8 June 2017

Kemin Resources Plc
('Kemin" or the "Company')

Final Results for the Year Ended 31 December 2016

Kemin (AIM: KEM), the molybdenum and tungsten exploration and development company with substantial interests in Kazakhstan, today announces its final results for the Year Ended 31 December 2016.

Highlights

- Positive progress in the process of extension of the existing licences for both Drozhilovskoye and Smirnovskoye
- The value of the Drozhilovskoye and Smirnovskoye expected to be enhanced by the inclusion of copper and lithium resources
- Continued financing support for the Company from Amrita Investments Limited, a vehicle owned by the Company's majority shareholders
- Attributable loss of £432,000 (2015: £1,101,000) in the year

The accounts for the year ended 31 December 2016 will shortly be available at the Company's website, www.keminresources.com, in accordance with AIM Rule 20.

The Annual General Meeting of the Company will be held at 28 Eccleston Square, London, SW1V 1NZ on Friday 30 June 2017 at 10:00am.

Commenting on the results, Sanzhar Assaubayev, the CEO of Kemin, said:

"The Company is in the latter stages of receiving approval for the extension of its exploration licences. Once the licences are granted, which is expected in Q3 2017, the Company will continue with its exploration programmes, with a view to moving to production in the future."

For further information, please visit http://www.keminresources.com or contact:

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Information on the Company

Kemin Resources plc (AIM: KEM) was formed into its present structure in April 2013 by the reverse take-over of GMA Resources plc by the 'Joint Venture Kazakh-Russian Mining Company LLP' (KRMC).

Kemin Resources Plc (AIM:KEM) ("Kemin" or the "Company"), is an exploration and development Company; its principal mining assets are located in Northern Kazakhstan. The Company is focused on exploring and advancing its two exploration sites for the extraction of molybdenum, tungsten, lithium and copper deposits at Drozhilovskoye and Smirnovskoye. Kemin's 90% owned Kazakh entity, KRMC, is the developer and future operator of the two subsoil licences.

Chairman's Statement

As noted last year, as a result of the prevailing low prices for Tungsten and Molybdenum, the Company took steps to improve its understanding of the deposits. This entailed looking for potential high grade zones as well as extracting samples to ascertain if other commercially viable minerals were exploitable on the project sites. It was felt time and consideration should be given to this aspect as it would form the future basis for any production plans to be agreed with the government ministry.

Based on information gathered during the initial exploration period, revised development plans were submitted, as part of the on-going process of the license applications to the relevant ministry which incorporated the extraction of Copper and Lithium.

The process of license renewals and the agreement of the work programs has been more time consuming than anticipated. The agreement of license renewals and work programs is a factor unfortunately out of our control. Delays have arisen due to changes made in a number of the government departments that deal with the license renewals and agreement of the associated work programs. Albeit we do not consider there to be any issue with an agreement to the extension of the licenses - formal approval of the license extensions is not expected until Q3 2017, once all administrative procedures have been completed.

The projects are not so dependent on the pricing of Tungsten or Molybdenum. The price for Molybdenum has stabilised around the US$17,500 mark while that of Tungsten is in the region of US$12,200. With the added benefit of Lithium which is currently in high demand it is felt this will result in enhanced overall project returns. Both Drozhilovskoye and Smirnovskoye are very attractive projects for future development by Kemin, and a very good investment opportunity.

As in the past the Company will continue to benefit from the backing of its major shareholder, which has once again indicated its support for the current strategy and will provide finance as and when required. The Board are grateful for the understanding of its shareholders and anticipate that shareholder value will grow in the future as the projects continue to develop.

Kanat Assaubayev
Chairman

8 June 2017

Chief Executive Officer's statement

As reported in the Chairman's statement the program of development has been pushed back as we await finalisation of the license renewals. The future work programs are expected to be rolled out in Q3 2017 once both work programs are agreed.

Each stage of the license renewal, requires a period of 30 days for the relevant authority to consider the application. At each stage if recommendations/changes are required by the Ministry, revised drafts and further information is required to be submitted. Another 30 day period will then commence in that particular stage, once passed it will move to the next stage of approval for the process of license extension to continue. In total, there are approximately 5 stages to agreeing the exploration extension and agreement work programs.

