Kodal Minerals plc
("Kodal Minerals" or the "Company" or the "Group"")

Final results for the year ended 31 March 2014

This year has been a transformational period for Kodal Minerals plc as it continues to develop a titanomagnetite and phosphate deposit in Norway, referred to as the "Kodal Project":

Operational Highlights

- In July 2013, the Group assisted in the successful application to the Norwegian Directorate of Mining to upgrade the exploration licences over the Kodal Project area to extraction licences;
- As part of its IPO process, the Group was able to declare a JORC compliant total indicated resource of 14.6Mt at 2.26% P (5.18% P_2O_5) and 24.12% Fe with an inferred resource of 34.3Mt at 2% P (4.59% P_2O_5) and 20.38% Fe
- Consultants have been engaged and work has commenced on the baseline environmental and social studies for the Kodal Project;
- Subsequent to the year end, the Group has submitted an application to the Larvik and Andebu municipalities (the two Norwegian municipalities in which the Kodal Project lies) for a change of land use permission to allow mining activities; and
- In March 2014 the Group was granted 7 new exploration licences by the Norwegian Directorate of Mining covering an area of nearly 20 square kilometres around the Kodal Project, including an area in which a geophysical anomaly has historically been reported.

Financial Highlights

- During the summer of 2013, the Group raised £0.3 million from private investors, to finance the analysis of the 918 metre test drilling undertaken in 2012 and undertake other preparatory work for the IPO;
- In December 2013, Kodal Minerals completed its IPO and admission to AIM ("Admission") and exercised its option to acquire the licences for the Kodal Project;
- The Company raised £1.0 million from a placing of ordinary shares at the time of Admission and in January 2014 raised a further £1.25 million from a further placing;
- The consolidated results of the Group for the year to 31 March 2014 show a loss of £232,000 (2013: loss of £25,000); and
- As at 31 March 2014, the Group had cash balances of £1,501,000 compared with £20,000 at 31 March 2013.

Commenting on the Group's activities, Chairman David Jones said:

"This has been a challenging and yet also highly successful period for the Group. The completion of the IPO on AIM and the associated exercise of our option to acquire the extraction licences for the Kodal Project in Norway was fundamental to the Group's future and has also allowed us to raise funding from the public markets. The majority of the work for the rest of this year is expected to involve the continued collection of environmental and social baseline data and the progression of the permitting and planning processes with the local municipalities in Norway.

We are encouraged by the preliminary metallurgical test work, including the very high phosphate concentrates we have produced, and will continue to investigate methods for improving the composition of our iron ore concentrate.

We are very grateful for the continued hard work and commitment of all involved and to the support shown by our shareholders."

The Company's Annual Report and Accounts will be posted to shareholders shortly and will be available to view and download on the Company's website at www.kodalminerals.com in accordance with AIM Rule 20.

For further information, please contact:

Kodal Minerals plc	
Luke Bryan, CEO	Tel: 020 3463 2260
Allenby Capital Limited, Nominated Adviser	
Jeremy Porter/Nick Harriss	Tel: 020 3328 5656
SP Angel Corporate Finance LLP, Financial Adviser & Broker	
John Mackay/Laura Littley	Tel: 020 3463 2260
Yellow Jersey PR Ltd, Financial PR	
Dominic Barretto/Kelsey Traynor	Tel: 07768 537 739

Chief Executive Officer's statement

I am very pleased to present my report for the year ended 31 March 2014, which is our first set of results as a public company traded on AIM.

IPO and acquisition of the Kodal Project

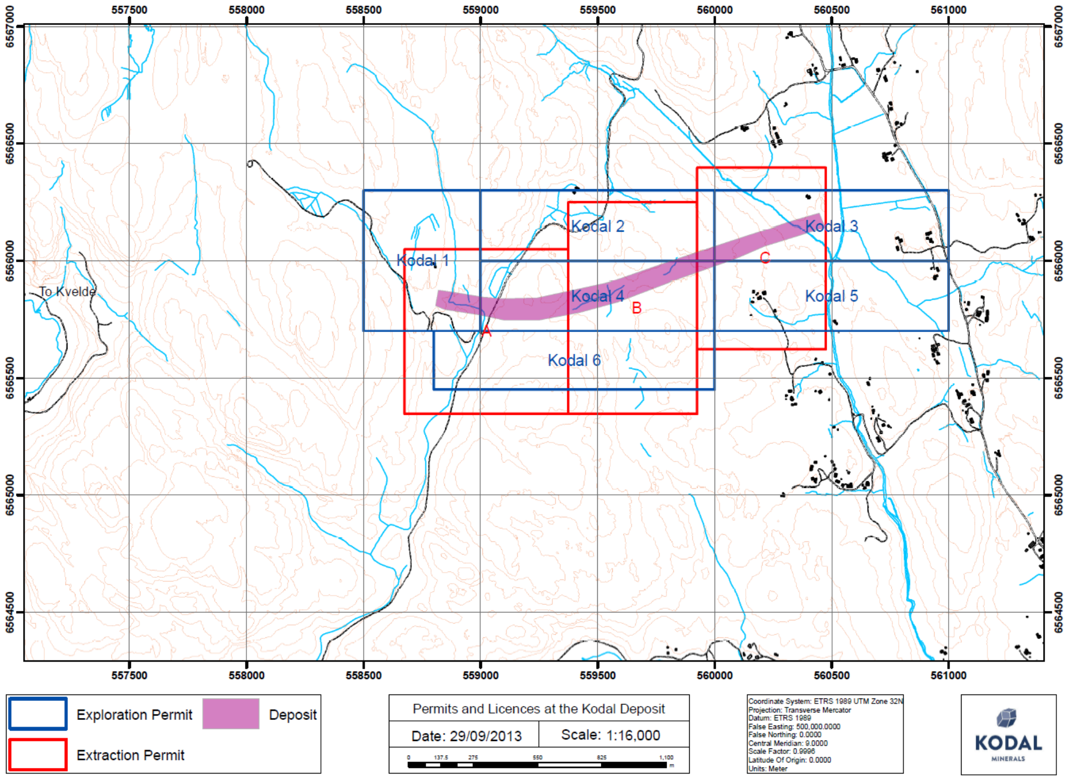
The most significant event in the year was the successful completion of the Initial Public Offering ("IPO") of Kodal Minerals and its admission to AIM in December 2013. The completion of the IPO also satisfied the last condition to allow the Group to exercise its option to acquire the Kodal Project licences from Tetra Minerals Oy ("Tetra"). The acquisition was completed by the issue of 250 million ordinary shares ("Shares") in the Company to Tetra and a cash payment of €100,000.

Under the terms of the acquisition, Tetra will also receive a royalty of 1.5 per cent of revenue generated from mineral sales in connection with the Kodal Project licences. In addition Tetra has also been granted options over additional Shares which become exercisable only if the JORC indicated resource of phosphate minerals exceeds certain relatively high threshold levels, the likelihood of which the directors of the Company ("Directors") presently consider to be remote.

Description of the Kodal Project

The Kodal Project is located in the Vestfold county of Norway and the boundary between the Andebu and Larvik municipalities crosses the project area. It is a phosphorus (P) and iron (Fe) project and is situated in the Lågen valley, 20 km north of Larvik. The Kodal Project forms part of the Vestfold-Ringerike Graben geological structure and is located approximately 85 km south-west of Oslo.

