REGISTERED NUMBER: 04018807 (England and Wales)

STRATEGIC REPORT, REPORT OF THE DIRECTORS AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2013

FOR

AGRICOLA RESOURCES PLC

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FOR THE YEAR ENDED 31 DECEMBER 2013

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COMPANY INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2013

DIRECTORS:	Mr C Sinclair-Poulton Mr J Negaard Mr A C R Scutt
SECRETARY:	Mr E Taylor
REGISTERED OFFICE:	Richmond House Ely Cambridgeshire CB7 4AH
REGISTERED NUMBER:	04018807 (England and Wales)
AUDITORS:	Price Bailey LLP Chartered Accountants & Statutory Auditors Richmond House Ely Cambridgeshire CB7 4AH

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2013

The Directors present their strategic report for the Company for the year ended 31 December 2013.

The Strategic Report is now a statutory requirement under section 414A of the Companies Act 2006 (the "Act") (Strategic Report and Directors' Report) Regulations 2013 and is intended to provide fair and balanced information the enables the Directors to be satisfied that they have complied with s172 of the Act, which sets out the Directors' duty to promote the success of the Company.

PRINCIPAL ACTIVITY
The principal activity of the Company in the year under review was that of investing in mineral exploration. The Company is controlled, financed and administered within the United Kingdom which remains the principal place of business with sterling being the functional currency.

REVIEW OF THE BUSINESS
The results of the Company for the year are set out in the Statement of Profit and Loss and show a loss after taxation for the year of £(68,058) (2012: £(206,063)). The Company is currently looking for new investment opportunities and was not involved in any exploration during the year.

PRINCIPAL RISKS AND UNCERTAINTIES
The principal risks faced by the Company are as follows:
- The ability to raise sufficient funds to continue exploration.
- Long term adverse changes in commodity prices could affect the viability of exploration and extraction projects.
- The operations of the Company are in foreign jurisdictions where there may be a number of associated risks over which it will have no control. These may include economic, social or political instability or change, taxation, rates of exchange, exchange controls and exploration licensing.
- The exploration for and development of mineral deposits involve significant risks which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. There can be no guarantee that the estimates of quantities of minerals disclosed will be available to extract. With all mining operations there is uncertainty and therefore there is risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions.

ON BEHALF OF THE BOARD:

J G Negaard
....
Mr J Negaard - Director

Date: 25 - 06 - 2014

The directors present their report with the financial statements of the company for the year ended 31 December 2013.

DIVIDENDS
No dividends will be distributed for the year ended 31 December 2013.

DIRECTORS
The directors during the year under review were:

Mr C Sinclair-Poulton
Mr J Negaard
Mr A C R Scutt

The beneficial interests of the directors holding office on 31 December 2013 in the issued share capital of the company were as follows:

	31.12.13	1.1.13
Ordinary shares 1p shares		
Mr C Sinclair-Poulton	-	-
Mr J Negaard	400,000	400,000
Mr A C R Scutt	320,000	320,000

FINANCIAL INSTRUMENTS
The Company's financial instruments comprise cash and cash equivalents, investments and financial assets and various items such as trade debtors, trade creditors, accruals and prepayments that arise directly from its operations.

The main purpose of these financial instruments is to finance the Company's operations. The Board regularly reviews and agrees policies for managing the level of risk arising from the Company's financial instruments which are summarised as follows

Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's policy throughout the year has been to ensure that it has adequate liquidity to meet its liabilities when due by careful management of its working capital.

Credit Risk
The Company's principal financial assets are the cash and cash equivalents and taxation receivable as recognised in the balance sheet, and which represent the Company's maximum exposure to credit risk in relation to financial assets.

Market Risk
Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Company's income or value of its holdings in financial instruments.

Capital Management
The Company's capital consists wholly of ordinary shares. The Board's policy is to preserve a strong capital base in order to maintain investor, creditor and market confidence and to safeguard the future development of the business, whilst balancing these objectives with the efficient use of capital.

Commodity Price Risk
The principal activity of the Company is that of investing in mineral exploration, and the principal market risk facing the Company is an adverse movement in the commodity price. Any long term adverse movement in this price would affect the commercial viability of the project.