In relation to license 1605 for Smirnovskoye, albeit the initial license renewal request was granted as previously reported to August 2018. The work program that was initially submitted, was amended in order to include revised plans for exploitation of minerals in addition to Tungsten and Molybdenum. Inevitably this resulted in delays from the initial plan, however the application is at final stage 5, and it is expected that the agreement of the revised work program will be granted in early Q3 2017. The revised license once granted will commence from the date of agreement and will run for 2 years.

With regards to license 1606 for Drozhilovskoye, the license was resubmitted, based on the revised future production plans, incorporating new mineral finds. As this is at stage 4, the license renewal and agreement is expected to be signed off during Q3 2017.

The license renewals for both sites are to allow for 2 years exploration and evaluation works. These now incorporate the exploration and evaluation of new mineral deposits which will be incorporated into the revised production plans. In particular, initial exploration results in the prior period indicate that Lithium has been found in a number of sites and needs to be assessed as to its commercially exploitable quantities at Drozhilovskoye. In relation to Smirnovskoye, significant quantities of copper have been located and testing of these is incorporated into the current work programs being agreed by the Kazakh authorities.

Given the new profile of development to include new mineral resources the financial and geological models are being revised and will be finalised once further testing and exploration is undertaken.

The intention is to move to a test production plant, during the two year license period in order to provide tangible evidence of the economics of the project. With the data available the project will be actively marketed to future investors/partners in order to take the project to the next stage of full scale development.

Both sites are with-in a commercially viable distance to be operated from one processing plant, reducing future costs.

As stated previously, the current pricing of both tungsten and molybdenum would at this stage make less economic sense to move to the production phase with just these two commodities. However, given the new exploitable minerals, in particular lithium, the projects have an increased economic value.

The costs of the work programs for both sites total approximately £2.6m for the two year license period. As stated these are to be agreed with the relevant authorities. This principally represents costs for drilling and testing, particularly for the new minerals identified. Office and administration costs are budgeted to be in the region of £0.7m.

The Company has sufficient cash resources available under its current facility arrangements with Amrita (£4.5million of which is still available for drawdown) to perform the work programmes as currently specified. However dependent on future plans and in particular the setting up and operation of a test plant, further funds may be raised through equity/debt finance.

During this non-productive phase the Company will maintain a tight control of costs in order to maintain cash resources.

Work has been taking place in the back ground while the licenses have been renewed to ensure that there is a quick and smooth transition into the next work phase once the licenses are granted. We will keep shareholders updated as the licenses are agreed with the Kazakh authorities.

Mineral resource statement

The tables below demonstrate the most recent reserves / resources for the two deposits at a cut-off grade of 0.05% based on GKZ classifications as follows:

Drozhilovskoye

Reserve/ Resource Classification	Ore Reserve/ Resource (Mt)	Molybdenum Metal (kt)	Molybdenum Grade (%)	Tungsten Metal (kt)	Tungsten Grade (%)
C1	139.8	262.9	0.19	64.3	0.05
C2	130.5	77.5	0.06	88.3	0.03
P	300	150	0.05	150	0.05

Smirnovskoye

Reserve/ Resource Classification	Ore Reserve/ Resource (Mt)	Molybdenum Metal (kt)	Molybdenum Grade (%)	Tungsten Metal (kt)	Tungsten Grade (%)
C1	170.5	221.7	0.13	17.1	0.01
C2	108.1	114.2	0.11	13.2	0.12
P	673	417	0.06	165	0.03

Financial performance review

The consolidated loss attributable to Kemin shareholders in the twelve months ended 31 December 2016 was £432,000 (FY 2015: £1,101,000). The overall loss including that attributable to minority shareholders was £445,000 (2015:£1,261,000), a decrease of £816,000 in the loss. This was due principally to an appreciation of the Kazakh Tenge against the US Dollar, resulting in a foreign exchange gain of £18,000 (2015: loss of £575,000).

The interest charges accrued relate to the borrowings from Amrita, which are in line with the prior year. Administrative expenses reduced from £309,000 last year to £158,000 in the current year, due to cuts at Head Office in the support functions of investor relations and consultancy as noted last year.