The Kodal Project area is covered by three contiguous extraction licences issued by the Norwegian Directorate of Mining which expire in July 2023. The location of the Kodal Project extraction licences is shown below.



Location map of the project concessions

The Kodal Project's mineralised zone has been subject to two phases of historic exploration and geological modelling since the 1960s. All historic exploration was undertaken by Norsk Hydro ASA ("Norsk Hydro"), a part state owned Norwegian energy and resources group.

The first phase was completed between 1960 and 1963 with 40 shallow (less than 50 metres) diamond drill holes over 20 profiles with subsequent follow-up drilling between 1974 and 1975 when an additional 20 diamond drill holes were drilled. These additional holes are deeper, with depths ranging from 110 to 550 metres.

More recently, Kodal Minerals drilled seven diamond drill holes in 2012, comprising 918 metres of drilling designed to verify historical drill data. A summary of drilling undertaken on the Kodal Project is set out in Table 1 below.

	Years	Metres	Hole IDs	Diameter	
A	1961	2062.90 m	BH01 - BH39, LH01-LH02B	EX	18.6 mm
B	1974	4198.20 m	BH41 - BH58	BQ	36.5 mm
C	2012	918.40 m	BH60-BH68	BQTK	40.5 mm
	Total	7179.5 m			

Table 1. Drilling undertaken on the Kodal Project.

Subsequent to drilling, Kodal Minerals undertook re-logging of all available historic core in 2013 and captured geological, mineralogical, alteration and geotechnical characteristics including core preservation, sampling and core recovery.

Historic data has been validated in three ways:

- CSA Global (UK) Ltd ("CSA") has validated hard-copy grade data versus the digital data supplied by Kodal Minerals.
- Kodal Minerals has undertaken a twin drilling programme, the results of which have been assessed by CSA.
- Kodal Minerals has undertaken re-sampling and analysis of a portion of the available historic core, by current methods. This data has been assessed by CSA.

Historical mineral processing and metallurgical test work has been completed on samples obtained from the Kodal Project and reported as part of historical feasibility study work completed by Norsk Hydro in the 1970s. In addition, preliminary test work was completed by Kodal Minerals in 2013 on a bulk composite sample (23kg) of drill core.

The Kodal Project has a JORC compliant total Indicated Resource of 14.6 million tonnes (Mt) at 2.26% P (5.18% P_2O_5) and 24.12% Fe with an Inferred Resource of 34.31 Mt at 2% P (4.59% P_2O_5) and 20.38% Fe. Table 2 below, sets out a summary of the Kodal Project resource by status.

Category	Gross					Net attributable					Operator
	Tonnes (millions)	Grade		Contained Metal		Tonnes (millions)	Grade		Contained Metal		
		P_2O_5 (%)	Fe (%)	P_2O_5 (Mt)	Fe (Mt)		P_2O_5 (%)	Fe (%)	P_2O_5 (Mt)	Fe (Mt)	
Ore/Mineral reserves per asset	-	-	-	-	-	-	-	-	-	-	
Proved	-	-	-	-	-	-	-	-	-	-	
Probable	-	-	-	-	-	-	-	-	-	-	
Sub-total	-	-	-	-	-	-	-	-	-	-	
Mineral resources per asset											
Measured	-	-	-	-	-	-	-	-	-	-	
Indicated	14.6	5.18	24.1	0.76	3.52	14.6	5.18	24.1	0.76	3.52	Kodal Minerals
Inferred	34.3	4.59	20.0	1.58	6.99	34.3	4.59	20.0	1.58	6.99	Kodal Minerals
Sub-total	48.9	4.77	21.49	2.34	10.51	48.9	4.77	21.49	2.34	10.51	Kodal Minerals
Total	**48.9**	**4.77**	**21.49**	**2.34**	**10.51**	**48.9**	**4.77**	**21.49**	**2.34**	**10.51**	Kodal Minerals

Table 2: Summary resources by status

Metallurgical test work

In March 2014, the Company reported the results of additional metallurgical test work. The sample material for these tests was drawn from drill core but cannot be considered to be representative of the deposit. The intention of the tests was to provide samples of both phosphate and iron concentrates for further analysis and to provide a sample of tailings material for preliminary analysis. The processing route was developed in the initial test work undertaken in 2013, and utilises froth flotation and magnetic separation.

The concentrate grades from these further tests were broadly in line with expectations based on the results obtained in 2013, with the phosphate concentrate grade dropping slightly while the iron ore grade improved slightly.

	Phosphate concentrate	Iron concentrate
2013 Results	P2O5 41.8%	Fe 62%, Ti 8.7%
2014 Results	P2O5 40.5%	Fe 63.7%, Ti 5.2%

These tests indicate that the Kodal Project will produce a high-grade phosphate concentrate with both test programmes yielding a concentrate of over 40% P_2O_5. The increase in the iron concentrate grade is also very positive, especially in combination with the reduction in titanium.

Granting of additional permits

Subsequent to the IPO, the Group applied for and was granted seven new exploration licences by the Norwegian Directorate of Mining. These new licences cover a total land area of 19.795 km^2 and surround the three extraction licences already held by the Group for the Kodal Project.

The new licences include a reported positive magnetic and gravity anomaly identified by ground geophysics. The Company has three reports detailing geophysics in the project area dated 1973, 1976 and 1983 by various authors including the Norwegian Geological Survey ("NGU").

Kodal Minerals is currently completing geological mapping of the entire new area as well as investigating known mineralised occurrences in the region. Limited ground geophysics is planned as a follow up to the mapping.

Site development

At the Kodal Project site, basic infrastructure has been put in place to support the field work planned to be undertaken over the summer.

Environmental monitoring has also started with the installation of two automatic weather stations, one at either end of the project area. These stations will collect local weather data, which will be used to support the Environmental and Social Impact Assessment ("ESIA") studies. The monitoring of stream flows in the Kodal Project area has also been under way since the spring thaw.

The format of the ESIA document has been completed following meetings with national, regional and municipal level authorities in Norway. The expected format and content of an ESIA in Norway is somewhat specific to Norway and the Company has spent some time ensuring the planned format meets the Norwegian requirements while still adhering to the Equator Principles risk management framework.

Environmental baseline studies are in progress as are studies on the potential social impact of the project.

The Company has completed a concept level site layout including approximate waste rock and tailings disposal options. The concept appears to offer a very compact zone of impact and if supported by future studies it seems that the Kodal Project may be able to be operated and decommissioned leaving a very moderate physical impact on the immediate environment.

Kodal Minerals has also engaged the services of various consultants to help with the project.

Change of land use application

Since the year end, the Group has submitted applications to the Larvik and Andebu municipalities (the two local municipalities in which the Kodal Project is located) for change of land use permission to allow mining operations to be undertaken. The two municipal planning processes operate according to different timetables and do not have defined completion dates. The Group expects that the initial decisions on area land use may be determined during the next 12 months.

Financing

During the summer of 2013, the Company raised £300,000 from the issue of Shares to private investors. These funds were used to continue the assay and metallurgical work and other preparatory work for the IPO.

At the time of the IPO, the Company completed a placing to institutional and professional investors to raise £1.0 million and in January 2014 completed a follow on placing raising a further £1.25 million. These funds have been used to meet the costs of the IPO and finance the ongoing development work at the Kodal Project, as well as meeting the Group's working capital requirements. As at 31 March 2014, the Group had cash balances of £1,501,000.

