Alecto Minerals plc / EPIC: ALO / Market: AIM / Sector: Exploration & Development

29 September 2014

Alecto Minerals plc ('Alecto' or the 'Company')
Interim Results for the six months ended 30 June 2014

Alecto Minerals plc (AIM: ALO), the AIM quoted mineral exploration company focused on West and East Africa, announces its unaudited interim results for the six months ended 30 June 2014.

Highlights:

- Delivered on key objectives to build value across the Company's African gold and base metal portfolio
- 131% increase in independent inferred JORC Code compliant resource estimate at the Gourbassi target on the eastern side of the 100% owned Kossanto Gold Project to 247,000 oz Au
  - Similar sized deposits identified within a 10km radius which could potentially be developed collectively
- New exciting area of mineralisation identified on the western side of Kossanto, which will be the focus of the 2014/2015 field season
- Progression of joint venture with Centamin plc in respect of the Company's Ethiopian Gold Portfolio
  - Drilling undertaken by Centamin at the Wayu Boda gold project which intercepted a major shear zone - assay results are pending and post period end Centamin confirmed that it will satisfy its initial expenditure commitment at the project
  - Notification from Centamin that it will also satisfy its initial expenditure commitment at the Aysid-Metekel gold project - US$1.2 million to be invested over two years
- Acquisition of the prospective 250 sq. km. Karan gold project in Western Mali - plans to undertake a low cost drill programme with in-house rotary airblast rig
- Future strategy to maximise value and minimise capital commitments through roll out of joint venturing model

Alecto's CEO, Mark Jones, commented:

"*The period under review has been characterised by extensive activity across our projects and I am pleased to report that this has left us well positioned to build value in our portfolio, and particularly at Kossanto, during the forthcoming 2014/2015 field season. As well as more than doubling the inferred resource at Kossanto East, we also discovered a new and highly prospective area of mineralisation at Kossanto West. I am looking forward to getting back on the ground in the coming months and strengthening our understanding of this exciting area, which to date has attracted the attention of numerous artisanal miners.*

"Our JV with Centamin in respect of our Ethiopian gold properties has been fruitful. It has also highlighted to us the benefits of a partnership approach and we intend to seek to roll this model out, where appropriate, across other portfolio projects. With much to be getting on with, I look forward to updating shareholders with regards to our activities over the coming months as we endeavour to strengthen our understanding of our portfolio in a way which both minimises risk and unlocks the considerable value upside potential that I believe to be available across our assets."

Chairman's Statement

The period under review has seen Alecto continue to build on its African asset base through its joint venture with Centamin plc ('Centamin') in Ethiopia and with the Group's own exploration teams in West Africa. We announced in April and June an increase in the inferred gold resource estimate at the Gourbassi target in the eastern part of our primary asset, the Kossanto Gold Project in Mali (the 'Kossanto Project'). Our aim had been to double the pre-existing independent JORC Code compliant inferred resource during the exploration season, so it was particularly pleasing to have grown the inferred resource estimate by 131%. To the west of the Kossanto Project, we also identified an exciting new area of mineralisation that will be a key focus of the Company's activity during the next field season. These achievements were in line with our stated objective to build value at the Kossanto Project, and we were pleased to meet this on time, and at a low cost, over the course of a highly active season. The 2013/2014 field season has now been completed and we have spent the summer months analysing our findings in order to re-focus our strategy and ensure an exciting year ahead. Accordingly, the Board is considering a number of options, including further joint venture arrangements and/or potential funding opportunities, to finance the 2014/2015 field season, which is currently expected to commence in November 2014.

Alecto has a further three African resource projects, diversified in terms of geography and location. While the Kossanto Project is our core direct investment at present, we believe that our entire portfolio demonstrates strong value uplift potential through exploration, being located in highly prospective, yet under-explored, geological terrains. We are focussed on delivering commercially viable gold assets and with this in mind, our strategy across our portfolio is comprised of a mixture of corporate and operational activity. As explorers, we are cognisant of minimising risk and maximising value to shareholders as evidenced by our progressive joint venture with Centamin in respect of our Ethiopian gold assets. A partnership of this nature can provide us with exposure to excellent value upside potential without expenditure and we will apply this model throughout our portfolio where we believe it will enhance value.

