27 September 2013

Kemin Resources Plc
(‘Kemin” or the “Company”)

Interim Results for the 6 month period ended 30 June 2013

Kemin (AIM: KEM), the molybdenum and tungsten exploration and development company with substantial interests in Kazakhstan, announces its unaudited interim results for the six month period ended 30 June 2013.

Highlights:

- Completion of the acquisition of Joint Venture Kazakh-Russian Mining Company LLP by way of reverse takeover
- Re-admission to AIM as Kemin Resources plc (previously named GMA Resources plc)
- Contract reinstatement on 31 May 2013, triggering the conversion in full of the B Shares into New Ordinary Shares of the Company and the issue of the Loan Shares

Post period end:

- Appointment of Project XXI SG to complete a pre-feasibility study and a bankable feasibility study for the Company’s two wholly owned deposits, Drozhilovskoye and Smirnovskoe, located in the northern part of Kazakhstan
- Further Board & corporate governance strengthening—appointment of Kanat Assaubayev and Ashar Qureshi as Chairman and Vice Chairman respectively.

Commenting on the results, Kanat Assaubayev, Chairman of Kemin, said:
“I am very pleased with the significant progress made in the year to date by Kemin. I look forward to the results of both the pre-feasibility and bankable feasibility studies and expect them to demonstrate the significant economic potential and world class scale of Kemin’s deposits.”

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Chief Executive Officer's Review

It has been a busy and productive six months for Kemin. Our main focus was on the completion of the acquisition of Joint Venture Kazakh-Russian Mining Company LLP ("KRMC") by way of a reverse takeover and the subsequent capital reorganisation of the Company.

Kemin completed the acquisition of 90 per cent of the participatory interests in the charter capital of KRMC in April 2013 for a consideration of £40 million. KRMC is party to two subsoil use contracts in respect of two molybdenum and tungsten deposits in northern Kazakhstan. These are the Drozhilovskoye molybdenum-tungsten deposit in the Denisovski rayon of Kostanai oblast and the Smirnovskoe molybdenum-tungsten-copper deposit in the Karabalyksky rayon, also of the Kostanai oblast.

The £40 million consideration was satisfied through the issue of shares. On completion of the acquisition the Company issued a total of 148,320,720 B Shares to Bergfolk Corporation (133,117,846 B Shares), Strathland Enterprises Investments Limited (10,642,012 B Shares) and Hanson Central European Fund LP (4,560,862 B Shares), which were subsequently converted into new ordinary shares upon the Contract Reinstatement which occurred on 31 May 2013 following the requisite approvals being obtained from MINT. Concurrently, Loan Stock Holders approved amendments to the terms of their loan stock such that their holdings automatically converted into 2,472,011 new ordinary shares. The Company also completed a 500:1 share consolidation of its existing share capital prior to the issue of the above 148,320,720 and 2,472,011 new ordinary shares. Accordingly, the Company now has 152,028,737 ordinary shares in issue.

The Company has commenced a four stage process aimed at developing the Drozhilovskoye and Smirnovskoe deposits. The [initial and second] stages of this process involve the completion of a pre-feasibility study ("PFS") and a bankable feasibility study ("BFS") (together the "Feasibility Studies") for a large-scale mining operation producing molybdenum and tungsten concentrates plus potential other by-products. Project XXI SG ("Project XXI") was appointed on 29 August 2013 to complete the Feasibility Studies on both deposits.

Project XXI has completed a number of similar assignments for significant mining enterprises in Central Asia, and particularly within Kazakhstan and has been in operation since 2003. The management team believes that Project XXI's combination of international standard technical expertise and in-depth local knowledge makes them the most appropriate and well qualified partner. The Feasibility Studies are being funded through the Company's currently available resources. The Company expects to update the market on the progress of the Feasibility Studies as key milestones are reached.

On completion of the BFS, the Board will then review its strategic options: principally whether to finance and build an operating mine or to sell one or more of the deposits to another mine developer.

Finally, we were pleased to announce the appointment of Kanat Assaubayev as Chairman of the Company on 17 September 2013. Kanat Assaubayev is one of Kazakhstan's leading entrepreneurs with a wealth of experience in natural resources in particular. The first Kazakh to get a doctorate in metallurgy, Mr. Assaubayev's early career was in academia where he rose to the position of Chairman of the Metallurgy and Mining Department of the Kazakh National Polytechnic University. He began his business career in the 1990s and has led a number of natural resources enterprises to national and international success. In the near term, Kanat Assaubayev will focus his efforts on supervising the work being performed by the Company and Project XXI in connection with the abovementioned Feasibility Studies.