Outlook

During the year, the Group has made significant progress towards its objective of bringing the Kodal Project into production.

For the rest of the current financial year, the focus will be on progressing the change of land use applications with the municipalities and completing the environmental base line studies.

We will also undertake limited exploration studies on the new exploration licences around the existing Kodal Project.

Luke Bryan
CEO
3 June 2014

Consolidated Statement of Comprehensive Income

	Note	Year ended 31 March 2014 £	Year ended 31 March 2013 £
Continuing operations			
Revenue		**-**	-
Administrative expenses	**2**	**(195,151)**	(18,596)
Share based payments	**5**	**(33,056)**	-
OPERATING LOSS	**2**	**(228,207)**	(18,596)
Finance costs		**(4,500)**	(69)
Finance income		**2**	-
LOSS BEFORE TAX		**(232,705)**	(18,665)
Taxation	**6**	**-**	-
LOSS FOR THE YEAR FROM CONTINUING OPERATIONS		**(232,705)**	(18,665)
Discontinued operations			
Profit/(loss) after tax for the year from discontinued operations	**16**	**1,238**	(6,075)
LOSS FOR THE YEAR		**(231,467)**	(24,740)
OTHER COMPREHENSIVE INCOME			
Items that may be subsequently reclassified to profit and loss			
Currency translation loss		**(245)**	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		**(231,712)**	(24,740)
Loss per share			
Basic and diluted – earnings per share on continued operations - pence per share	**4**	**(0.0688)**	(0.0112)
Basic and diluted – earnings per share on total earnings- pence per share	**4**	**(0.0684)**	(0.0112)

The loss for the current and prior years and the total comprehensive income for the current and the prior years are wholly attributable to equity holders of the parent company.

Consolidated and Parent Company Statements of Financial Position

	Note	Group 31 March 2014 £	Group 31 March 2013 £	Company 31 March 2014 £	Company 31 March 2013 £
NON CURRENT ASSETS					
Intangible assets	7	**2,944,069**	355,014	-	355,014
Property, plant and equipment	8	**77,157**	-	-	-
Amounts due from subsidiary undertakings		-	-	2,554,211	-
Investments in subsidiary undertakings	9	-	-	900,010	-
		3,021,226	355,014	3,454,221	355,014
CURRENT ASSETS					
Other receivables	10	**82,994**	5,476	73,330	5,476
Cash and cash equivalents	11	**1,501,343**	19,605	1,332,834	19,605
		1,584,337	25,081	1,406,164	25,081
TOTAL ASSETS		**4,605,563**	380,095	4,860,385	380,095
CURRENT LIABILITIES					
Trade and other payables	12	**(97,930)**	(136,955)	(85,120)	(136,955)
TOTAL LIABILITIES		**(97,930)**	(136,955)	(85,120)	(136,955)
NET ASSETS		**4,507,633**	243,140	4,775,265	243,140
EQUITY					
Attributable to owners of the Parent:					
Share capital	13	**240,700**	54,804	240,700	54,804
Share premium account	13	**4,527,078**	249,825	4,527,078	249,825
Share based payment reserve		**33,056**	-	33,056	-
Translation reserve		**(245)**	-	-	-
Retained deficit		**(292,956)**	(61,489)	(25,569)	(61,489)
TOTAL EQUITY		**4,507,633**	243,140	4,775,265	243,140

Consolidated Statement of Changes in Equity

Group	Note	Share capital £	Share premium account £	Retained deficit £	Share based payments reserve £	Translation reserve £	Total equity £
At 31 March 2012		48	49,995	(36,749)	-	-	13,294
Comprehensive income							
Loss for the year		-	-	(24,740)	-	-	(24,740)
Total comprehensive income for the year		-	-	(24,740)	-	-	(24,740)
Transactions with owners							
Proceeds from shares issued	**13**	7,813	242,188	-	-	-	250,001
Bonus issue of shares	**13**	46,800	(46,800)	-	-	-	-
Shares in settlement of services	**13**	143	4,442	-	-	-	4,585
At 31 March 2013		54,804	249,825	(61,489)	-	-	243,140
Comprehensive income							
Loss for the year		-	-	(231,467)	-	-	(231,467)
Other comprehensive income							
Currency translation loss		-	-	-	-	(245)	(245)
Total comprehensive income for the year		-	-	(231,467)	-	(245)	(231,712)
Transactions with owners							
Proceeds from shares issued	**13**	81,722	2,474,212	-	-	-	2,555,934
Share issue expenses	**13**	-	(416,933)	-	-	-	(416,933)
Shares issued to purchase Kodal Phosphate AS	**13**	78,125	1,671,875	-	-	-	1,750,000
Shares in settlement of services	**13**	26,049	548,099	-	-	-	574,148
Share based payment		-	-	-	33,056	-	33,056
At 31 March 2014		240,700	4,527,078	(292,956)	33,056	(245)	4,507,633

Parent Company Statement of Changes in Equity

Company	Note	Share capital £	Share premium account £	Retained deficit £	Share based payments reserve £	Total equity £
At 31 March 2012		48	49,995	(36,749)	-	13,294
Comprehensive income						
Loss for the year		-	-	(24,740)	-	(24,740)
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	(24,740)	-	(24,740)
Transactions with owners						
Proceeds from shares issued	**13**	7,813	242,188	-	-	250,001
Bonus issue of shares	**13**	46,800	(46,800)	-	-	-
Shares in settlement of services		143	4,442	-	-	4,585
At 31 March 2013		54,804	249,825	(61,489)		243,140
Comprehensive income						
Profit for the year		-	-	35,920	-	35,920
Other comprehensive income		-	-	-	-	-
Total comprehensive profit for the year		-	-	35,920	-	35,920
Transactions with owners						
Proceeds from shares issued	**13**	81,722	2,474,212			2,555,934
Share issue expenses	**13**	-	(416,933)	-	-	(416,933)
Shares issued to purchase Kodal Phosphate AS	**13**	78,125	1,671,875	-	-	1,750,000
Shares in settlement of services	**13**	26,049	548,099	-	-	574,148
Share based payment		-	-	-	33,056	33,056
At 31 March 2014		240,700	4,527,078	(25,569)	33,056	4,775,265