Malian Gold Properties

Kossanto Gold Project

We own 100% of the 207 sq. km. Kossanto Gold Project in Mali, located in the centre of the Kenieba inlier in western Mali, which is a block of ancient greenstones and granites hosting many significant gold deposits in Senegal and Mali, making it one of the most important gold regions in Africa. A number of leading miners are present within the area as evidenced by AngloGold Ashanti Limited's 13.0 million ounces ('Moz') Sadiola and 4.5Moz Yatela gold mines, Randgold Resources Limited's 12.5Moz Loulo gold mine and Teranga Gold Corporation's 3.0Moz Sabodala gold mine in neighbouring Senegal. Crucially, the geology of the Kossanto Project appears consistent with these major gold producing mines, comprising a mix of basic and acidic volcanics with turbidites, and pervasive shearing and fracturing.

Further to our work during the period, it has become evident that the licence can be separated into two distinct areas: Kossanto East and Kossanto West. Kossanto East hosts the Gourbassi target, where the majority of our drilling activity was conducted during the period. Following the completion of nearly 5,000 metres of drilling, we were pleased to increase the independent JORC Code compliant inferred resource by 131% in total to 6.72

Mt grading at 1.14 g/t Au for an aggregate of 247,000 oz Au with a cut-off grade of 0.5 g/t Au. Although some further targets remain, the Board's future strategy for Kossanto East will focus on working with owners of similarly sized projects within a 10km radius which could be developed collectively. The resource base within this area is estimated to be over 500Koz, most of which is made up of shallow gold mineralisation with clean metallurgy.

Within Kossanto West, we identified new gold discoveries at multiple areas across the Massakama target. These have been highlighted through extensive artisanal workings, and geological surveys undertaken by the Company which provide strong indications that Massakama hosts an extensive gold-bearing system. Sampling results from mineralised quartz veins up to 31.5 g/t Au first indicated the area's potential and this was followed up by 1,998 metres of reverse circulation ('RC') scout drilling undertaken across four prospects: Goreba, Big Pit, MSK Centrale and Rhyolite Hill. Gold mineralisation was identified within 18 out of the 22 RC holes drilled, including the following intercepts:

- TRC004 - 1m @ 3.95g/t Au from 9m
- TRC004 - 1m @ 12.8g/t Au from 49m
- TRC006 - 1m @ 5.88g/t Au from 20m
- TRC008 - 3m @ 1.81g/t Au from 35m
- TRC009 - 2m @ 13.54g/t Au from 7m
- TRC013 - 5m @ 2.04g/t Au from 41m
- TRC019 - 28m @ 0.67g/t Au from 16m
- TRC021 - 23m @ 1.35g/t Au from 34m
- TRC022 - 16m @ 1.0g/t Au from 3m

Interestingly, high-grade quartz veins were intercepted at the Goreba target and mineralised intersections in silicified mafic volcanics and siliceous epidote rock intersected at the MSK Centrale target. An intrusive or structural contact appears to delineate mineralisation at Rhyolite Hill where artisanal miners are successfully targeting gold mineralisation. We also conducted grab sampling and channel sampling of artisanal pits at the newly identified Toukwatou target which returned highly encouraging results of 26 metres @ 1.43 g/t Au in the northern pit and 20 metres @ 1.89 g/t Au in the southern pit. Assay results were received in July for 761 metres of RAB drilling across 38 holes completed at Toukwatou, with 11 holes encountering strong intercepts, including the following intercepts:

- TRABL01/1 - 6m @ 4.23 g/t Au from 9m
- TRABL05/3 - 12m @ 3.34 g/t Au from 6m
- TRABL06/8 - 6m @ 7.835 g/t Au from 24m

Considering the results obtained from these areas, we intend to conduct further drilling across these targets during the forthcoming field season, which is currently expected to commence in November 2014. Potential joint ventures are also a possibility for this area together with raising further funds, as appropriate, to finance the future exploration work, and we will advise shareholders at the appropriate time if this path is successfully pursued.

Karan Project

In line with our strategy to build on the Group's existing portfolio of prospective African gold projects with the potential to deliver shareholder value through exploration, we enhanced our Malian gold portfolio through the acquisition of the prospective 250 sq. km. Karan gold project (the 'Karan Project') in Western Mali from Savannah Resources plc ('Savannah') in March for a consideration of £250,000, which was satisfied through the issue of new ordinary shares in the Company. We have established that RAB drilling would be ideal to advance our understanding of the existing target areas and propose to undertake a focused programme during the new exploration season. Using Alecto's own RAB drill will ensure that such drill programmes can be completed at a very low cost.