GOING CONCERN

The Directors have considered the cashflow requirements of the Company over the next 12 months. The Directors have instituted measures to preserve cash, including the continuation of suspending paying director's salaries which are being accrued until the funds are available to pay them, and are currently trying to secure additional finance.

In addition to the planned reduction of costs, a director has provided a letter of support to provide funds to cover operational costs of approximately £73,500 for the next 12 months.

The Company is pursuing future prospects but in the current economic climate it is difficult to raise the additional funds it requires for these early stage projects. These circumstances create material uncertainties over future trading results and cash flows.

The Directors have concluded that the combination of these circumstances represent a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern. Nevertheless after making enquiries, and considering the uncertainties described above, the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRS;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS
The auditors, Price Bailey LLP, have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the Company's forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

J G Negaard
....
Mr J Negaard - Director

Date: 25-06-2014

We have audited the financial statements of Agricola Resources plc for the year ended 31 December 2013 on pages eight to twenty five. 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, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities set out on page four, 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 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 Strategic Report and the Report of the Directors 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 company's affairs as at 31 December 2013 and of its loss for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter - Going concern
In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The ability of the company to continue to trade is dependent on the company being able to raise sufficient funds. Based upon the current economic climate there exists a material uncertainty which may cast significant doubt as to whether the company will be able to generate sufficient funds and therefore the company's ability to continue as a going concern. The financial statements do not include the adjustments that would be necessary if the company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Paul Cullen FCCA (Senior Statutory Auditor)
for and on behalf of Price Bailey LLP
Chartered Accountants & Statutory Auditors
Richmond House
Ely
Cambridgeshire
CB7 4AH

Date: 26/06/2014

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
CONTINUING OPERATIONS			
Revenue	2	-	-
Administrative expenses		(48,608)	(186,615)
OPERATING LOSS		(48,608)	(186,615)
Finance costs	4	(19,450)	(19,450)
Finance income	4	-	2
LOSS BEFORE INCOME TAX	5	(68,058)	(206,063)
Income tax	6	-	-
LOSS FOR THE YEAR		(68,058)	(206,063)
Earnings per share expressed in pence per share:	7		
Basic		-0.04	-0.13
Diluted		-0.04	-0.11

The notes form part of these financial statements

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 £	2012 £
LOSS FOR THE YEAR	(68,058)	(206,063)
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(68,058)	(206,063)

The notes form part of these financial statements

STATEMENT OF FINANCIAL POSITION
31 DECEMBER 2013

	Notes	2013 £	2012 £
ASSETS			
CURRENT ASSETS			
Trade and other receivables	9	6,155	2,604
Investments	10	447	447
Cash and cash equivalents	11	98	2,582
		6,700	5,633
TOTAL ASSETS		6,700	5,633
EQUITY			
SHAREHOLDERS' EQUITY			
Called up share capital	12	1,604,555	1,604,555
Share premium	13	200,252	200,252
Retained earnings	13	(2,501,365)	(2,433,307)
TOTAL EQUITY		(696,558)	(628,500)
LIABILITIES			
NON-CURRENT LIABILITIES			
Trade and other payables	14	74,603	33,734
Financial liabilities - borrowings			
Interest bearing loans and borrowings	15	250,000	250,000
		324,603	283,734
CURRENT LIABILITIES			
Trade and other payables	14	358,655	330,399
Financial liabilities - borrowings			
Interest bearing loans and borrowings	15	20,000	20,000
		378,655	350,399
TOTAL LIABILITIES		703,258	634,133
TOTAL EQUITY AND LIABILITIES		6,700	5,633

These financial statements were approved and authorised for issue by the Board of Directors on 25.06.2014 and were signed on its behalf by:

J Negaard

Mr J Negaard - Director

The notes form part of these financial statements

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

	Called up share capital £	Retained earnings £	Share premium £	Total equity £
Balance at 1 January 2012	1,604,555	(2,227,244)	200,252	(422,437)
Comprehensive income				
Total comprehensive income	-	(206,063)	-	(206,063)
Balance at 31 December 2012	1,604,555	(2,433,307)	200,252	(628,500)
Comprehensive income				
Total comprehensive income	-	(68,058)	-	(68,058)
Balance at 31 December 2013	1,604,555	(2,501,365)	200,252	(696,558)