Consolidated and Parent Company Statements of Cash Flows

	Note	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £	Company Year ended 31 March 2014 £	Company Year ended 31 March 2013 £
Cash flows from operating activities					
(Loss) / profit before tax	2	**(232,705)**	(18,665)	35,920	(18,665)
Adjustments for non-cash items:					
Share based payments		**33,056**	-	33,056	-
Operating cash flow before movements in working capital		**(199,649)**	(18,665)	68,976	(18,665)
Movement in working capital					
(Increase) / decrease in receivables		**(77,518)**	9,524	(67,854)	9,524
(Decrease) / increase in payables		**(39,025)**	118,806	(51,835)	118,806
Net movements in working capital		**(116,543)**	128,330	(119,689)	128,330
Net cash outflow from operating activities		**(316,192)**	109,665	(50,713)	109,665
Cash flows from investing activities					
Sale of intangible assets		-	-	900,000	-
Purchase of property, plant and equipment		**(80,614)**	-	-	-
Purchase of intangible assets		**(441,950)**	(343,728)	(153,848)	(343,728)
Disposal cost for discontinued operation		**(3,762)**	-	-	-
Investment in subsidiary undertakings		-	-	(900,000)	-
Loans to subsidiary undertakings		-	-	(804,211)	-
Net cash outflow from investing activities		**(526,326)**	(343,728)	(958,059)	(343,728)
Cash flow from financing activities					
Loan received		**900,000**	-	900,000	-
Loan repaid		**(900,000)**	-	(900,000)	-
Interest received		**2**	-	-	-
Interest paid		**(4,500)**	(69)	(4,500)	(69)
Net proceeds from share issues	13	**2,326,501**	250,001	2,326,501	250,001
Net cash inflow from financing activities		**2,322,003**	249,932	2,322,001	249,932
Increase in cash and cash equivalents		**1,479,485**	15,869	1,313,229	15,869
Cash and cash equivalents at beginning of the year		**19,605**	3,736	19,605	3,736
Exchange gain on cash		**2,253**	-	-	-
Cash and cash equivalents at end of the year	11	**1,501,343**	19,605	1,332,834	19,605

Cash and cash equivalents comprise cash on hand and bank balances.

NOTES TO THE FINANCIAL STATEMENTS

BASIS OF PREPARATION

The financial information set out in this announcement is abridged and does not constitute the Company's statutory financial statements for the year ended 31 March 2014. The financial information has been extracted from the financial statements for the year ended 31 March 2014, which have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the European Union, and were approved by the Board on 3 June 2014 and on which the auditors' have reported without qualification and which did not contain an emphasis of matter paragraph nor a statement under section 498(2) or (3) of the Companies Act 2006.

The consolidated financial statements of Kodal Minerals Plc are prepared in accordance with the historical cost convention and in accordance with International Financial Reporting Standards ("IFRSs"), as adopted by the European Union ("EU") and in accordance with the provisions of the Companies Act 2006. The Company's ordinary shares are quoted on AIM, a market operated by the London Stock Exchange.

Going concern

The Group has not earned revenue during the year to 31 March 2014 as it is still in the exploration and development phases of its business. The operations of the Group are currently being financed from funds which the Company has raised from the issue of new Shares.

As at 31 March 2014, the Group held cash balances of £1.5 million.

The Directors have prepared cash flow forecasts for the period ending 30 September 2015. The forecasts include the unavoidable running costs of the Group and limited discretionary exploration and development expenditure. The forecasts demonstrate that the Group has sufficient cash resources available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements without the need for a further fund raising. However, further fund raising will be required at an appropriate time in order to complete the project plan. Accordingly, the financial statements have been prepared on a going concern basis.

Basis of consolidation

The Group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to the statement of financial position date. Subsidiary undertakings are entities over which the Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The Group obtains and exercises control through voting rights.

Unrealised gains on transactions between the Company and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Discontinued operations

The Group reports the results of discontinued operations in the period in which they occur separately within the consolidated statement of income as "discontinued operations". All prior period consolidated statements of income are adjusted to report the results of the component within discontinued operations. In the consolidated statement of cash flows the cash flows resulting from discontinued operations are presented separately from cash flows resulting from continuing operations; prior year presentation has been adjusted accordingly.

Foreign currency translation

Items included in the Group's consolidated financial statements are measured using the currency of the primary economic environment in which the Group operates ("the functional currency"). The financial statements are presented in pounds sterling ("£"), which is the functional and presentational currency of the Parent Company and the presentational currency of the Group. End of year balances in the Group's Norwegian subsidiary undertakings were converted using and end of year rate of NOK 1 : £0.099980 (2013: there were no balances to convert).

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the reporting date and the gains or losses on translation are included in profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the original transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Deferred taxation

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred tax is realised or the deferred liability is settled.

Deferred tax assets are recognised to the extent that it is probable that the future taxable profit will be available against which the temporary differences can be utilised.

Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand.

Other receivables

Other receivables are carried at original amount less provision made for impairment of these receivables. A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the assets' carrying amount and the recoverable amount. Provisions for impairment of receivables are included in the profit and loss.

Trade and other payables

Trade payables and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. The amounts are unsecured and are usually paid within 30 days of recognition.

Provisions

A provision is recognised when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognised for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in profit or loss.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged so as to write off the costs of assets, over their estimated useful lives, using the straight line method, on the following basis:

Plant and machinery	4 years
Motor vehicles	4 years
Fixtures, fittings and equipment	4 years

Where property, plant and equipment are used in exploration and evaluation activities, the depreciation of the assets is capitalised as part of the cost of exploration and evaluation assets. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Exploration and evaluation expenditure

In accordance with IFRS 6, exploration and evaluation costs incurred before the Group obtains legal rights to explore in a specific area (a "project area") are taken to profit or loss.

Upon obtaining legal rights to explore in a project area, the fair value of the consideration paid for acquiring those rights and subsequent exploration and evaluation costs are capitalised as exploration and evaluation assets. The costs of exploring for and evaluating mineral resources are accumulated with reference to appropriate cost centres being project areas or groups of project areas.

Upon the technical feasibility and commercial viability of extracting the relevant mineral resources becoming demonstrable, the Group ceases further capitalisation of costs under IFRS 6.

Exploration and evaluation assets are not amortised prior to the conclusion of appraisal activities, but are carried at cost less impairment, where the impairment tests are detailed below.

Exploration and evaluation assets are carried forward until the existence (or otherwise) of commercial reserves is determined:

- where commercial reserves have been discovered, the carrying value of the exploration and evaluation assets are reclassified as development and production assets and amortised on an expected unit production basis; or
- where a project area is abandoned or a decision is made to perform no further work, the exploration and evaluation assets are written off in full to profit or loss.

Exploration and evaluation - impairment

Project areas, or groups of project areas, are determined to be cash generating units for the purposes of assessment of impairment.

With reference to a project area or group of project areas, the exploration and evaluation assets (along with associated production and development assets) are assessed for impairment when such facts and circumstances suggest that the carrying amount of the assets may exceed the recoverable amount.

Such indicators include, but are not limited to, those situations outlined in paragraph 20 of IFRS 6 and include the point at which a determination is made as to whether or not commercial reserves exist.

The aggregate carrying value is compared against the expected recoverable amount, generally by reference to the present value of the future net cash flows expected to be derived from production of the commercial reserves.

Intangible assets and impairment

Externally acquired intangible assets are initially recognised at cost and subsequently amortised over their useful economic lives. Amortisation is charged so as to write off the costs of intangible assets, over their estimated useful lives, using the straight line method, on the following basis:

Software	3 years

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the increase of new shares or options are shown in equity as a deduction from the proceeds.

Equity settled transactions

The Group has issued shares as consideration for services received. Equity settled share based payments are measured at fair value at the date of issue.

The Group has granted equity settled options. The cost of equity settled transactions is measured by reference to the fair value at the date on which they were granted and is recognised as an expense over the vesting period, which ends on the date the employee becomes fully entitled to the award. Fair value is determined by using the Black-Scholes option pricing model.