Ethiopia

Alecto holds two gold exploration licences in Ethiopia: the 945 sq. km. Wayu Boda Project in south-west Ethiopia ('Wayu Boda') and the 1,954 sq. km. Aysid-Metekel Gold Project in north-west Ethiopia ('Aysid-Metekel').

Our joint venture with Centamin, the Arabian-Nubian Shield focused mineral exploration, development and mining company, was established in October 2013 to pursue opportunities offered by certain mining projects identified by Alecto and Centamin within Ethiopia. Both Wayu Boda and Aysid-Metekel have been designated as joint venture projects, such that exploration activities at both properties are currently being funded by Centamin over a two year period in order for it to farm-in for up to a 70% interest in these projects. Accordingly, we retain exposure to the upside at these greenfield projects with no capital expenditure for the duration of the two year earn-in period.

During the reporting period, Centamin commenced work at both sites. Results from the exploration programmes at both Aysid-Metekel and Wayu Boda are pending, but as announced on 3 June 2014, over 2,500 metres of diamond core drilling across 14 holes had been completed by Centamin at that time, representing approximately 80% of the planned initial drill programme. We recently announced that following the completion of its recent exploration programme, Centamin had formally notified us that it will continue to satisfy the initial expenditure commitment at Wayu Boda. Previous work by Alecto at this project, including rock chip sampling and trenching, has returned notable grades of up to 47.4 g/t of gold.

At Aysid-Metekel, Centamin reported that it will proceed to satisfy its initial expenditure commitment following completion of its initial reconnaissance phase on the project in June. The initial reconnaissance work involved fieldwork from two base camps and at that point, approximately 3,450 soil samples, 200 stream samples and 350 rock chip samples had been obtained and submitted for independent assaying.

Wad Amour IOCG Project, Mauritania

Alecto owns 100% of the 1,369 sq. km. Wad Amour Project in Mauritania, where we have been active since 2011. We have conducted a range of reconnaissance work since then, including trenching, soil geochemistry and geophysics surveys, which have revealed significant potential for a high-grade Guelb Moghrein style iron oxide copper gold ('IOCG') deposit. We have defined two initial priority target areas comprising Chiron, where rock chip sampling has previously returned grades of up to 5.79% copper ('Cu') at surface, and Oued Amour, which has an 800m Cu anomaly and grab samples up to 1.2% Cu. In addition, two secondary targets, Tamourt and

Gadel, have also been identified. The full historic trenching results were set out in the Company's announcement of 30 January 2013.

The project is now drill ready, following the completion of an extensive trench sampling campaign. During the period, we commissioned a 1,500 metre drill programme at Wad Amour in January 2014 to test the copper and gold potential at depth, which was due to commence in April 2014. Unfortunately, due to circumstances outside the control of the Company, the drill contractor was not able to proceed with the drill programme and accordingly this has now been deferred until a later date.

Financials

In line with management's expectations and in view of the fact that Alecto is an exploration company, the Group does not have any revenues and is reporting a loss before and after taxation for the six months ended 30 June 2014 of £622,253 (2013: £480,588) which includes £185,025 in foreign exchange losses attributable to the translation of intercompany loans. Our cash position at the end of the period was £712,553, together with receivables via a derivative financial instrument of £166,667 being the fair value of amounts receivable pursuant to an equity swap arrangement. The net proceeds ultimately receivable from the swap is dependent on the Company's future share price performance over the remaining duration of the arrangement which is subject to amendment between the parties from time to time.

Outlook

The period under review has been fruitful and we have strengthened our understanding of our assets significantly, positioning us well for further progress going forward.

Based on our findings at the Kossanto Project, we will continue to explore the ability to develop the east of the project alongside other similarly sized projects in the area, whilst to the west, we currently plan to conduct further exploration to enhance our knowledge of this exciting new discovery during the upcoming field season. Centamin continues to advance both our assets in Ethiopia, at no expense to the Company, and we hope to roll out this joint venturing model across our portfolio where appropriate together with raising further funds, as appropriate, to finance our ongoing exploration work, including the 2014/2015 field season.

