March 2012 (audited)	**25,923**	**121,277**	**159,965**	**307,165**

8 Capital and reserves

Share capital and premium

The Company is authorised to issue an unlimited number of nil par value shares of a single class. The Company may issue fractional shares and a fractional share shall have the corresponding fractional rights, obligations and liabilities of a whole share of the same class or series of shares. Shares may be issued in one or more series of shares as the Directors may by resolution determine from time to time.

Each share in the Company confers upon the shareholder:

- the right to one vote at a meeting of the shareholders or on any resolution of shareholders;
- the right to an equal share in any dividend paid by the Company; and
- the right to an equal share in the distribution of the surplus assets of the Company on its liquidation.

The Company may by resolution of the Directors redeem, purchase or otherwise acquire all or any of the shares in the Company subject to regulations set out in the Company's Articles of Incorporation.

Authorised

The Company is authorised to issue an unlimited number of nil par value shares of a single class.

	Date	Issue price	Shares	Share capital	Share premium
Issued ordinary shares			Number	£	£
At 1 April 2012			258,949,579	-	43,838,819
CMC Cameroon NCI acquisition (note 10)	21/05/2012	£0.5475	18,500,000	-	10,128,750
Exercise of options (note 15)	08/06/2012	£0.1362	238,667	-	32,507
Private placement	15/06/2012	£0.55	10,206,506	-	5,613,578
At 30 September 2012			**287,894,752**	**-**	**59,613,654**

8 Capital and reserves (continued)

On 21 May 2012, CMC Guernsey acquired the remaining 5% interest in CMC Cameroon held by the non-controlling shareholders. As consideration for the acquisition, WAFM has issued to the non-controlling shareholders a total of 18,500,000 new ordinary shares in the Company. The acquisition cost per the purchase contract equals the fair value of shares on the date of issue, therefore no fair value adjustment is necessary in accordance with IFRS.

Capital Management

The Group manages its capital to maximize the return to the shareholders through the optimization of equity. The capital structure of the Group at 30 September 2012 consists of equity attributable to equity holders of the Company, comprising issued capital, reserves and retained earnings as disclosed.

The Group manages its capital structure and makes adjustments to it, in light of economic conditions and the strategy approved by shareholders. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares and release the Company's share premium account. No changes were made in the objectives, policies or processes during the years ended 31 March 2012 and 31 March 2011 or the period to date.

Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translations of the financial statements of foreign operations for consolidation.

Share options and warrants reserve

These reserves comprise the fair value of options and warrants in issue as at 30 September 2012. A reconciliation and methodology used in determining the fair values are set out in notes 15 and the significant accounting policies are those adopted in the financial statements for the year ended 31 March 2012.

Dividends

No dividends were declared or proposed by the Directors during the period (30 September 2011: £Nil).

9 Loan receivable

The Company entered into the following loan arrangements:

i. On 3 June 2011, the Company advanced £4,191,110 (US$7,000,000) to Ferrum as bridging finance for a proposed acquisition by Ferrum Resources Limited ("Ferrum") of 63.5% of the issued share capital of CMC Guernsey Limited (see note 10). The Bridging Loan is secured against the assets of Ferrum, bears interest charged at a rate of 9% per annum and is repayable together with interest 15 days after the Company confirms in writing that it requires repayment of the loan. Total interest accrued on this loan as at 30 September 2012 was £517,719 (US$837,123).

ii. On 29 August 2011, the Company advanced a further £242,489 (US$400,000) loan to Ferrum to meet its immediate cash requirements to fund its on-going exploration programme in Sierra Leone. The loan is secured against the assets of Ferrum, bears interest charged at a rate of 10% per annum and is repayable together with interest 15 days after the Company confirms in writing that it requires repayment of the loan. Total interest accrued on this loan as at 30 September 2012 was £26,907 (US$43,507).

iii. By loan agreement dated 27 September 2011, the Company advanced £1,000,000 to Ferrum. The loan is secured against the assets of Ferrum, bears interest charged at 10% per annum and is (unless agreed otherwise in writing by the parties) repayable together with interest 15 days after the Company confirms in writing that it requires repayment of the loan. Total interest accrued on this loan as at 30 September 2012 was £101,370.