The notes form part of these financial statements

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013 £	2012 £
Cash flows from operating activities			
Cash generated from operations	1	(43,353)	(31,565)
Net cash from operating activities		(43,353)	(31,565)
Cash flows from investing activities			
Interest received		-	2
Net cash from investing activities		-	2
Cash flows from financing activities			
Amount introduced by directors		40,869	33,734
Net cash from financing activities		40,869	33,734
(Decrease)/increase in cash and cash equivalents		(2,484)	2,171
Cash and cash equivalents at beginning of year	2	2,582	411
Cash and cash equivalents at end of year	2	98	2,582

The notes form part of these financial statements

NOTES TO THE STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

1. RECONCILIATION OF LOSS BEFORE INCOME TAX TO CASH GENERATED FROM OPERATIONS

	2013	2012
	£	£
Loss before income tax	(68,058)	(206,063)
Depreciation charges	-	23
Finance costs	19,450	19,450
Finance income	-	(2)
	(48,608)	(186,592)
(Increase)/decrease in trade and other receivables	(3,551)	35,378
Increase in trade and other payables	8,806	119,649
Cash generated from operations	(43,353)	(31,565)

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the statement of cash flow in respect of cash and cash equivalents are in respect of these statement of financial position amounts:

Year ended 31 December 2013

	31/12/13	1/1/13
	£	£
Cash and cash equivalents	98	2,582

Year ended 31 December 2012

	31/12/12	1/1/12
	£	£
Cash and cash equivalents	2,582	411

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Reporting entity
Agricola Resources PLC is a company domiciled in United Kingdom. The address of the company's registered office is Richmond House, Broad Street, Ely, Cambridgeshire, CB7 4AH. The company primarily is involved in the exploration for minerals.

Going concern
As described in the Directors' Report on pages 3 to 5, the Company has reported an operating loss for the year. The Directors have instituted measures to preserve cash, including the continuation of suspending paying director's salaries which are being accrued until the funds are available to pay them, and are currently trying to secure additional finance.

In addition to the planned reduction of costs, a director has provided a letter of support to provide funds to cover operational costs of approximately £73,500 for the next 12 months.

The Company is pursuing future prospects but in the current economic climate it is difficult to raise the additional funds it requires for these early stage projects. These circumstances create material uncertainties over future trading results and cash flows.

The Directors have concluded that the combination of these circumstances represent a material uncertainty that casts significant doubt upon the Company's ability to continue as a going concern. Nevertheless after making enquiries, and considering the uncertainties described above, the Directors have a reasonable expectation that the Company will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis in preparing the annual report and accounts.

Compliance with accounting standards
These financial statements have been prepared in accordance with International Financial Reporting Standards and IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention.

Significant accounting judgements, estimates and assumptions
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for revenues and expenses during the year and the amounts reported for assets and liabilities at the statement of financial position date. However, the nature of estimation means that the actual outcomes could differ from those estimates.

The key sources of estimation uncertainty that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are the measurement of any impairment on intangible assets and the estimation of share-based payment costs. The Group determines whether there is any impairment of intangible assets on an annual basis. The estimation of share-based payment costs requires the selection of an appropriate model, consideration as to the inputs necessary for the valuation model chosen and the estimation of the number of awards that will ultimately vest.

Property, plant and equipment
Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Computer equipment - 33% on cost

Investments
Current asset investments are stated at cost. The investments are reviewed annually and any impairment is taken directly to the profit or loss account.

continued...

1. ACCOUNTING POLICIES - continued

Financial instruments
Financial assets and liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

- Cash and cash equivalents comprise cash held at bank and short term deposits
- Trade payables are not interest bearing and are stated at their nominal value
- Equity instruments issued by the Company are recorded at the proceeds received except where those proceeds appear to be less than the fair value of the equity instruments issued, in which case the equity instruments are recorded at fair value. The difference between the proceeds received and the fair value is reflected in the share based payments reserve.
- Available for sale financial assets, comprising principally marketable equity securities, are non derivatives that are either designated in this category or not classified in any of the other categories. They are included in current assets on the basis that they are available for sale within 12 months. Available for sale assets are carried at cost less any provision for impairment.