Over the coming months, we look forward to making further progress and I would like to take this opportunity to once again thank our shareholders, advisers and team for their support and assistance during the period.

Michael Johnson
Chairman
26 September 2014

For further information, please visit www.alectominerals.com or contact:

Alecto Minerals plc Tel: 020 3137 8862
Mark Jones

Strand Hanson Limited Tel: 020 7409 3494
Richard Tulloch / Matthew Chandler / James Dance

Hume Capital Securities plc Tel: 020 3693 1470
Jon Belliss / Abigail Wayne

St Brides Media & Finance Ltd Tel: 020 7236 1177
Elisabeth Cowell / Felicity Edwards

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	6 months to 30 June 2014 Unaudited £	6 months to 30 June 2013 Unaudited £
Continuing operations			
Revenue		-	-
Administration expenses		(418,456)	(478,860)
Loss on translation of intercompany loans		(185,025)	(2,257)
Operating Loss		(603,481)	(481,117)
Finance income		394	529
Other losses		(19,166)	-
Loss Before Taxation		(622,253)	(480,588)
Corporate tax expense		-	-
Loss for the period from continuing operations attributable to equity owners of the parent		(622,253)	(480,588)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Currency translation differences		(66,629)	108,821
Write-down of available-for-sale financial assets		-	(29,000)
Total comprehensive income for the period attributable to equity owners of the parent		(688,882)	(400,767)
Loss per share from continuing operations attributable to the equity owners of the parent			
Basic and diluted (pence per share)	7	(0.08)	(0.14)

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	30 June 2014 Unaudited £	31 December 2013 Audited £
Non-Current Assets			
Property, plant and equipment		147,366	223,616
Intangible assets	6	6,994,722	5,964,192
Restricted assets		19,540	20,192
Available-for-sale financial assets		21,000	21,000
		7,182,628	6,229,000
Current Assets			
Trade and other receivables		286,460	124,273
Derivative financial instruments		166,668	250,000
Cash and cash equivalents		712,553	624,155
		1,165,681	998,428
Total Assets		8,348,309	7,227,428
Current Liabilities			
Trade and other payables		235,433	1,393,008
Borrowings		350,000	350,000
		585,433	1,743,008
Non-Current Liabilities			
Deferred taxation		614,780	614,780
		614,780	614,780
Total Liabilities		1,200,213	2,357,788
Net Assets		7,148,096	4,869,640
Capital and Reserves Attributable to Equity Holders of the Company			
Share capital		4,177,343	4,157,432
Share premium		10,390,975	7,509,266
Share option reserve		113,034	47,316
Foreign currency translation reserve		(57,580)	9,049
Available-for-sale financial asset reserve		(29,000)	(29,000)
Retained losses		(7,446,676)	(6,824,423)
Total Equity		7,148,096	4,869,640

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to Owners of the Parent						
	Share capital £	**Share Premium £**	**Available-for-sale investment reserve £**	**Share option reserve £**	**Translation reserve £**	**Retained losses £**	**Total equity £**
As at 1 January 2013	**2,509,388**	**6,717,310**	**-**	**40,322**	**(121,264)**	**(5,582,036)**	**3,563,720**
Loss for the period	-	-	-	-	-	(480,588)	(480,588)
Other comprehensive income							
Currency translation differences	-	-	-	-	108,821	-	108,821
Write-down of available-for-sale financial assets	-	-	-	-	-	(29,000)	(29,000)
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**108,821**	**(509,588)**	**(400,767)**
Issue of ordinary shares	-	-	-	-	-	-	-
Issue costs	-	-	-	-	-	-	-
Total contributions by and distributions to owners of the Parent recognised directly in equity	-	-	-	-	-	-	-
As at 30 June 2013	**2,509,388**	**6,717,310**	**-**	**40,322**	**(12,443)**	**(6,091,624)**	**3,162,953**