To further strengthen corporate governance, Ashar Qureshi, already a Director of the Company, was appointed Vice Chairman of the Company with effect from 17 September 2013.

Sanzhar Assaubayev
CEO Kemin Resources

26 September 2013

Consolidated income statement
Six months ended 30 June 2013

	Six months to 30 June 2013 (unaudited) $000	Six months to 30 June 2012 (unaudited) $000	Year ended 31 December 2012 (unaudited) $000
Administrative expenses	(7)	(20)	(157)
Operating Loss	(7)	(20)	(157)
Finance Expense	(104)	(94)	(116)
Loss before taxation	(111)	(114)	(273)
Taxation charge	-	-	-
Loss from continuing operations attributable to equity shareholders	(111)	(114)	(273)
Loss per ordinary share			
Continuing operations			
Basic & Diluted	(0.001)	(0.000)	(0.000)

Consolidated statement of comprehensive income
Six months ended 30 June 2013

	Six months to 30 June 2013 (unaudited) $000	Six months to 30 June 2012 (unaudited) $000	Year ended 31 December 2012 (unaudited) $000
Loss for the period	(111)	(114)	(273)
Currency translation differences on foreign currency net investments	155	13	167
Total comprehensive loss/(profit) for the period attributable to equity shareholders of the parent	44	(101)	(106)

Consolidated statement of financial position
Six months ended 30 June 2013

	30 June 2013 (unaudited) $000	30 June 2012 (unaudited) $000	31 December 2012 (unaudited) $000
ASSETS			
Non-current			
Goodwill	**4,583**	-	-
Exploration and evaluation assets	**2,267**	2,325	2,268
Property, plant and equipment	**49**	50	50
Other receivables	**90**	77	90
Non-current assets	**6,989**	2,452	2,408
Current			
Other receivables	**11**	12	11
Cash and cash equivalents	**26**	6	7
Current assets	**37**	18	18
Total assets	**7,026**	2,470	2,426
EQUITY			
Equity attributable to owners of the parent			
Called-up share capital	**2,311**	9,394	9,394
Share premium	**124,466**	42,393	42,393
Reverse acquisition reserve	**(120,448)**	(49,793)	(50,694)
Loan stock reserve	**-**	2,148	3,049
Capital contribution reserve	**-**	-	-
Currency translation reserve	**376**	67	221
Accumulated loss	**(5,562)**	(5,292)	(5,451)
Total equity	**1,143**	(1,083)	(1,088)
LIABILITIES			
Non-current			
Loans and borrowings	**1,543**	1,102	1,553
Obligations under subsoil contracts	**16**	32	16
Non-current liabilities	**1,559**	1,134	1,569
Current			
Loans and borrowings	**2,492**	1,269	1,055
Trade and other payables	**1,811**	1,145	866
Obligations under subsoil contracts	**21**	5	24
Current liabilities	**4,324**	2,419	1,945
Total liabilities	**5,883**	3,553	3,514
Total equity and liabilities	**7,026**	2,470	2,426