10 Investment in subsidiary undertakings

Acquisition of CMC Cameroon

On 11 July 2011, regulatory approval in Cameroon was granted approving the transfer of 95% of the issued shares of Cameroon registered Compagnie Minière du Cameroun SA ("CMC Cameroon") from Generation Resources Limited ("Generation") to CMC Guernsey. This was effectively settled by way of issue of 94,117 shares of CMC Guernsey to Generation valued at £1,197,460 (US$2m). CMC Cameroon holds six iron ore exploration licenses in Cameroon giving it the exclusive rights to explore for iron ore and related substances in areas referred to as Binga, Dja, Djadom, Lele, Minko and Sanaga in Cameroon pursuant to exploration permits 234, 226, 225, 224, 236 and 235.

On 21 May 2012, CMC Guernsey acquired the remaining 5% interest in CMC Cameroon held by the non-controlling shareholders. As consideration for the acquisition, WAFM has issued to the non-controlling shareholders a total of 18,500,000 new ordinary shares in the Company. The acquisition cost per the purchase contract equals the fair value of shares on the date of issue, therefore no fair value adjustment is necessary in accordance with IFRS.

The table below summarises the result of acquisition of CMC Cameroon non-controlling interest:

	£
Consideration transferred	
- settled by way of issue of new WAFM shares (Note 8)	**10,128,750**
Fair value of NCI share in net assets of CMC Cameroon at 31 March 2012	**14,735**
NCI share in net loss of CMC Cameroon from 1 April 2012 to 21 May 2012	**(1,111)**
Value of MI share in net liabilities of Ferrum at 21 May 2012	**13,624**
Acquisition of non-controlling interest attributable to equity	**10,115,126**

These consolidated financial statements include the results of the subsidiaries from the date the control is obtained to 30 September 2012 or the date the control ceases. As at 30 September 2012, the Group had the following subsidiaries:

Name of company	Place of incorporation	Ownership interest	Principal activity
Ferrum Resources Limited (Ferrum) *	BVI	100%	Holding company of CMC, Ferrous Africa, Ferrum Guinee, Ferrous Benin and Ferrum Mauritania
CMC Guernsey Limited (CMC)	Guernsey	100%	Holding company of CMC Cameroon
Compagnie Minière du Cameroun (CMC Cameroon)	Cameroon	100%	Holds exploration licences in Cameroon
Ferrous Africa Limited (Ferrous Africa)	BVI	100%	Holding company of Tanziron, Ingwe and Ferrous Benin
Tanziron Resources Limited (Tanziron)	BVI	100%	Holds exploration licences in Sierra Leone
Ingwe Investments Limited (Ingwe)	Guernsey	100%	Holds exploration licences in Sierra Leone
Ferrous Benin Limited (Ferrous Benin)	BVI	100%	Struck off during the period
Ferrum Resources Guinee S.A. (Ferrum Guinee)	Guinea	100%	Holds exploration applications in Guinea
Ferrum Mauritania Limited (Ferrum Mauritania)	BVI	100%	Struck off during the period

* Held directly by WAFM. All other holdings are indirect

Notes (continued)

forming part of the condensed interim financial statements for the six month period ended 30 September 2012

11 Exploration permits

The Group recognised the fair value of intangible assets attributable to exploration permits (including those previously unrecognised) as a result of the following business combinations:

	Cameroon	Sierra Leone	Total
	£	£	£
Acquisition of initial interest in Ferrum Resources (note 10)	6,002,990	2,371,151	8,374,141
Acquisition of initial interest in CMC Guernsey (note 10)	3,424,052	-	3,424,052
Balance at 31 March 2012	**9,427,042**	**2,371,151**	**11,798,193**

The Company assessed the exploration permits for impairment as at 30 September 2012 and considered that the recoverable amount of these intangible assets exceeded the carrying amount and as such, no impairment was recognized. There have been no indication of impairment since last review and exploration activities to date have continued to be positive.

12 Financial instruments

Financial risk management

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 March 2012.

13 Trade and other receivables

	30 September 2012	31 March 2012
	£	£
Trade receivables	-	40,839
Prepayments	52,840	230,432
Other debtors	198,424	1,002
	251,264	272,273

14 Trade and other payables

	30 September 2012	31 March 2012
	£	£
Trade payables	52,946	308,089
Accrued expenses	30,351	159,661
Due to related party (note 17)	-	28,353
Other creditors	216,511	24,129
	299,808	520,232

Notes (continued)

forming part of the condensed interim financial statements for the six month period ended 30 September 2012

15 Share options and warrants

Share warrants

The total number of share warrants in issue as at the year end is set out below.