	Attributable to Owners of the Parent						
	Share capital	**Share Premium**	**Available-for-sale investment reserve**	**Share option reserve**	**Translation reserve**	**Retained losses**	**Total equity**
	£	**£**	**£**	**£**	**£**	**£**	**£**
As at 1 January 2014	**4,157,432**	**7,509,266**	**(29,000)**	**47,316**	**9,049**	**(6,824,423)**	**4,869,640**
Loss for the period	-	-	-	-	-	(622,253)	(622,253)
Other comprehensive income							
Currency translation differences	-	-	-	-	(66,629)	-	(66,629)
Write-down of available-for-sale financial assets	-	-	-	-	-	-	-
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(66,629)**	**(622,253)**	**(688,882)**
Issue of ordinary shares	19,911	2,980,089	-	-	-	-	3,000,000
Issue costs	-	(98,380)	-	23,380	-	-	(75,000)
Share based payments	-	-	-	42,338	-	-	42,338
Total contributions by and distributions to owners of the Parent recognised directly in equity	19,911	2,881,709	-	65,718	-	-	2,967,338
As at 30 June 2014	**4,177,343**	**10,390,975**	**(29,000)**	**113,034**	**(57,580)**	**(7,446,676)**	**7,148,096**

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	30 June 2014 Unaudited £	30 June 2013 Unaudited £
Cash flows from operating activities		
Loss before taxation	(622,253)	(480,588)
Adjustments for:		
Interest received	(394)	(529)
Depreciation	52,749	7,059
Loss on settlement of derivative financial instrument	19,166	-
Loss on disposal of property, plant & equipment	852	-
Share option expense	42,337	-
Foreign exchange differences	269,194	5,158
Increase/(decrease) in trade and other receivables	(161,369)	14,004
Increase/(Decrease) in trade and other payables	92,425	(41,132)
Net cash used in operations	(307,293)	(496,028)
Cash flows from investing activities		
Interest received	394	529
Cash paid for acquisition of subsidiaries (net of cash acquired)	-	-
Purchase of property, plant & equipment	-	(3,697)
Proceeds from sale of property, plant & equipment	12,607	-
Purchase of intangible assets	(1,103,241)	(125,847)
Net cash used in investing activities	(1,090,240)	(129,015)
Cash flows from financing activities		
Proceeds received from issue of shares	1,564,166	-
Cost of share issue	(75,000)	-
Net cash from financing activities	1,489,166	-
Net (decrease)/increase in cash and cash equivalents	91,633	(625,043)
Cash and cash equivalents at beginning of period	624,155	848,059
Exchange (losses)/gains on cash and cash equivalents	(3,236)	(3,131)
Cash and cash equivalents at end of period	712,553	219,885

Major non-cash transactions

On 23 January 2014, the Company issued 7,000,000 options valid for three years from, and exercisable six months after, the date of grant at an exercise price of 1.58 pence.

On 30 January 2014, the Company issued 79,113,924 ordinary shares of 0.01 pence each fully paid (‘Ordinary Shares’) at a price of 1.58 pence per share as deferred consideration for a business acquisition made in a prior period.

On 28 March 2014, the Company issued 20,000,000 Ordinary Shares at a price of 1.25 pence per share as consideration for business acquisitions. On the same date, the Company issued the following warrants to advisers as consideration for services provided to the Company:

- 3,000,000 warrants exercisable for 2.7 years from the date of grant at an exercise price of 1 pence each;
- 5,000,000 warrants exercisable for 3 years from the date of grant at an exercise price of 1.5 pence each; and
- 7,730,327 warrants exercisable for 5 years from the date of grant at an exercise price of 1.925 pence each.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. General Information

The principal activity of Alecto Minerals plc ('the Company') and its subsidiaries (together 'the Group') is the exploration for, and development of, precious and base metals. The Company's shares are quoted on the AIM market of the London Stock Exchange plc. The Company is incorporated and domiciled in the UK.

The address of the Company's registered office is 47 Charles Street, London, W1J 5EL.

2. Basis of Preparation

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. The interim financial statements have been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union. Statutory financial statements for the year ended 31 December 2013 were approved by the Board of Directors on 29 May 2014 and subsequently delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

The 2014 interim financial report of the Company has not been audited.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Group to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements for the period ended 30 June 2014.

Risks and uncertainties

The Board continuously assesses and monitors the key risks facing the business. The key risks that could affect the Group's medium term performance and the factors that mitigate those risks have not substantially changed from those set out in the Group's 2013 Annual Report and Financial Statements, a copy of which is available on the Group's website at: www.alectominerals.com. The key financial risks are liquidity risk, foreign exchange risk, credit risk, price risk and interest rate risk.