As in the prior year the cash spend is kept to a minimum at present with a limited capital expenditure programme, as the Company awaits for formal approval of the work programs.

The current cash balances and availability of further draw downs (£4.5million left to drawdown) on the Amrita loan facility if required, provides sufficient funds for the company to continue to meet its current obligations, and finance the exploration and evaluation programs.

Principal risks and uncertainties

The principal risks exposed to the Company are:

- availability of future funding outside of the Amrita facility;
- political, economic environment and license extension;
- fluctuation in commodity prices;
- financial risk;
- the resource differing in grade and quantity to that predicted by feasibility studies; and
- fluctuations in exchange rates resulting from changes in the value of the Kazakh Tenge

Mitigation of risks and uncertainties

The Company's management has analysed the risks and uncertainties and monitors the risks as far as it is practical do so given the early development of the Company.

Certain factors are beyond the control of the Company such as the fluctuations in the price of the commodities. However the Group is aware of these factors and tries to mitigate them as far as possible. In relation to the commodity prices, we plan to preserve the value of our projects until such time as commodity prices recover in the future. The current plan is to continue exploration of the sites in order to maximise the value from exploitation of the resource at a later stage.

The Company cannot control the political and economic environment of the country or whether the licences will be extended. However, to minimise the risk, Kemin maintains close relationships with the Kazakhstan authorities in order to minimise bureaucratic delays and problems.

The Company has no current plans to raise further finance at present. However in the future it is the Company's aim to fix interest rates, where possible, with the preferred option being to raise funds via equity. As stated the Company has sufficient working capital facilities at present to meet its current cash flow requirements.

The Company has used independent consultants experienced in resource reports, of the type required by the Group, to mitigate as far as possible any material changes in the resources estimates.

In order to manage foreign currency risk the Company will try to match as far as possible the holding of foreign currency with the expected expenditures.

Key Performance Indicators

Given the stage of development of the Company, the key performance indicators used by the management for monitoring progress and strategic objectives for the business are set out below:

	31 December	
	2016	2015
Molybdenum resources (Metal equivalent) - inferred (Kt)	484.6	484.6
Tungsten resources (Metal equivalent)- inferred (Kt)	81.4	81.4
Molybdenum resources - inferred grade (%)	0.156	0.156
Tungsten Resources - inferred grade (%)	0.026	0.026
Cash Balance (£000's)	59	307
Exploration expenditure (cumulative - £000's)	2,539	2,070
Net loss (£000's)	445	1,261

The change in value of the exploration expenditure is due to the effect of the change in valuation of the Kazakh Tenge against Sterling.

The key statistic is the level of resources which has been measured under the GKZ classification and will be updated under JORC (2012) by an independent consultancy once the additional exploration and evaluation work is completed.

The Company is monitoring expenditure carefully to maintain cash resources. The movement in the year relates principally to administrative costs and loan repayments made in the year.

The Strategic report was approved and authorised by the Board and signed on its behalf by:

Sanzhar Assaubayev
Chief Executive Officer
8 June 2017

Consolidated statement of profit or loss
Year ended 31 December 2016

	Year ended 31 December 2016 £000	Year ended 31 December 2015 2015 £000
Administrative Expenses	**(158)**	(309)
Operating loss	**(158)**	(309)
Finance expense	**(287)**	(952)
Loss before income tax	**(445)**	(1,261)
Income tax expense	-	-
Loss for the year	**(445)**	(1,261)
Loss for the year attributable to:		
Equity shareholders of the parent	**(432)**	(1,101)
Non-controlling interest	**(13)**	(160)
	(445)	(1,261)
Loss per ordinary share - basic and diluted		
Attributable to the equity shareholders of the parent	**(0.25p)**	(0.62p)

Consolidated statement of comprehensive income
Year ended 31 December 2016

	2016 £000	2015 £000
Loss for the year	**(445)**	(1,261)
Items which may be re-classified to statement of profit or loss		
Currency translation differences arising on translations of foreign operations that may be reclassified to the profit or loss	**(58)**	(8)
Total comprehensive loss	**(503)**	(1,269)
Total comprehensive loss attributable to:		
Owners of the parent	**(481)**	(1,210)
Non-controlling interest	**(22)**	(59)
	(503)	(1,269)