Recipient	Grant Date	Term in years	Exercise Price	01 April 2012	Issued	30 September 2012	Fair value of warrants in issue at the period end	Expensed during the period
Ferrum warrants holders 1	09/01/12	5	24.40p	11,456,000	-	11,456,000	382,637	-
Advisors 2	09/01/12	5	10.00p	1,878,523	-	1,878,523	85,838	-
Advisors 2	09/01/12	2	10.00p	1,439,261	-	1,439,261	65,767	-
Consultants 4	02/04/12	5	25.00p	-	1,400,000	1,400,000	68,740	21,004
				14,773,784	**1,400,000**	**16,173,784**	**602,982**	**21,004**

Notes

1. Issued as part of consideration paid by the Company to non-controlling shareholders of Ferrum Resources Limited in accordance with the terms of sale of Ferrum shares not yet owned by WAFM (see Note 10). These effectively replace the existing 8 million options issued to Ferrum non-controlling shareholders valued at and fully expensed prior to acquisition of £80,000 at the time of acquisition/issue.
2. In accordance with the terms of engagements, these warrants were granted to Company's advisors following successful completion of the company's admission to AIM.
3. Ferrum warrants and warrants issued to Advisors on 09/01/12 vested immediately and as such the fair value in relation to these has been fully recognised. These warrants can be used anytime during the exercise period.
4. These warrants are subject to 3 years equal annual installments vesting period

The Company has utilised the Black Scholes Model for the purposes of estimating the fair value of the share warrants upon issue. The following table lists the inputs to the models used for warrants issued during the year.

	02 April 2012	9 January 2012
Dividend yield (%)	**-**	**-**
Expected volatility (%) 1	**40%**	**90%**
Risk-free interest rate (%)2	**0.7%**	**1.5%**
Share price at grant date	**21.6 pence**	**11.5 pence**
Share price (market value)	**21.6 pence**	**11.5 pence**
Exercise price	**25.00 pence**	**24.0/10.0 pence**
Expected exercise period	**3 years**	**1 year**

Notes

1. Annualised standard deviation of continuously compounded rates of return based on Company's historic share prices
2. Rate on 2 year Guilt Strips

Notes (continued)

forming part of the condensed interim financial statements for the six month period ended 30 September 2012

15 Share options and warrants (continued)

Share options

The total number of share options in issue as at the year end is set out below.

Recipient	Grant Date	Term in years	Exercise Price	01 April 2012	Issued	Lapsed	Exercised	30 September 2012	Expensed during the period	Fair value
Director & consultant 1	09/01/12	10	13.62p	525,067	-	(190,933)	(238,667)	95,467	(1,978)	20,546
Directors	26/03/12	10	25.00p	5,300,000	-	-	-	5,300,000	256,307	838,823
Directors	24/04/12	10	25.00p	-	5,200,000	-	-	5,200,000	115,201	430,040
Consultant	01/05/12	10	40.13p	-	400,000	-	-	400,000	13,321	52,000
Consultant & employees	15/06/12	10	55.00p	-	600,000	-	-	600,000	16,854	94,080
				5,825,067	**6,200,000**	**(190,933)**	**(238,667)**	**11,595,467**	**399,705**	**1,435,489**

Notes

1. Ferrum issued 700,000 share options to a director and consultant during the year. These options were cancelled and replaced by issue of new WAFM options following completion of acquisition of Ferrum MI.

The Company has utilised the Black Scholes Model for the purposes of estimating fair value of the share options upon issue. The following table lists the inputs to the models used for options in issue as at the year end.