Critical accounting estimates and judgements

The preparation of condensed interim financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the end of the reporting period. It also requires management to exercise its judgement in the process of applying the Group's Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed interim financial statements, are disclosed in Note 4 of the Group's 2013 Annual Report and Financial Statements.

3. Accounting Policies

Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 31 December 2013, except for the impact of the adoption of the Standards and interpretations described below.

3.1 Changes in accounting policies and disclosures

(a) New and amended standards, and interpretations mandatory for the first time for the financial year beginning 1 January 2014

Standard	Impact on initial application	Effective date
IAS 27	Separate financial statements	1 January 2014
IAS 27 (amendment)	Separate financial statements - Investment entities	1 January 2014
IAS 28	Investments in associates and joint ventures	1 January 2014
IAS 32 (amendment)	Offsetting financial assets and financial liabilities	1 January 2014
IAS 36 (amendment)	Impairment of assets - Recoverable amount disclosures for non-financial assets	1 January 2014

IAS 39 (amendment)	Novation of derivatives and continuation of hedge accounting	1 January 2014
IFRS 10	Consolidated financial statements	1 January 2014
IFRS 10 (amendment)	Consolidated financial statements - Investment entities	1 January 2014
IFRS 10 (amendment)	Consolidated financial statements - transition guidance	1 January 2014
IFRS 11	Joint arrangements	1 January 2014
IFRS 11 (amendment)	Joint arrangements - transition guidance	1 January 2014
IFRS 12	Disclosure of interests in other entities	1 January 2014
IFRS 12 (amendment)	Disclosure of interests in other entities - Investment entities	1 January 2014
IFRS 12 (amendment)	Disclosure of interests in other entities - transition guidance	1 January 2014
IFRIC 21	Levies	1 January 2014

The above pronouncements have been adopted for the first time in this period and have not resulted in any material changes in the financial statements other than additional disclosures to the annual financial statements.

(*b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2014 and not early adopted*

Standard	Impact on initial application	Effective date
IAS 19 (amendment)	Defined benefit plans: employee contributions	1 July 2014*[1]
IAS 16 and IAS 38 (amendments)	Clarification of acceptable methods of depreciation and amortisation	1 January 2016*[1]
IFRS 11 (amendment)	Accounting for acquisition of interests in joint operations	1 January 2016*[1]
IFRS 14	Regulatory deferral accounts	1 January 2016*[1]
IFRS 15	Revenue from contracts with customers	1 January 2017*[1]
IFRS 2 (amendment) (annual improvements 2010-2012)	Share-based payment - Definition of 'vesting condition'	1 July 2014*[1]
IFRS 3 (amendment) (annual improvements 2010-2012)	Business combinations - Accounting for contingent consideration in a business combination	1 July 2014*[1]
IFRS 8 (amendment) (annual improvements 2010-2012)	Operating segments - Aggregation of operating segments and Reconciliation of the total of the reportable segments' assets to the entity's assets	1 July 2014*[1]
IFRS 13 (amendment) (annual improvements 2010-2012)	Fair value measurement - Short-term receivables and payables	1 July 2014*[1]
IAS 16 (amendment) (annual improvements 2010-2012)	Property, plant and equipment - Revaluation method - proportionate restatement of accumulated depreciation	1 July 2014*[1]
IAS 24 (amendment) (annual improvements 2010-2012)	Related party disclosures - Key management personnel	1 July 2014*[1]

IAS 38 (amendment) (annual improvements 2010-2012)	Intangible assets - Revaluation method - proportionate restatement of accumulated amortisation	1 July 2014*[1]
IFRS 1 (amendment) (annual improvements 2011-2013)	First time adoption of International Financial Reporting Standards - Meaning of effective IFRSs	1 July 2014*[1]
IFRS 3 (amendment) (annual improvements 2011-2013)	Business Combinations - Scope of exception for joint ventures	1 July 2014*[1]
IFRS 13 (amendment) (annual improvements 2011-2013)	Fair value measurement - Scope of paragraph 52 (portfolio exception)	1 July 2014*[1]
IAS 40 (amendment) (annual improvements 2011-2013)	Investment property - Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property	1 July 2014*[1]
IAS 16 and IAS 41 (amendments)	Property, plant and equipment and Agriculture: Bearer Plants	1 January 2016*[1]
IAS 27 (amendment 2014)	Equity method in separate financial statements	1 January 2016*[1]
IAS 39, IFRS 7 and IFRS 9 (amendment November 2013)	Hedge accounting	1 January 2018
IFRS 9	Financial instruments	1 January 2018*[1]
IFRS 7 and 9 (amendment December 2011)	Mandatory effective date and transition disclosures	1 January 2018
IFRS 10 and IAS 28 (amendment 2014)	Sale or contribution of assets between an investor and its associate or joint venture	1 January 2016*[1]