Consolidated statement of financial position
Year ended 31 December 2016

	Notes	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000
Assets			
Non-current			
Intangible assets	5	**2,539**	2,070
Property, plant and equipment		**15**	14
Other non-current assets		**169**	145
Restricted cash		**5**	3
Non-current assets		**2,728**	2,232
Current			
Other receivable		**10**	15
Cash and equivalents		**59**	307
		69	322
Total assets		**2,797**	2,554
Liabilities			
Non-current			
Borrowings		**2,990**	2,873
Other Liabilities		**-**	-
Non-current liabilities		**2,990**	2,873
Current			
Trade and other payables		**1,590**	1,376
Borrowings		**690**	551
Current liabilities		**2,280**	1,927
Total liabilities		**5,270**	4,800
Net liabilities		**(2,473)**	(2,246)
Equity			
Equity attributable to owners of the parent			
Ordinary share capital		**1,748**	1,748
Deferred share capital		**6,168**	6,168
Share premium account		**37,414**	37,414
Merger reserve		**(41,682)**	(41,682)
Share based payment reserve		**1,105**	1,105
Other reserve		**1,188**	912
Retained earnings		**(8,224)**	(7,792)
Currency translation reserve		**3**	52
		(2,280)	(2,075)
Non-controlling interest		**(193)**	(171)
Total equity		**(2,473)**	**(2,246)**

Consolidated statement of changes in equity

year ended 31 December 2016

	Ordinary share capital £'000	Deferred share capital £'000	Share premium £'000	Merger reserve £'000	Share based payment reserve £'000	Other reserve £'000	Accu-mulated losses £'000	Translation reserve £'000	Attributed to owners of the parent £'000	Non-controlling interest £'000	Total £'000
At 1 January 2015	1,748	6,168	37,414	(41,682)	1,105	921	(6,691)	161	(856)	(112)	(968)
Loss for the year	–	–	–	–	–	–	(1,101)	–	(1,101)	(160)	(1,261)
Currency translation differences arising on translation of foreign operations	–	–	–	–	–	–	–	(109)	(109)	101	(8)
Total comprehensive loss	–	–	–	–	–	–	(1,101)	(109)	(1,210)	(59)	(1,269)
Contribution to related party	–	–	–	–	–	(9)	–	–	(9)	–	(9)
At 31 December 2015 & 1 January 2016	**1,748**	**6,168**	**37,414**	**(41,682)**	**1,105**	**912**	**(7,792)**	**52**	**(2,075)**	**(171)**	**(2,246)**
Loss for the year	–	–	–	–	–	–	(432)	–	(432)	(13)	(445)
Currency translation differences arising on translation of foreign operations	–	–	–	–	–	–	–	(49)	(49)	(9)	(58)
Total comprehensive loss	–	–	–	–	–	–	(432)	(49)	(481)	(22)	(503)
Contribution from related party	–	–	–	–	–	276	–	–	276	–	276
At 31 December 2016	**1,748**	**6,168**	**37,414**	**(41,682)**	**1,105**	**1,188**	**(8,224)**	**3**	**(2,280)**	**(193)**	**(2,473)**

Ordinary share capital: Amount subscribed for share capital at nominal value.
Deferred shares: The shares carry no right to receive income distributions or entitle the shareholders to attend or vote at company meetings.
Share premium: Amount subscribed for share capital in excess of nominal value.
Merger reserve: Represents the amount arising on the acquisition of KRMC.
Share based payment reserve: This relates to an adjustment required under IFRS 2 to account for the reverse takeover.
Other reserve: The premium between the effective interest rate and coupon rate on the loan issued by a related party.
This is credited to equity and subsequently released to the profit or loss over the remaining life of the financial liability.
Accumulated losses: Cumulative losses recognised in the consolidated statement of comprehensive income.
Translation reserve: Gains/losses arising on retranslating the net assets of overseas operations into sterling.