	15 June 2012	1 May 2012	24 April 2012	26 March 2012	9 January 2012
Dividend yield (%)	-	-	-	-	-
Expected volatility (%)1	**40%**	**40%**	**40%**	**90%**	**90%**
Risk-free interest rate (%)2	**0.63%**	**0.96%**	**0.95%**	**1.5%**	**1.5%**
Share price at grant date	**53.50 pence**	**40.12 pence**	**25.25 pence**	**24.78 pence**	**11.50 pence**
Share price (market value)	**53.50 pence**	**40.12 pence**	**25.25 pence**	**24.78 pence**	**11.50 pence**
Exercise price	**55.00 Pence**	**40.13 pence**	**25.00 pence**	**25.00 pence**	**13.62 pence**
Expected exercise period	**4 years**	**4 years**	**4 years**	**4 years**	**3 years**

Notes

1. Annualised standard deviation of continuously compounded rates of return based on Company's historic share prices
2. Rate on 2 year Guilt Strips

Share Option Scheme

In accordance with, and subject to the terms of the Company's Share Option Scheme, options issued during the year shall vest in equal instalments annually over a period of three years from the date of grant. Vested options are exercisable at the Exercise Price and may not be exercised later than the tenth anniversary of the Date of Grant. The Directors shall have an absolute discretion as to the selection of persons to whom an Option is granted by the Company. An option shall not be granted to any person unless he is a person/company who has provided or is providing services to the Group as a consultant or otherwise ("Approved Grantee") or an employee or any person nominated by such Approved Grantee or employee. The exercise price shall be determined by the Directors and shall be the market value of a Share on the date of the grant of the option to the optionholder or shall be such greater or lesser price as the Directors shall determine in their discretion provided always that in the case of a subscription option, the price shall not be less than the nominal value of a Share.

Notes (continued)

forming part of the condensed interim financial statements for the six month period ended 30 September 2012

15 Share options and warrants (continued)

Share options (continued)

Exercise of the option may be conditional upon satisfaction of performance-related conditions as shall be determined by the Directors and notified to the optionholder on the date of the grant. They are not transferable and may not be exercised when to do so would contravene the provisions of the Company's code governing share dealings by directors and employees. In the event that a director/consultant resigns and ceases to be engaged by the Company in any role, pursuant to the Share Option Scheme rules, he or she may only exercise options which have vested and for a period of no later than six months from resignation.

16 Segment reporting

The Group operates in one industry segment: mineral exploration and development in two African regions, Cameroon and Sierra Leone. The activities of these regions alongside those of the corporate entities within the Group are regularly monitored by management to make decisions about resources and assess its performance and discrete financial information is maintained for each. Below is the analysis of Group's exposures in these segments:

	Cameroon	Sierra Leone	Corporate	Total
	£	£	£	£
Deferred mine exploration costs	3,045,312	1,278,515	-	4,323,827
Exploration permit	9,427,042	2,371,151	-	11,798,193
Other non-current assets	164,138	260,236	858,275	1,282,649
Current assets	6,011,840	36,058	7,141,631	13,189,529
Total liabilities	(216,511)	(5,945)	(77,352)	(299,808)
Finance income	-	-	4,477	4,477
Expenses	(157,985)	(133,976)	(1,267,059)	(1,559,020)
Net loss	(157,985)	(133,976)	(1,262,582)	(1,554,543)
Other comprehensive income	(44,983)	(9,591)	-	(54,574)

Total expenses are as disclosed in the consolidated statement of comprehensive income.

All results in the prior interim period related to the Corporate segment.

17 Related party transactions

Burnbrae Limited

The Company has entered into a service agreement with Burnbrae Limited for the provision of administrative and general office services. Mr James Mellon and Mr Denham Eke are both directors of Burnbrae Limited and the Company. During the period the Company incurred a total cost of £58,365 (30 September 2011: £29,555) under this agreement of which £Nil was outstanding as at the period end (30 September 2011: £nil).

The above related party transactions occurred on an arm's length basis and in the normal course of operations.

Notes (continued)

forming part of the condensed interim financial statements for the six month period ended 30 September 2012

17 Related party transactions (continued)

Key management personnel

Directors of the Group received the following remuneration during the year.

	period ended 30 September 2012 £	period ended 30 September 2010 £
Stephen Dattels	31,590	12,500
Bradford Mills	55,602	-
Mitchell Alland	-	12,500
Anton Mauve	76,297	-
Denham Eke	47,377	46,327
James Mellon	12,500	12,500
Patrick Weller	5,702	12,500
Guy Elliot (resigned on 11 October 2012)	12,500	-
Gualtiero Giori	10,965	-
John Gerard Holden	10,965	-
Directors of subsidiaries		
Mario Carion **	-	149,167
Phillip Monier **	6,020	-
Ian Burns **	-	20,330
Serge Ngandu **	-	50,000
Richard Garnett	37,988	-
	307,506	315,824