*[1] Not yet endorsed by the EU

The Group is evaluating the impact of the new and amended standards above. The Directors do not believe that these new and amended standards will have a material impact on the Group's results or shareholders' funds.

3.2 Intangible assets

(a) Goodwill

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

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

(b) Exploration and evaluation assets

The Group recognises expenditure as exploration and evaluation assets when it determines that those assets will be successful in finding specific mineral resources. Expenditure included in the initial measurement of exploration and evaluation assets and which are classified as intangible assets relate to the acquisition of rights to explore, topographical, geological, geochemical and geophysical studies, exploratory drilling, trenching, sampling and activities to evaluate the technical feasibility and commercial viability of extracting a mineral resource. Capitalisation of pre-production expenditure ceases when the mining property is capable of commercial production.

Exploration and evaluation assets arising on business combinations are included at their acquisition-date fair value in accordance with IFRS 3 'Business combinations'. Other exploration and evaluation assets and all subsequent expenditure on assets acquired as part of a business combination are recorded and held at cost.

Exploration and evaluation assets are assessed for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The assessment is carried out by allocating exploration and evaluation assets to cash generating units, which are based on specific projects or geographical areas.

Whenever the exploration for and evaluation of mineral resources in cash generating units does not lead to the discovery of commercially viable quantities of mineral resources and the Group has decided to discontinue such activities of that unit, the associated expenditures are written off to the income statement.

4. Dividends

No dividend has been declared or paid by the Company during the six months ended 30 June 2014 (2013: nil).

5. Segment Information

Management has determined the operating segments based on reports reviewed by the Board of Directors that are used to make strategic decisions. During the period the Group had interests in four geographical segments: the United Kingdom, Mali, Mauritania and Ethiopia. Activities in the UK are mainly administrative in nature whilst the activities in Mali, Ethiopia and Mauritania relate to exploration and evaluation work.

The Group had no turnover during the year.

2014	Ethiopia	Mauritania	Mali	UK	Intra-segment balances	Total
	£	£	£	£	£	£
Administrative expenses	(17,722)	(2,605)	(147,559)	(250,570)	-	(418,456)
Loss on foreign exchange	(39,056)	(53,131)	(92,838)	-	-	(185,025)
Loss from operations per reportable segment	(56,778)	(55,736)	(240,397)	(250,570)	-	(603,481)
Additions to non-current assets	(64,167)	(11,774)	1,031,277	(1,708)	-	953,628
Reportable segment assets	739,540	987,579	3,635,190	8,965,938	(5,979,938)	8,348,309
Reportable segment liabilities	804,942	1,625,321	3,397,333	460,791	(5,088,174)	1,200,213

2013	Ethiopia	Mauritania	UK	Intra-segment balances	Total
	£	£	£	£	£
Administrative expenses	(14,388)	(793)	(463,679)	-	(478,860)
Loss on foreign exchange	(1,637)	(620)	-	-	(2,257)
Loss from operations per reportable segment	(16,025)	(1,413)	(463,679)	-	(481,117)
Additions to non-current assets	93,916	135,685	(29,321)	-	200,280
Reportable segment assets	714,890	1,408,023	3,792,277	(2,079,339)	3,835,851
Reportable segment liabilities	598,833	1,577,599	55,295	(1,558,829)	672,898

6. Intangible Assets

Intangible assets comprise exploration and evaluation costs and goodwill. Exploration and evaluation costs comprise acquired and internally generated assets.