Consolidated Statement of changes in equity
Six months ended 30 June 2013

	Share capital $000	Share premium $000	Reverse acquisition reserve $000	Loan stock reserve $000	Currency translation reserve $000	Accumulated losses $000	Total $000
At 1 January 2013	9,394	42,393	(50,694)	3,049	221	(5,451)	(1,088)
Loss for the period	-	-	-	-	-	(111)	(111)
Currency translation differences arising on translation of foreign operations	-	-	-	-	155	-	155
Total comprehensive loss					155	(111)	44
Issue of shares	2,254	58,546	-	-	-	-	60,800
Share consolidation	(9,375)	9,375	-	-	-	-	-
Conversion of loan stock	38	14,153	-	(3,049)	-	-	11,142
Reverse acquisition adjustment	-	-	(69,754)	-	-	-	(69,754)
30 June 2013	2,311	124,466	(120,448)	-	376	(5,562)	1,143
At 1 January 2012	9,394	42,393	-	2,148	54	(5,178)	48,811
Loss for the period	-	-	-	-	-	(114)	(114)
Currency translation differences arising on translation of foreign operations	-	-	-	-	13	-	13
Total comprehensive loss	-	-	-	-	13	(114)	(101)
Reverse acquisition adjustment	-	-	(49,793)	-	-	-	(49,793)
30 June 2012	9,394	42,393	(49,793)	2,148	68	(5,292)	(1,083)
At 1 January 2012	9,394	42,393	-	2,148	54	(5,178)	48,811
Loss for the year	-	-	-	-	-	(273)	(273)
Currency translation differences arising on translation of foreign operations	-	-	-	-	167	-	167
Total comprehensive loss	-	-	-	-	167	(273)	(106)
Reverse acquisition adjustment	-	-	(50,694)	-	-	-	(50,694)
Arising on the modification of loan stock	-	-	-	901	-	-	901
At 31 December 2012 (unaudited)	9,394	42,393	(50,694)	3,049	221	(5,451)	(1,088)

Consolidated cash flow statement
Six months ended 30 June 2013

	Six months to 30 June 2013 (unaudited) $000	Six months to 30 June 2012 (unaudited) $000	Year ended 31 December 2012 (unaudited) $000
Cash flows from operating activities			
Loss for the period	(111)	(114)	(273)
Adjustments for :			
Depreciation	2	4	84
Finance expense	104	94	116
Foreign exchange	-	1	-
Decrease in trade and other payables	250	21	84
Net cash inflow from operating activities	245	6	11
Investing Activities			
Purchase of goodwill	(243)	-	-
Funds from Acquisition	17	-	-
Transfer to restricted cash deposit	-	-	(4)
Net cash used in investing activities	(226)	-	(4)
Increase in cash and cash equivalents	19	6	7
Cash and cash equivalents at the beginning of the period	7	-	-
Cash and cash equivalents at the end of the period	26	6	7

Notes to the consolidated interim financial information
Six months ended 30 June 2013

1 Basis of preparation

The consolidated interim financial information has been prepared using accounting policies based on International Financial Reporting Standards (IFRS and IFRIC interpretations) issued by the International Accounting Standards Board ("IASB") as adopted for use in the EU.

The consolidated interim financial information has been prepared using the accounting policies which will be applied in the Group's financial statements for the year ended 31 December 2013. The consolidated interim financial information for the period 1 January 2013 to 30 June 2013 is unaudited and incorporates unaudited comparative figures for the period from 1 January 2012 to 30 June 2012, and the unaudited financial information for the year to 31 December 2012. It does not include all disclosures that would otherwise be required within a complete set of financial statements.

As explained in more detail in Note 3 below, the unaudited financial information for the year to 31 December 2012 replaces the audited financial information disclosed to shareholders in the Company's 2012 Annual Report and Accounts. This is the result of the reverse takeover of KRMC and the decision of the Directors to present the consolidated financial statements of the Group as if KRMC was the acquirer of Kemin in order to give a true and fair view of the substance of the business combination. As a result, the income statement of the Group shows the historic trading of KRMC for the full year and includes the trading of Kemin from the date of the reverse takeover only.

In addition, the IASB has issued a number of IFRS and IFRIC amendments or interpretations since the last annual report was published. It is not expected that any of these will have a material impact on the Group.

Going concern

As at 30 June 2013, the Group had cash in hand of $26,000.

Under a loan agreement dated 10 April 2013, Amrita Investment Limited (a company incorporated in the British Virgin Islands and ultimately controlled by the Assaubayev family) (the "Lender") made available a facility of £7,000,000 on an unsecured basis. This was to be applied towards the Group's working capital requirements and the settlement of debts due by KRMC.

The loan bears interest at a rate of LIBOR+5%. The loan is repayable on the earlier of the fifth anniversary of the loan agreement or of the completion date in respect of any equity fundraising which raises at least £5,000,000 (before expenses). At such time, the Lender may choose to convert the loan into new ordinary shares of the Company at the conversion rates stipulated within the loan agreement.

The Directors are confident that the Group has sufficient resources available to meet its liabilities as they fall due and its working capital requirements going forward and have therefore prepared these interim financial statements on a going concern basis.

Notes to the consolidated interim financial information
Six months ended 30 June 2013

2 Loss per ordinary share

The calculation of basic and diluted loss per share from continuing operations is based upon the retained loss for the financial period.