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the statement of financial position date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the statement of financial position date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating profit.

The principal place of business of the Company is the United Kingdom with sterling being the functional currency.

Share-based payment transactions
Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the income statement over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each statement of financial position so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of all options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

Where terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the income statement over the remaining vesting period.

Where equity instruments are granted to persons other than employees, the income statement or share premium account if appropriate, are charged with the fair value of goods and services received.

Cash and cash equivalents
Cash and cash equivalents for the purpose of the cash flow statement comprise cash and bank balances.

continued...

1. **ACCOUNTING POLICIES - continued**

New standards and interpretations applied
In preparing these financial statements the Company has reviewed all new standards and interpretations, but there are no standards effective for the year commencing 1 January 2013 requiring new interpretations to be applied.

New Standards and Interpretations adopted with no effect on the financial statements
The following new and revised Standards and Interpretations have also been adopted in these financial statements. Their adoption has not had any significant impact on the amounts reported in these financial statements but may affect the accounting for future transactions or arrangements:
- IAS 1 Presentation of Financial Statements (amended 2011 and 2012)
- IAS 16 Property, Plant and Equipment (amended 2012)
- IAS 19 Employee Benefits (amended 2011)
- IAS 32 Financial Instruments Disclosures (amended 2012)
- IAS 34 Interim Financial Reporting (amended 2012)
- IFRS 1 First-time adoption of International Financial Reporting Standards (amended 2012)
- IFRS 7 Financial Instruments (amended 2011)
- IFRS 13 Fair Value Measurement (issued 2011)
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (issued 2011)

New standards and interpretations not yet adopted
A number of new standards, amendments to standards and interpretations are not yet effective for the year commencing 1 January 2013 and have not been applied in preparing these financial statements:
- IAS 16 Property, Plant and Equipment (amended 2013 and 2014)
- IAS 19 Employee Benefits (amended 2013)
- IAS 24 Related Party Disclosures (amended 2013)
- IAS 27 Separate Financial Statements (revised 2011 and 2012)
- IAS 28 Investments in Associates and Joint Ventures (re-issued 2011)
- IAS 32 Financial Instruments (amended 2011)
- IAS 36 Impairment of Assets (amended 2013)
- IAS 38 Intangible Assets (amended 2013 and 2014
- IAS 39 Financial Instruments: Recognition and Measurement (amended 2013)
- IAS 40 Investment Property (amended 2013)
- IFRS 2 Share-based Payment (amended 2013)
- IFRS 3 Business Combinations (amended 2013)
- IFRS 7 Financial Instruments Disclosures (amended 2011 and 2013)
- IFRS 8 Operating Segments (amended 2013)
- IFRS 9 Financial Instruments (issued 2009 and amended 2009, 2010 and 2013)
- IFRS 10 Consolidated Financial Statements (issued 2011 and amended 2012)
- IFRS 11 Joint Arrangements (issued 2011, and amended 2012 and 2014)
- IFRS 12 Disclosure of Interests in Other Entities (issued 2011 and amended 2012)
- IFRS 13 Fair Value Measurement (amended 2013)
- IFRS 14 Regulatory Deferral Accounts (issued 2014)
- IFRS 15 Revenue from Contracts with Customers (issued 2014)
- IFRIC 21 Levies (issued 2013)

The Directors do not consider that the implementation of any of these new standards will have a material impact upon reported income or reported net assets.

2. **SEGMENTAL REPORTING**

The principal activity of the company is the exploration of minerals. All expenses are in respect of this one activity and there are no business segments requiring separate disclosure.

continued...

3. EMPLOYEES AND DIRECTORS

	2013	2012
	£	£
Wages and salaries	-	90,000
Social security costs	-	35,420
	-	125,420

The average monthly number of employees during the year was as follows:

	2013	2012
Directors	3	3

	2013	2012
	£	£
Directors' remuneration	-	90,000

4. NET FINANCE COSTS

	2013	2012
	£	£
Finance income:		
Deposit account interest	-	2
Finance costs:		
Loan	19,450	19,450
Net finance costs	19,450	19,448

5. LOSS BEFORE INCOME TAX

The loss before income tax is stated after charging:

	2013	2012
	£	£
Depreciation - owned assets	-	23
Auditors' remuneration	6,345	5,600
Foreign exchange differences	2	8

6. INCOME TAX

Analysis of tax expense

No liability to UK corporation tax arose on ordinary activities for the year ended 31 December 2013 nor for the year ended 31 December 2012.

continued...