In valuing equity settled transactions, no account is taken of any service and performance (vesting conditions), other than performance conditions linked to the price of the shares of the Parent Company (market conditions). Any other conditions which are required to be met in order for the Director and an external consultant to become fully entitled to an award are considered to be non-vesting conditions. Market performance conditions, non-vesting conditions are taken into account in determining the grant value.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market or non-vesting condition, which are vesting irrespective of whether or not the market or non-vesting condition is satisfied, provided that all other performance or service conditions are satisfied.

At each reporting date before vesting, the cumulative expense is calculated; representing the extent to which the vesting period has expired and management's best estimate of the number of equity instruments that will ultimately vest. The movement in the cumulative expense since the previous reporting date is recognised in the profit and loss, with a corresponding entry in equity.

Where the terms of the equity-settled award are modified or a new award is designated as replacing a cancelled or settled award, the cost based on the original award terms continues to be recognised over the original vesting period. In addition, an expense is recognised over the remainder of the new vesting period for the incremental fair value of any modification, based on the difference between the fair value of the original award and the fair value of the modified award, both as measured on the date of the modification. No reduction is recognised if the difference is negative.

Where an equity based award is cancelled (including when a non-vesting condition within the control of the entity or employee is not met), it is treated as if it had vested on the date of the cancellation, and the cost not yet recognised in profit and loss for the award is expensed immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value being treated as an expense.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors, which has been identified as the Chief Operating Decision Maker. The Board of Directors is responsible for allocating resources and assessing performance of the operating segments in line with the strategic direction of the company.

Financial instruments

IFRS 7 requires information to be disclosed about the impact of financial instruments on the Group's risk profile, how the risks arising from financial instruments might affect the entity's performance, and how these risks are being managed.

Financial assets and financial liabilities are recognised on the Statement of Financial Position when the Group becomes a party to the contractual provisions of the instrument.

The Group's policies include that no trading in derivative financial instruments shall be undertaken.

The required disclosures have been made in Note 15 to the accounts.

Critical accounting judgements and estimates

The preparation of these consolidated financial statements in accordance with International Financial Reporting Standards requires the use of accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results ultimately may differ from those estimates. IFRSs also require management to exercise its judgement in the process of applying the Group's accounting policies.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year are addressed below.

Exploration and evaluation expenditure

The Group has capitalised all expenditure incurred in relation to exploration and evaluation of the Kodal Project, a phosphate and titanomagnetite deposit in southern Norway which the Group is treating as a project area, in each period presented in the consolidated financial statements. The Company signed binding heads of terms in January 2012 to acquire the legal and beneficial ownership to licences which granted the right to explore and evaluate mineral resources in the Kodal Project area. Legal completion for this option agreement occurred in October 2012 and on 30 December 2013 the Company exercised its option to complete the licence acquisition. The Directors consider it appropriate to capitalise costs directly attributable to exploration and evaluation activities on the Kodal Project and has been doing so from January 2012 in accordance with the accounting policy for these costs. The carrying value of exploration and evaluation assets at 31 March 2014 was £2,944,069 (2013: £355,014) and the directors do not consider these assets to require impairment.

Share based payments

The Group has recorded charges for share based payments of £33,056 (2013: £nil).

For option based share based payments, management estimate certain factors used in the option pricing model, including volatility, exercise date of options and number of options likely to be exercised. If these estimates vary from actual occurrence, this will impact on the value of the equity carried in the reserves.

Further detailed analysis of the critical judgements and estimates relating to share based payments is addressed in Note 5.

Going concern

The Group has not earned revenue during the year to 31 March 2014 as it is still in the exploration and development phases of its business. The operations of the Group are currently being financed from funds which the Company has raised from the issue of new Shares.

As at 31 March 2014, the Group held cash balances of £1.5 million.

The Directors have prepared cash flow forecasts for the period ending 30 September 2015. The forecasts include the unavoidable running costs of the Group and limited discretionary exploration and development expenditure. The forecasts demonstrate that the Group has sufficient cash resources available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements without the need for a further fund raising. However, further fund raising will be required at an appropriate time in order to complete the project plan. Accordingly, the financial statements have been prepared on a going concern basis.

Tetra option agreement (see note 5)

An agreement between the Group and Tetra Minerals Oy ("Tetra"), granted to Tetra an option to subscribe for Shares in the Company. The maximum number of Shares that are subject to the option is 714,285,714, corresponding to the number of Shares that would be issued for a total amount of £5 million at 0.7 pence per Share. The options vest and become exercisable only once the JORC indicated resource for phosphate minerals at the Kodal Project meets certain thresholds. Once vested, the options may be exercised by Tetra at a subscription price of 10p per Share for a period of three years after the date on which each tranche vests. If Kodal Phosphate AS relinquishes or does not renew the Kodal Project extraction licences before any of the options vest then those options will lapse.

The Board has reviewed the Tetra option arrangements and determined that the fair value of the Tetra options is nil on the grounds that the option distribution is dependent on thresholds associated with the JORC phosphate mineral resources, the first of which, 90m tonnes, is well beyond the size of the current targeted ore body, which has a JORC mineral resource of 48.9m tonnes. Unless and until further exploration of the Kodal Project identifies a further potential ore body the likelihood of the thresholds being met is considered to be remote.

New standards and interpretations not applied

At the date of authorisation of these consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective, and have not been adopted early by the Group.

The Board anticipates that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement. The new standards and interpretations are not expected to have a material impact on the Group's consolidated financial statements.

Standard	Details of amendment	Annual periods beginning on or after
IFRS 9 Financial Instruments	New standard that forms the first part of a three-part project to replace IAS 39 Financial Instruments: Recognition and Measurement.	1 January 2015
IFRIC 21 Levies	Clarifies that the obligating event that gives rise to a liability is the activity (as described in the relevant legislation) that triggers the payment of the levy.	1 January 2014
IFRS 2 Share-based payment	Amends the definition of "market condition" to include equity instruments of another entity in the same group. Separates the definitions of "performance condition" and "service condition" from the definition of "vesting condition". The definition of "performance condition"; (i) confirms performance conditions can be market or non-market conditions, (ii) aligns the	1 July 2014

	performance period with the service period, (iii) clarifies that the service requirement can be implicit or explicit, and (iv) defines "performance target" to include targets based on equity instruments of another entity in the same group and that relate to performance of the whole, or part of, an entity, or group. The definition of "service condition" confirms that the failure to provide service for any reason (including termination of employment) is a failure to satisfy the service condition.	
IFRS 3 Business Combinations	Amended so all non-equity contingent consideration is measured at fair value at each reporting date with fair value changes recognised in profit or loss. Includes consequential amendments to exclude contingent consideration in a business combination from other measurement bases in IFRS 9, IAS 39 and IAS 37	1 July 2014
IFRS 8 Operating segments	Requires disclosure of the judgements made in aggregating operating segments including a description of the aggregated operating segments and economic indicators assessed. Clarifies that the reconciliation of total reportable segments' assets to the entity's assets is only required when segment assets are regularly provided to the chief operating decision maker.	1 July 2014
IAS 16 Property, plant and equipment	Permits the gross carrying amount of items measured under the revaluation model to be adjusted in a manner consistent with the revaluation of the carrying amount (e.g. by reference to market data or proportionately) with accumulated depreciation being the difference to the carrying amount after impairment losses	1 July 2014

There are other standards in issue but not yet effective, which are not likely to be relevant to the Group which have therefore not been listed.