The weighted average number of ordinary shares for calculating the basic loss per share and diluted loss per share after adjusting for the effects of all dilutive potential ordinary shares for the six months to 30 June 2013 is 148,938,720 (30 June 2012: 618,002,894; 31 December 2012: 618,002,894).

In line with IFRS 3, following the reverse takeover (the “RTO”) the equity structure of the Group reflects the equity of the legal parent, including the shares issued by it to effect the business combination. The weighted average number of ordinary shares has been calculated as follows:

(a) Number of ordinary shares from beginning of the period to the date of RTO is the number of shares issued by the Company to the owners of KRMC.

(b) From the acquisition date to the end of the period the number of shares is the actual number of shares of the Company outstanding during the period.

3 Reverse Takeover

On 31 May 2013, the Company became the legal parent of KRMC via a share for share transaction. Due to the relative size of the companies, the shareholders of KRMC became the majority shareholders of the enlarged group. Accordingly, the substance of the combination was that KRMC acquired the Company via a reverse takeover.

Under the requirements of the Companies Act 2006 it would normally be necessary for the Company's consolidated accounts to follow the legal form of the business combination. In that case, the pre-combination results would be those of the Company and, KRMC results would be included only in relation to its performance from 31 May 2013. However, this would portray the combination as the acquisition of KRMC by the Company and would, in the opinion of the directors, fail to give a true and fair view of the substance of the business combination. Accordingly, the directors have adopted reverse takeover accounting as the basis of the consolidation.

Notes to the consolidated interim financial information
Six months ended 30 June 2013

3 Reverse Takeover (contd.)

	Book & Fair value $'000
Fair value of net assets acquired:	
Cash and cash equivalents	17
Trade and other payables	(884)
Short term borrowings	(1,491)
	(2,358)
Consideration:	
Shares issued at fair value	(1,099)
Costs of Acquisition	(1,126)
	(2,225)
Goodwill	4,583

On 31 May 2013, KRMC acquired 90% of the issued share capital of the Company for a consideration of $1,098,960 representing 3,708,017 ordinary shares of the Company in issue immediately prior to the reverse takeover for which the fair value was determined based on the market price of the shares in issue.

Notes to the consolidated interim financial information
Six months ended 30 June 2013

4 Functional and presentational currency

The Group has prepared its consolidated financial statements in United States Dollars. The functional currency of KRMC, trading subsidiary in Kazakhstan, is the Kazakhstan Tenge ("KZT"). The functional currency of Kemin is Pounds Sterling. The rates used to convert Pounds Sterling and Kazakhstan Tenge into United States Dollars in these financial statements are as follows:

		30 June 2013			30 June 2012			31 December 2012	
		Closing	Average		Closing	Average		Closing	Average
US$=£		1.52	1.53		1.62	1.58		1.54	1.60
US$=KZT		151.75	153.33		150.74	149.11		145.58	146.65

The currency translation movement on the Group's net investment in its subsidiaries in Kazakhstan is taken to reserves.

The financial statements of all Group companies are translated into United States Dollars whereby their income statements are translated at the average rate of exchange for the period concerned and their statement of financial position at the closing rate of exchange at the reporting date. Currency translation adjustments arising on the restatement of opening net assets, together with adjustments arising from the retranslation of intergroup and long term foreign currency loans to subsidiaries, are taken directly to reserves.

Transactions denominated in currencies other than the functional currency of a company are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities are translated into the relevant functional currency at the closing rates of exchange at the reporting date. Exchange rate differences arising from the restatement of monetary assets and liabilities at the closing rate of exchange at the reporting date or from the settlement of monetary transactions at a rate different from that at which the asset or liability was recorded are dealt with through the income statement.

5 Events after the reporting date

There were no significant transactions after the reporting date.

6 Approval of interim group financial statements

The interim group financial statements for the six months to 30 June 2013 were approved by the directors on 26 September 2013.

7 Ultimate Controlling Party

The controlling party of Kemin Resources plc is Bergfolk Corporation, by virtue of the fact that it owns 87.56% of the voting rights in the company. The ultimate controlling party is the Assaubayev family.

8 Availability of Interim Report

A copy of these results can also be downloaded from the Company's website at www.keminresources.com.