** Directors of subsidiaries. Total fees paid were inclusive of termination fees, where applicable.

Directors' Interests

At the period end the Directors held the following number of shares in the Company:

	Number of Ordinary Shares	Percentage of Issued Capital
Denham Eke	1,151,827	0.4%
Stephen Dattels (note 18)	26,172,906	9.1%
James Mellon (note 18)	18,027,398	6.3%
Patrick Weller (resigned on 17 April 2012)	893,757	0.3%
Guy Elliot (resigned on 11 October 2012)	1,700,000	0.6%

Notes (continued)
forming part of the condensed interim financial statements for the six month period ended 30 September 2012

17 Related party transactions (continued)

Key management personnel (continued)

As discussed in note 15, the Board of Directors may issue share options or warrants to persons/company who provide services to the Group. The following table is a reconciliation of warrants and options in issue to key personnel as at 30 September 2012. The value of these warrants/options is commensurate with the value of services provided to the Company.

Name	at 1 April 2012	Granted	Exercised	at 30 September 2012
Denham Eke	1,000,000	-	-	1,000,000
Stephen Dattels	2,800,000	-	-	2,800,000
James Mellon	500,000	-	-	500,000
Guy Elliot	500,000	-	-	500,000
Bradford Mills	-	2,800,000	-	2,800,000
Anton Mauve	-	1,400,000	-	1,400,000
Gualtiero Giori	-	500,000	-	500,000
John Gerard Holden	-	500,000	-	500,000
Serge Ngandu	238,667	-	(238,667)	-

18 Significant shareholdings

Except for the interests disclosed in this note, the Directors are not aware of any holding of Ordinary Shares as at 30 September 2012 representing 3% or more of the issued share capital of the Company:

	Number of Ordinary Shares	Percentage of Total Issued Capital
Vidacos Nominees Limited	46,017,464	16.0%
Plinian Guernsey Limited **3**	31,237,806	10.9%
Stephen Dattels **1**	26,172,906	9.1%
Generation Resources Holdings Limited **4**	22,934,857	8.0%
James Mellon **2**	18,027,398	6.3%
Colosseum Holdings Limited	15,417,900	5.4%
Panetta Partners Limited	15,250,000	5.3%
Generation Resources Limited	14,360,340	5.0%
Angstrom Capital Limited	14,053,479	4.9%
Hydro Finance Limited	10,094,401	3.5%
Tocqueville Gold Fund	10,000,000	3.5%

Notes:

1. These shares are held by Regent Mercantile Holdings Limited, a company owned by a trust under which Stephen Dattels is a discretionary beneficiary.
2. James Mellon's shareholding consists of 17,343,727 shares held by Galloway Limited, a company which is indirectly wholly owned by the trustee of a settlement under which James Mellon has a life interest. The balance of James Mellon's shareholding is held in his own name.
3. Brad Mills and Anton Mauve are principals of Plinian Guernsey Limited which has acted as operator of CMC Guernsey prior to acquisition by Ferrum Resources Limited.
4. Gualtiero Giori is a director of Generation Group.

Notes (continued)

forming part of the condensed interim financial statements for the six month period ended 30 September 2012

19 Basic and diluted loss per share

The calculation of basic loss per share of the Group is based on the net loss attributable to shareholders for the period of £1,553,432 (2011: net loss of £1,096,357) and the weighted average number of shares outstanding of 278,410,257 (2011: 71,413,531 as adjusted for 5:1 share consolidation).

Weighted average number of ordinary shares

	30 September 2012	30 September 2011
Issued ordinary shares at 01 April	258,949,579	71,113,877
Effect of shares issued for cash	5,967,738	-
Effect of share options exercised	148,678	-
Effect of shares issued in lieu of directors fees	-	299,654
Effect of shares issued on business combination	13,344,262	-
Weighted average number of ordinary shares	278,410,257	71,413,531
All adjusted for effect of 5:1 share consolidation		

Diluted earnings per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares such as warrants and options. As at 30 September 2012 and 2011 there is no dilutive effect, because the Group incurred net losses in the current and previous years. Therefore, basic and diluted earnings per share are the same.

20 Subsequent events

On 11 October 2012, Guy Elliott resigned as a director of the Company. There are no other significant events subsequent to the period end.

21 Commitments and contingent liabilities

There are no known commitments or contingent liabilities as at the period end.