1. SEGMENTAL REPORTING

It is the opinion of the Directors that the operations of the Group and Company represent one segment, and are treated as such when evaluating its performance.

The Group's accounting policy is to capitalise exploration and evaluation expenditure on the Kodal Project in Norway. Consequently, the administrative expenses in the statement of comprehensive income reflect the administration costs necessary to run the Group and maintain its listing on the AIM market in the UK.

2. OPERATING LOSS

The operating loss before tax is stated after charging:

	Group Year ended 31 March 2014	**Group Year ended 31 March 2013**
	£	**£**
Audit services (Note 1)	20,000	-
Legal fees	29,351	1,003
Consultants	7,140	-
Other professional fees	55,030	874
Share based payment	33,056	-
Directors fees (Note 3)	35,767	-
Website costs	13,115	-
Stock exchange fees	8,550	-
Share register costs	5,184	-
Sundry	25,512	16,719
	232,705	18,596

Note 1: Amounts payable to Baker Tilly UK Audit LLP and its associates in respect of both audit and non-audit services are as follows;

	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
Audit services		
- statutory audit of parent and consolidated accounts	18,000	-
- statutory audit of subsidiaries	2,000	-
Taxation advisory services	3,600	-
Services relating to corporate finance transactions entered into or proposed to be entered into by or on behalf of the company or any of its associates (Note 2)	42,500	-
	66,100	-

Note 2: These expenses were incurred as part of the admission of the Company's shares to trading on AIM in December 2013.

Note 3: £7,500 of Director's fees were paid in shares during April 2014.

3. EMPLOYEES' AND DIRECTORS' REMUNERATION

Apart from the Directors who are considered to be the Group's key management personnel, there were no employees in the years to 31 March 2014 and 2013 respectively.

	Group Year ended 31 March 2014 £	Group Year ended 31 March 2013 £
Directors' remuneration	51,739	-
Directors' social security costs	2,996	-
Total	54,735	-

	Directors' salary and fees year ended 31 March 2014 £	Share based payments year ended 31 March 2014 £	Total year ended 31 March 2014 £
Luke Bryan (Note 1)	12,500	15,972	28,472
Guy Eastaugh	5,000	-	5,000
Markus Ekberg	767	-	767
Emin Eyi (Note 2)	5,000	-	5,000
David Jones	7,500	-	7,500
Robert Wooldridge (Note 3)	5,000	-	5,000
	35,767	15,972	51,739

No remuneration was paid to the Directors in the year to 31 March 2013.

Note 1 Novoco Mine Engineering Limited, a company owned by Luke Bryan, provided consultancy services to the Group during the year and received fees of £100,000 in cash plus 48,500,000 in Shares in the year ended 31 March 2014 (2013:£nil). Of these fees, £50,000 in cash and 43,500,000 in Shares were success payments that were conditional on the completion of the Company's admission to AIM.

Note 2 The £5,000 fee paid to Emin Eyi will be settled by the issuance of 672,949 Shares at a price of 0.743 pence per Share. These Shares were not issued at the year end.

Note 3 £2,500 of the £5,000 fee paid to Robert Wooldridge will be settled by the issuance of 336,472 Shares at a price of 0.743 pence per Share. These Shares were not issued at the year end.

4. EARNINGS PER SHARE

Basic loss per share is calculated by dividing the loss for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following reflects the income and share data used in the basic EPS computations:

	Earnings per Share on continued operations	Earnings per Share on total earnings	Weighted average number of Shares	Basic earnings per Share (pence)
	£			
Year ended 31 March 2014	(232,705)	-	338,258,503	0.0688
Year ended 31 March 2014	-	(231,467)	338,258,503	0.0684
Year ended 31 March 2013	-	(18,665)	166,542,947	0.0112

Diluted loss per Share is calculated by dividing the loss attributable to ordinary equity holders of the parent by the weighted average number of ordinary Shares outstanding during the year plus the weighted average number of ordinary Shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary Shares. Options in issue are not considered diluting to the earnings per Share as the Group is currently loss making. Diluted loss per Share is therefore the same as the basic loss per Share.

5. SHARE BASED PAYMENTS

Share-based payments

The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.

	Year ended 31 March 2014	**Year ended 31 March 2013**
Share options outstanding	**£**	**£**
Opening balance	-	-
Issued in the period	40,000,000	-
Closing balance	40,000,000	-

Options issued in the period

Under an option agreement between the Group and Novoco Mine Engineering Limited ("Novoco"), a company wholly owned by Luke Bryan, the Group granted to Novoco options over 25,000,000 Shares ("Option Shares") at an exercise price of 0.7 pence per Share. The options becomes exercisable in respect of one third of the total number of Option Shares on each of the first, second and third anniversaries of 30 December 2013. The options are exercisable for a period of ten years from the date on which they vest and become exercisable.

Under an option agreement between the Group and David Hakes, a consultant to the company, the Group granted to David Hakes options over 15,000,000 Shares ("Option Shares") at an exercise price of 0.7 pence per Share. The options becomes exercisable in respect of one third of the total number of Option Shares on each of the first, second and third anniversaries of 30 December 2013. The options are exercisable for a period of ten years from the date on which they vest and become exercisable.

Details of share options outstanding at 31 March 2014:

Date of grant	*Number of options*	*Option price*	*Exercisable between*
30 December 2013	13,333,333	0.7 pence	30 Dec 2014 – 30 Dec 2024
30 December 2013	13,333,333	0.7 pence	30 Dec 2015 – 30 Dec 2025
30 December 2013	13,333,333	0.7 pence	30 Dec 2016 – 30 Dec 2026

Included within administration expenses is a charge for issuing share options and making share based payments of £33,056 (2013: nil) which was recognised in accordance with the Group's accounting policies.

Additional disclosure information:

Weighted average exercise price of share options:

- outstanding at the beginning of the period N/A
- granted during the period 0.7 pence
- outstanding at the end of the period 0.7 pence
- exercisable at the end of the period N/A

Weighted average remaining contractual life of share options outstanding at the end of the period 12.01 years

The share options granted during the period were valued at £169,333 at date of grant with reference to the Black-Scholes option pricing model taking into account the input assumptions as outlined below:

Dates issued	30 December 2013
Share price	0.7 pence
Exercise price	0.7 pence
Expected volatility	the options were granted on the day the Company's Shares were admitted to trading on AIM. There is therefore no historical volatility for the Shares on the date of issue of the options. A volatility of 50% has been chosen as an approximation of the volatility for the shares of a junior mining company trading on AIM.
Vesting period ranging from	30 December 2014 to 30 December 2016
Expected dividends	Nil
Risk free interest rate ranging from	2.897% to 3.062

A share based payment charge of £33,056 (2013: £nil) has been recognised in the profit and loss in the year in relation to these options.

Tetra Option Agreement

The Group has granted to Tetra Minerals Oy ("Tetra") an option to subscribe for new Shares. The maximum number of Shares that are subject to the option is 714,285,714, corresponding to the number of Shares that would be issued for a total amount of £5 million at the 0.7 pence per Share. The options vest and become exercisable only once the JORC indicated resource for phosphate minerals at the Kodal Project meet certain thresholds. These are as follows:

JORC Indicated Mineral Resource threshold reached of Tonnes of phosphate minerals	**Proportion of maximum number Option Shares that will vest (%)**
90,000,000	20
110,000,000	20
130,000,000	20
150,000,000	20
170,000,000	20

Once vested, the option may be exercised by Tetra at a subscription price of 10p per Share for a period of three years after the date on which each tranche vests. If Kodal Phosphate AS relinquishes or does not renew the Kodal Project extraction licences before any of the options vest then those options will lapse.