6. INCOME TAX - continued

Factors affecting the tax expense
The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2013 £	2012 £
Loss on ordinary activities before income tax	(68,058)	(206,063)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23.250% (2012 - 24.500%)	(15,823)	(50,485)
Effects of:		
Expenses deferred for future taxation relief	-	30,728
Potential deferred taxation on losses for the year	15,823	19,757
Tax expense	-	-

The Company has estimated taxation losses of £1,718,026 (2012 - £1,650,026) available to carry forward to set against future trading profits.

7. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated using the weighted average number of shares adjusted to assume the conversion of all dilutive potential ordinary shares.

Reconciliations are set out below.

	Earnings £	2013 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(68,058)	160,455,500	-0.04
Effect of dilutive securities			
Options	-	21,000,000	-
Diluted EPS			
Adjusted earnings	(68,058)	181,455,500	-0.04

7. EARNINGS PER SHARE - continued

	Earnings £	2012 Weighted average number of shares	Per-share amount pence
Basic EPS			
Earnings attributable to ordinary shareholders	(206,063)	160,455,500	-0.13
Effect of dilutive securities			
Options	-	21,398,907	-
Diluted EPS			
Adjusted earnings	(206,063)	181,854,407	-0.11

8. PROPERTY, PLANT AND EQUIPMENT

	Computer equipment £
COST	
At 1 January 2013 and 31 December 2013	1,653
DEPRECIATION	
At 1 January 2013 and 31 December 2013	1,653
NET BOOK VALUE	
At 31 December 2013	-

	Computer equipment £
COST	
At 1 January 2012 and 31 December 2012	1,653
DEPRECIATION	
At 1 January 2012	1,630
Charge for year	23
At 31 December 2012	1,653
NET BOOK VALUE	
At 31 December 2012	-

continued...

9. TRADE AND OTHER RECEIVABLES

	2013 £	2012 £
Current:		
Other receivables	855	855
VAT	5,300	1,749
	6,155	2,604

10. INVESTMENTS

	2013 £	2012 £
Listed investments	447	447

The market value of listed investments at the year end was £525 (2012 - £526).

11. CASH AND CASH EQUIVALENTS

	2013 £	2012 £
Bank accounts	98	2,582

12. CALLED UP SHARE CAPITAL

	2013 £	2012 £
Alloted, called up and fully paid		
160,455,500 (2012 - 160,455,500) Ordinary shares of 1p each	1,604,555	1,604,555

The number of shares in issue is reconciled as follows:

	2013 No.	2012 No.
At 1 January 2013	160,455,500	160,455,500
Issued during the year	-	-
At 31 December 2013	160,455,500	160,455,500

13. RESERVES

	Retained earnings £	Share premium £	Totals £
At 1 January 2013	(2,433,307)	200,252	(2,233,055)
Deficit for the year	(68,058)	-	(68,058)
At 31 December 2013	(2,501,365)	200,252	(2,301,113)

continued...

14. TRADE AND OTHER PAYABLES

	2013 £	2012 £
Current:		
Trade payables	9,160	704
Other payables	292,087	292,087
Accruals and deferred income	57,408	37,608
	358,655	330,399
Non-current:		
Directors' loan accounts	74,603	33,734
Aggregate amounts	433,258	364,133

15. FINANCIAL LIABILITIES - BORROWINGS

	2013 £	2012 £
Current:		
Other loans	20,000	20,000
Non-current:		
Other loans - 1-2 years	250,000	250,000

Terms and debt repayment schedule

	1 year or less £	2-5 years £	Totals £
Other loans	20,000	250,000	270,000

On 21 June 2011 Beowulf Mining plc made a loan of £250,000 to Agricola Resources plc under terms set out in a convertible loan note, whereby the loan accrues interest at 7% above the Bank of England Base Rate and is convertible into ordinary shares of Agricola at par until 30 June 2017. The convertible loan notes are secured against all of the Company's assets and are repayable on 30 June 2017 or, at Beowulf's option, immediately upon a fundraising of more than £400,000 being completed by the Company, or any time thereafter. At the Company's option, the convertible loan notes are redeemable early without penalty on 30 June 2012 or at six monthly intervals thereafter. Beowulf is entitled at its sole discretion to convert all or part of the principal loan amount advanced into new ordinary shares in the Company at a conversion price of 1 pence par value per ordinary share at any time. The notes are transferable subject to certain limited restrictions.