Consolidated statement of cashflows
Year ended 31 December 2016

	Year ended 31 December 2016 £'000	Year ended 31 December 2015 £'000
Net cash outflow from operating activities	**(247)**	(339)
Financing activities		
Repayment of borrowings	**(1)**	(58)
Net cash outflow from financing activities	**(1)**	(58)
Decrease in cash and cash equivalents	**(248)**	(397)
Cash and cash equivalents at the beginning of period	**307**	704
Cash and cash equivalents at the end of period	**59**	307

Notes

1. General Information

The Group's principal activity is that of mining, exploration and mine development. The parent company's principal activity is managing the trade and the investment of its subsidiary company. It is incorporated in England and Wales and has its registered office and business address at 28 Eccleston Square, London SW1V 1NZ. The shares of Kemin Resources Plc are quoted on the AIM market which is operated by the London Stock Exchange.

The financial information set out above for the years ended 31 December 2016 and 31 December 2015 does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006, but is derived from those accounts. Whilst the financial information included in this announcement has been compiled in accordance with International Financial Reporting Standards ("IFRS") (as adopted by the European Union), this announcement itself does not contain sufficient financial information to comply with IFRS. A copy of the statutory accounts for 2015 has been delivered to the Registrar of Companies and those for 2016 will be submitted for approval by shareholders at the Annual General Meeting. The full audited financial statements for the years end 31 December 2016 and 31 December 2015 do comply with IFRS.

2. Basis of preparation

The Group's consolidated financial statements are for the year ended 31 December 2016. They have been prepared in accordance with the accounting policies set out below.

The Group prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The consolidated financial statements have been prepared under the historical cost basis, except for the treatment of certain financial instruments. They are presented in Pounds Sterling and are rounded to the nearest thousand (£'000) except where otherwise noted.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies.

3. Auditors opinion

The auditor has issued an unqualified opinion in respect of the financial statements, which does not contain any statements under the Companies Act 2006, Section 498(2) or Section 498(3).

4. Going concern

As at 31 December 2016, the Group had cash on hand of £59,000 and at the reporting date the Group's liabilities exceeded its assets by £2,473,000.

The parent Company has an agreement with Amrita Investment Limited, a company incorporated in the British Virgin Islands and ultimately controlled by the Assaubayev family, for the provision of an unsecured £7,000,000 loan facility to be applied towards working capital requirements. At present there is still a facility of approximately £4.5m available under this facility.

The loan entered into on 4 February 2013 was initially repayable on the earlier of the fifth anniversary of the agreement or when an equity fundraising is undertaken that raises at least

£5,000,000 (before expenses) at which point the Lender may choose to convert the loan into the ordinary shares of the Company at the conversion rates stipulated by the agreement. The loan was subsequently extended in May 2017 to extend the facilities to 4 February 2019, under the same terms and conditions of the original loan.

Based on the review of the Group's budgets and cash flow plans, and the availability of £4.5m loan, the Board considers there is sufficient cash to maintain the Group as a going concern for a period of at least twelve months from the date of signing the annual report and accounts.

5. Intangible Assets

Exploration & evaluation assets	Contract No 1605 £'000	Contract No 1606 £'000	Total £'000
Cost			
At 1 January 2015	734	2,067	2,801
Additions	291	446	737
Exchange difference	(481)	(987)	(1,468)
At 31 December 2015 & 1 January 2016	544	1,526	2,070
Additions	-	-	-
Exchange difference	123	346	469
At 31 December 2016	**667**	**1,872**	**2,539**

Exploration and evaluation assets relate to the capitalised license costs and subsequent exploration, expenditure incurred in respect of the Smirnovskoye deposit (license No 1605) and the Drozhilovskoye deposit (license No 1606) awarded to KRMC in December 2004 for the exploration and production of tungsten, Molybdenum and copper at the Smirnovskoye and the Drozhilovskoye deposit respectively.

Licence No. 1605: The exploration subsoil contract was initially approved until 1 August 2018, is currently in the process of being finalized with agreed work programs to include the exploration of Copper. The completion of the process is expected to be in Q3 2017. Once all details of the contracts are confirmed, the license will run from this date for a period of two years.

Licence No 1606: The exploration subsoil contract has expired in May 2016. The Company has applied for the extension of the exploration contract for a period not exceeding two years. It is awaiting approval from the relevant government authorities.

Both deposits are located in Kostanay region of Kazakhstan.

6. Events after the reporting date

In May 2017 the Company extended the loan receivable from Amrita Investments Limited until 4 February 2019, under the same terms and conditions as the original loan.