The Board has reviewed the Tetra option arrangements and determined that the fair value of the Tetra options is nil on the grounds that the option distribution is dependent on thresholds associated with the JORC phosphate mineral resources, the first of which, 90m tonnes, is well beyond the size of the current targeted ore body, which has a JORC mineral resource of 48.9m tonnes. Unless and until further exploration of the Kodal Project identifies a further potential ore body the likelihood of the thresholds being met is considered to be remote.

6. TAXATION

	Group Year ended 31 March 14 £	**Group Year ended 31 March 13 £**
Taxation charge for the year	**-**	-
Factors affecting the tax charge for the year		
Loss from continuing operations before income tax	**(232,705)**	(18,665)
Tax at 20% (2013: 20%)	**(46,541)**	(3,733)
Expenses not deductible	**53,949**	2,617
Overseas rate differences	**(105)**	-
Gain not taxable	**(53,216)**	
Losses carried forward not deductible	**40,801**	1,116

Temporary differences not recognised for deferred tax	**5,112**	-
Income tax expense	**-**	**-**

The Group has tax losses and other deferred tax assets totalling £51,000 (2013: £16,000) which will be able to be offset against future income. No deferred tax asset has been recognised in respect of these losses as the timing of their utilisation is uncertain at this stage.

7. INTANGIBLE ASSETS

	Exploration and evaluation	**Software**	**Total**
GROUP	**£**	**£**	**£**
COST			
At 1 April 2013	355,014	-	355,014
Additions in the year	2,566,060	27,295	2,593,355
Effects of foreign exchange	63	-	63
At 31 March 2014	**2,921,137**	**27,295**	**2,948,432**
AMORTISATION			
At 31 March 2013	-	-	-
Amortisation charge	-	4,363	4,363
At 31 March 2014	**-**	**4,363**	**4,363**
NET BOOK VALUES			
At 31 March 2014	**2,921,137**	**22,932**	**2,944,069**
At 31 March 2013	**355,014**	**-**	**355,014**

	Exploration and evaluation	**Software**	**Total**
GROUP	**£**	**£**	**£**
COST			
At 1 April 2012	12,707	-	12,707
Additions in the year	342,307	-	342,307
At 31 March 2013	**355,014**	**-**	**355,014**
AMORTISATION			
At 31 March 2012 and 31 March 2013	-	-	-
NET BOOK VALUES			
At 31 March 2013	**355,014**	**-**	**355,014**
At 31 March 2012	**-**	**-**	**-**

The additions to Exploration and Evaluation category represent the costs incurred by the Group in relation to the Kodal Project including the cost of the exploration licences of £1,833,295 acquired through the purchase of Kodal Phosphate AS.

COMPANY	Exploration and evaluation £	Software £	Total £
COST			
At 1 April 2013	355,014	-	355,014
Additions in the year	1,833,295	-	1,833,295
Disposals in the year	(2,188,309)	-	(2,188,309)
At 31 March 2014	-	-	-
AMORTISATION			
At 31 March 2013 and 31 March 2014	-	-	-
NET BOOK VALUES			
At 31 March 2014	-	-	-
At 31 March 2013	355,014	-	355,014

COMPANY	Exploration and evaluation £	Software £	Total £
COST			
At 1 April 2012	12,707	-	12,707
Additions in the year	342,307	-	342,307
At 31 March 2013	355,014	-	355,014
AMORTISATION			
At 31 March 2012 and 31 March 2013	-	-	-
NET BOOK VALUES			
At 31 March 2013	355,014	-	355,014
At 31 March 2012	12,707	-	12,707

The disposal represents the sale by the Company of the Kodal Project asset to a subsidiary undertaking .

8. PROPERTY, PLANT AND EQUIPMENT

GROUP	Fixtures, fittings and equipment £	Plant and machinery £	Motor vehicles £	Total £
COST				
At 1 April 2012 and 2013	-	-	-	-
Additions in the year	41,874	15,579	23,161	80,614
Effects of foreign exchange	143	27	417	587
At 31 March 2014	**42,017**	**15,606**	**23,578**	**81,201**
DEPRECIATION				
At 1 April 2012 and 2013	-	-	-	-
Depreciation charge	2,837	136	1,056	4,029
Effects of foreign exchange	4	2	9	15
At 31 March 2014	**2,841**	**138**	**1,065**	**4,044**
NET BOOK VALUES				
At 31 March 2014	**39,176**	**15,468**	**22,513**	**77,157**

At 31 March 2012 and 31 March 2013	-	-	-	-

The Company did not have any Property, Plant and Equipment as at 31 March 2012, 2013 and 2014.

9. SUBSIDIARY ENTITIES

The consolidated financial statements include the following subsidiary companies:

Company	Subsidiary of	Country of incorporation	Equity holding	Nature of Business
Kodal Norway (UK) Ltd	Kodal Minerals Plc	United Kingdom	100%	Operating company
Kodal Mining AS	Kodal Norway (UK) Ltd	Norway	100%	Mining exploration
Kodal Phosphate AS	Kodal Norway (UK) Ltd	Norway	100%	Mining exploration

Carrying value of investment in subsidiaries	**Year ended 31 March 2014**	**Year ended 31 March 2013**
Opening balance	-	-
Additions	900,010	-
Closing balance	900,010	-

10. OTHER RECEIVABLES

	Group 31 March 2014 £	**Group 31 March 2013 £**	**Company 31 March 2014 £**	**Company 31 March 2013 £**
Other receivables	**82,994**	5,476	73,330	5,476
	82,994	5,476	73,330	5,476

All receivables at each reporting date are current. No receivables are past due. The Directors consider that the carrying amount of the other receivables approximates their fair value.

11. CASH AND CASH EQUIVALENTS

	Group 31 March 2014 £	**Group 31 March 2013 £**	**Company 31 March 2014 £**	**Company 31 March 2013 £**
Cash and cash equivalents	**1,501,343**	19,605	1,332,834	19,605
	1,501,343	19,605	1,332,834	19,605

12. TRADE AND OTHER PAYABLES

	Group 31 March 2014 £	**Group 31 March 2013 £**	**Company 31 March 2014 £**	**Company 31 March 2013 £**
Trade payables	**70,445**	52,073	57,636	52,073
Other payables	**27,485**	84,882	27,484	84,882
	97,930	136,955	85,120	136,955

All trade and other payables at each reporting date are current. The Directors consider that the carrying amount of the trade and other payables approximates their fair value.