In addition, Beowulf has been granted warrants to subscribe for up to 21,000,000 additional new ordinary shares in the Company at an exercise price of 1 pence per new ordinary share at any time prior to 30 June 2014.

During 2010 Beowulf Mining plc made a loan of £20,000 to Agricola Resources plc under terms set out in a convertible loan note, whereby the loan accrues interest at 3% above the Bank of England Base Rate and was convertible into ordinary shares of Agricola at par until 28 February 2013.

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16. FINANCIAL INSTRUMENTS

The Company's financial instruments comprise cash and cash equivalents, investments and financial assets and various items such as trade receivables, trade payables, accruals and prepayments that arise directly from its operations as follows:

At 31 December 2013	Fair value through profit and loss	Held at amortised cost	Fair value through other comprehensive income	Total
	£	£	£	£
Financial assets				
Cash and cash equivalents	-	98	-	98
Trade and other receivables	-	6,155	-	6,155
Investments	-	447	-	447
	-	6,700	-	6,700
Financial liabilities				
Trade and other payables	-	433,258	-	433,258
Borrowings	-	270,000	-	270,000
	-	703,258	-	703,258

At 31 December 2012	Fair value through profit and loss	Held at amortised cost	Fair value through other comprehensive income	Total
	£	£	£	£
Financial assets				
Cash and cash equivalents	-	2,582	-	2,582
Trade and other receivables	-	2,604	-	2,604
Investments	-	447	-	447
	-	5,633	-	5,633
Financial liabilities				
Trade and other payables	-	364,133	-	364,133
Borrowings	-	270,000	-	270,000
	-	634,133	-	634,133

The main purpose of these financial instruments is to finance the Company's operations. The Board regularly reviews and agrees policies for managing the level of risk arising from the Company's financial instruments as summarised below.

a) Market Risk
Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates, interest rates and equity prices will affect the Company's income or value of it's holdings in financial instruments.

i) Foreign Exchange Risk
The Company operates internationally and is exposed to foreign exchange risk arising from currency transactions. At the year end there were no financial instruments (2012 - nil) held in foreign currencies.

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16. **FINANCIAL INSTRUMENTS - continued**

ii) Commodity Price Risk
The principal activity of the Company is that of investing in mineral exploration, and the principal market risk facing the Company is an adverse movement in the commodity price.

iii) Interest Rate Risk
The Group is exposed to interest rate risk on its borrowings.

	Weighted average interest rate	2013	Weighted average interest rate	2012
	%	£	%	£
Borrowings	7.20	270,000	7.20	270,000

Sensitivity analysis
A change of 100 basis points in interest rates at the reporting date would have increased/(decreased) equity and profit and loss by £2,700 (2012 - £2,700).

b) Credit Risk
The Company's principal financial assets are the cash and cash equivalents and taxation receivable as recognised in the statement of financial position, and which represent the Company's maximum exposure to credit risk in relation to financial assets.

c) Liquidity Risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's policy throughout the year has been to ensure that it has adequate liquidity to meet its liabilities when due by careful management of its working capital.

The following tables illustrate the contractual maturity profiles of its financial liabilities as at 31 December:

	2013	2012
	£	£
Current liabilities		
Trade and other payables	358,655	330,399
Financial liabilities - Borrowings	20,000	20,000
	378,655	350,399
Non-current liabilities		
Trade and other payables	74,603	33,734
Financial liabilities - Borrowings	250,000	250,000
	703,258	634,133

Capital Management
The Company's capital consists wholly of ordinary shares. The Board's policy is to preserve a strong capital base in order to maintain investor, creditor and market confidence and to safeguard the future development of the business, whilst balancing these objectives with the efficient use of capital.