Cost and Net Book Value	Goodwill	Exploration & evaluation assets	Total
	£	£	£
Balance as at 1 January 2014	383,057	5,581,135	5,964,192
Additions	9,182	1,103,241	1,112,423

Exchange rate movements	-	(81,893)	(81,893)
As at period end	**392,239**	**6,602,483**	**6,994,722**

7. Loss per Share

The calculation of the total basic loss per share of 0.08 pence (2013: 0.14 pence) is based on the loss attributable to equity owners of the parent company of £622,253 (2013: £480,588) and on the weighted average number of Ordinary Shares in issue of 765,626,587 (2013: 358,483,993) during the period.

No diluted earnings per share is presented as the effect of the exercise of share options would be to decrease the loss per share.

Details of share options and other share based payments that could potentially dilute earnings per share in future periods are disclosed in the notes to the Group's Annual Report and Financial Statements for the year ended 31 December 2013.

8. Business combinations

On 28 March 2014, the Group acquired 100% of the share capital of NewMines Holdings Limited ('NewMines') for £250,000. NewMines is registered in Nevis and via its wholly owned subsidiary Tobon Tondo S.U.A.R.L. holds 266 sq. km. of gold exploration licences in western Mali. As a result of this acquisition the Group is expected to increase its presence in this market and commodity.

The goodwill of £9,182 arising from the acquisition is attributable to the expected upside potential of developing the licence areas through further exploration. None of the goodwill is expected to be deductable for tax purposes.

The following table summarises the consideration paid for NewMines and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

Consideration at 27 March 2014	**£**
Equity instruments (20,000,000 ordinary shares at 1.25 pence per share)	250,000
Total consideration	**250,000**

Acquisition related costs	**£**
Included in the statement of comprehensive income for the period ended 30 June 2014	nil

Recognised amounts of identifiable assets acquired and liabilities assumed	**£**
Trade and other receivables	818
Exploration assets (included within Intangible Assets)	240,000
Total identifiable net assets	**240,818**
Goodwill	**9,182**

Total consideration	250,000

The fair value of the 20,000,000 Ordinary Shares issued as consideration for NewMines was based on the agreed price of 1.25 pence per Ordinary Share.

The fair value of the exploration assets of £240,000 was estimated by applying a number of valuation metrics which include; geological upside potential, mineralogy, market benchmarks and the application of local market factors. In the Directors' opinion, the value of the consideration paid to effect the acquisition related primarily to the value of the exploration licences and upside potential representing a price agreed between willing and knowledgeable parties on an arms length basis. Therefore, the fair value of the consideration transferred, after consideration of tax implications and the removal of the fair value of other identifiable assets acquired, has been used as a basis for valuing the exploration assets acquired.

Had NewMines been consolidated from 1 January 2014, the consolidated statement of comprehensive income would show revenue of £nil and a profit for the period of £1,308,880.

9. Commitments

All commitments remain as stated in the Group's Annual Financial Statements for the year ended 31 December 2013.

10. Events after the balance sheet date

On 28 July 2014, Savannah Resources plc ("Savannah"), an existing substantial shareholder in the Company, elected to convert its £350,000 7% convertible loan note, due 3 October 2014, in full, together with accrued interest, into 32,045,742 new ordinary shares of 0.01 pence each at the conversion price of 1.15 pence per share. Savannah subscribed for the convertible loan notes in October 2013 on completion of the Company's acquisition of AME West Africa Ltd from Savannah.

11. Approval of interim financial statements

The condensed interim financial statements were approved by the Board of Directors on 26 September 2014.

****ENDS****

Notes to editors:

Alecto Minerals plc is an African focussed, gold and base metals exploration company quoted on AIM, with exploration projects in Mali, Ethiopia and Mauritania. The on-going development of the Kossanto Gold Project in Mali is the Company's predominant operational focus and with significant value upside potential evident across the tenure, the Board plans to build on its current independent inferred resource estimate of 6.72Mt grading at 1.14g/t Au for an aggregate of 247,000 oz Au with a cut-off grade of 0.5g/t Au for the Gourbassi target reported in accordance with the guidelines of the JORC Code (2012).

Alecto also has a joint venture with Centamin plc over two prospective gold exploration licences in Ethiopia which sees Alecto retain exposure to the assets with no capital expenditure obligations, as well as the wholly owned Wad Amour IOCG Project in Mauritania which is at an exploration stage. Combined, these projects provide the Company with a strong, diversified portfolio with exciting exploration upside potential.