17. **TRANSACTIONS WITH DIRECTORS**

During the year the company paid consultancy fees of £24,000 (2012 - £24,000) to Mr J Negaard, a director of the Company. At the balance sheet date there was no outstanding liability (2012 - Nil).

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18. RELATED PARTY DISCLOSURES

During 2010 the Company received loans of £20,000 from Beowulf Mining plc under the terms of convertible loan notes which accrue interest at 3% above the Bank of England Base Rate and were convertible into ordinary shares in Agricola at par until 28 February 2013.

During 2011, Beowulf Mining plc issued further convertible loan notes of £250,000 to Agricola. The convertible loan notes accrue interest at 7% above the Bank of England Base Rate and are convertible into ordinary shares in Agricola at par until 30 June 2017. At the year end, the Company had drawn £249,145 (2012 - £249,145) in respect of the convertible loan notes and £855 (2012 - £855) is included in other receivables and available for Agricola to draw down.

In addition, Beowulf Mining plc holds warrants to subscribe for up to 21,000,000 additional new ordinary shares in the Company at an exercise price of 1 pence per new ordinary share at any time prior to 30 June 2014.

Mr Clive Sinclair-Poulton and Mr Anthony Scutt are directors of both Beowulf Mining plc and Agricola Resources plc. Accordingly, the subscription for the convertible loan notes, as set out above, is considered to be a related party transaction under the PLUS Rules for Issuers.

The interest charge for the year in respect of the loan notes amounted to £19,450 (2012 - £19,450) and this is included in accruals and deferred income at the balance sheet date.

During the year Mr C Sinclair-Poulton, a director of the Company, made interest free loans of £40,869 (2012 - £33,734) to the Company to cover its operational expenditure. The loan is unsecured and has no fixed date for repayment. At the year end the balance of the loans was £74,603 (2012 - £33,734).

Included in other payables at the balance sheet date are amounts owed to directors of the Company of £40,000 (2012 - £40,000) to Mr A C R Scutt and £216,667 (2012 - £216,667) to Mr C Sinclair-Poulton in respect of unpaid salaries.

Key management personnel compensation
The directors' and key management personnel of the Company during the year were are follows:
Mr C Sinclair-Poulton (Chief Executive Officer)
Mr J Negaard (Executive Director)
Mr A C R Scutt (Non-Executive Director)

The aggregate compensation made to key management personnel of the Company is set out below:

	2013	2012
	£	£
Short-term employee benefits	24,000	149,420
Post-employment benefits	-	-
Termination benefits	-	-
Share-based benefits	-	-
	24,000	149,420

Key management personnel equity holdings
Details of key management personnel beneficial interests in the fully paid Ordinary shares of the Company are unchanged during the year and are disclosed in the Directors Report.

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19. SHARE-BASED PAYMENT TRANSACTIONS

The Company has a share option programme that entitles the holders to purchase shares in the Company with the options exercisable at the price determined at the date of granting the option. There are no vesting conditions to be met and all options are to be settled by the issue of shares:

Grant date	Number of instruments	Contractual life of options
22 June 2011	21,000,000	3 years
Options outstanding at 31 December	21,000,000	

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2013	Number of options 2013	Weighted average exercise price 2012	Number of options 2012
Outstanding at 1 January	1p	21,000,000	1p	23,000,000
Lapsed during the year	-	-	1p	(2,000,000)
Outstanding and exercisable at 31 December	1p	21,000,000	1p	21,000,000

No warrants were exercised or lapsed during the year (2012 - 2,000,000 warrants lapsed unexercised with a weighted average exercise price of 1p). The options outstanding at 31 December 2013 have an exercise price of 1p (2012 - 1p) and a weighted average contractual life of 0.50 years (2012 - 1.50 years).

The fair value of services received in return for share options granted is based on the fair value of share options granted, measured using Black-Scholes model, with the following inputs:

	Services 22.06.11	Services 22.06.11
Fair value at grant date	negligible	negligible
Share price	n/a	n/a
Exercise price	1.00p	1.00p
Expected volatility	n/a	n/a
Option life	3 years	3 years
Risk-free interest rate	3%	3%