13. ORDINARY SHARES

Allotted, issued and fully paid:

	Nominal Value	Number of Ordinary Shares	Share Capital £	Share Premium £
At 31 March 2012	**£0.01**	**4,800**	**48**	**49,995**
Bonus issue (Note 1)		4,680,000	46,800	(46,800)
		4,684,800	46,848	3,195
Share split (Note 2)	£0.0003125	149,913,600	46,848	3,195
Issue (Note 3)	£0.0003125	25,000,000	7,813	242,188
Issue (Note 4)	£0.0003125	458,542	143	4,442
At 31 March 2013	**£0.0003125**	**175,372,142**	**54,804**	**249,825**
Issue (Note 5)	£0.0003125	7,500,000	2,344	72,656
Issue (Note 6)	£0.0003125	18,654,500	5,828	300,105
Issue (Note 7)	£0.0003125	2,750,000	859	41,041
Issue (Note 8)	£0.0003125	2,821,150	882	18,866
Issue (Note 9)	£0.0003125	43,500,000	13,594	236,406
Issue (Note 10)	£0.0003125	26,785,715	8,371	179,129
Issue (Note 11)	£0.0003125	250,000,000	78,125	1,671,875
Issue (Note 12)	£0.0003125	142,857,240	44,643	955,358
Issue (Note 13)	£0.0003125	100,000,000	31,250	1,218,750
Share issue costs		-	-	(416,933)
At 31 March 2014		**770,240,747**	**240,700**	**4,527,078**

Share issue costs have been allocated against the Share Premium reserve.

Note 1: On 31 July 2012, there was a bonus issue of 975 ordinary shares of £0.01 each for each ordinary share in issue on 24 July 2012. The bonus issue was funded from the share premium account.

Note 2: On 31 July 2012, each ordinary share of the Company of £0.01 was split into 32 new ordinary Shares of £0.0003125 each.

Note 3: On 16 October 2012, 25,000,000 Shares were issued at 1.0 pence per share.

Note 4: On 28 March 2013, 458,542 Shares were issued to a supplier of the Company in settlement of services provided to the Company by that supplier. These shares were issued at 1.0 pence each.

Note 5: On 8 April 2013 7,500,000 Shares were issued to two separate suppliers of the Company in settlement of their services provided to the Company by the suppliers. These shares were issued at 1.0 pence each.

Note 6: Between April and July 2013 a further 18,654,500 Shares were issued at a price of 1.64 pence, raising £305,933.80 in additional capital.

Note 7: On 18 July 2013 2,750,000 Shares were issued to a supplier of the Company in settlement of services provided to the Company by that supplier. 500,000 Shares were issued at 1.0 pence and 2,250,000 Shares at 1.64 pence.

Note 8: On 25 November 2013, a total of 2,821,150 Shares were issued to two separate suppliers of the Company in settlement of their services provided to the Company at an issue price of 0.7 pence per Share.

Note 9: Under a consultancy agreement dated 8 November 2013 between Novoco Mine Engineering Limited and the Company, 43,500,000 Shares were issued on 30 December 2013 at 0.5747 pence per Share for services provided to the Company.

Note 10: Under arrangements entered into by the Company with Thomas Eggar LLP, Allenby Capital limited and SP Angel Corporate Finance LLP, a total of 26,785,715 Shares were issued on 30 December 2013 at 0.7 pence per Share for services provided in relation to the admission of the Company to trading on AIM.

Note 11: Under the share acquisition agreement dated 12 October 2012 between Tetra Minerals Oy and the Company, the Company acquired all of the issued and to be issued share capital of Kodal Phosphate AS on completion of the Company's admission to AIM for a consideration consisting of:
(a) the sum of €100,000 payable in cash;
(b) the sum of £1,750,000 satisfied by the issue of 250,000,000 Shares at 0.7 pence per Share.

Note 12: On the 30 December 2013, 142,857,240 Shares were issued and allotted at 0.7 pence per Share in a placing at the time of the admission of the Company's Shares to trading on AIM.

Note 13: On 10 January 2014, 100,000,000 Shares were issued at 1.25 pence per Share in a placing.

Note 13: On 10 January 2014, 100,000,000 Shares were issued at 1.25 pence per share in a placing.

14. RESERVES

Reserve	**Description and purpose**
Share capital	Amount of the contributions made by shareholders in return for the issue of shares.
Share premium	Amount subscribed for share capital in excess of nominal value.
Share based payment reserve	Comprises the fair value of options and share rights recognised as an expense. Upon exercise of options or share rights, any proceeds received are credited to share capital. The share-based payment reserve remains as a separate component of equity.
Foreign exchange reserve	Gains/losses arising on re-translating the net assets of overseas operations into sterling.
Retained earnings	Cumulative net gains and losses recognised in the consolidated statement of financial position.

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group's principal financial instruments comprise cash and cash equivalents, other receivables and trade and other payables.

The main purpose of cash and cash equivalents is to finance the Group's operations. The Group's other financial assets and liabilities such as other receivables and trade and other payables, arise directly from its operations.

It has been the Group's policy, throughout the periods presented in the consolidated financial statements, that no trading in financial instruments was to be undertaken, and no such instruments were entered in to.

The main risk arising from the Group's financial instruments is market risk. The Directors consider other risks to be more minor, and there are summarised below. The Board reviews and agrees policies for managing each of these risks.

Market risk
Market risk is the risk that changes in market prices, and market factors such as foreign exchange rates and interest rates will affect the Group's income or the value of its assets and liabilities.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return.

Interest rate risk
The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's cash and cash equivalents with a floating interest rate. These financial assets with variable rates expose the Group to interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing.

In regard to its interest rate risk, the Group periodically analyses its exposure. Within this analysis consideration is given to alternative investments and the mix of fixed and variable interest rates. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

The Group in the year to 31 March 2014 earned only £2 in interest. The very low interest rates available in the market of between 0.10% and 0.6% on a cash balance of circa £1m would earn the Group between £1,000 and £6,000 in a single year. The Group is therefore insensitive to any interest rate risk.

The consolidated financial statements of Kodal Minerals Plc are prepared in accordance with the historical cost convention and in accordance with International Financial Reporting Standards ("IFRSs"), as adopted by the European Union ("EU") and in accordance with the provisions of the Companies Act 2006. The Company's ordinary shares are quoted on AIM, a market operated by the London Stock Exchange.

Interest rate risk is measured as the value of assets and liabilities at fixed rate compared to those at variable rate.

Financial instruments by category

31 March 2014	Loans and receivables £	Other financial liabilities at amortised cost £	Total £
Assets			
Other receivables	82,994	-	82,994
Cash and cash equivalents	1,501,343	-	1,501,343
Total	1,584,337	-	1,584,337
Liabilities			
Trade and other payables	-	97,930	97,930
Total	-	97,930	97,930
31 March 2013			
Assets			
Trade and other receivables	5,476	-	5,476
Cash and cash equivalents	19,605	-	19,605
Total	25,081	-	25,081
Liabilities			
Trade and other payables	-	136,955	136,955
Total	-	136,955	136,955

Foreign exchange risk
Throughout the periods presented in the consolidated financial statements, the functional currency for the Group's Norwegian subsidiaries has been the Norwegian Kronor.

The Group incurs certain exploration costs in Norwegian Kronor on the Kodal Project, and has exposure to foreign exchange rates prevailing at the dates when Sterling funds are transferred into Norwegian Kronor. The Group has not hedged against this foreign exchange risk as the Directors do not consider that the level of exposure poses a significant risk.

The Group continues to keep the matter under review as further exploration and evaluation work is performed on the Kodal Project, and will developed currency risk mitigation procedures if the significance of this risk materially increases.

The Group's consolidated financial statements are largely insensitive to a change in the Sterling to Norwegian Kroner exchange rate due to low value of assets and liabilities (principally cash balances) maintained in Norwegian Kroner. Furthermore for the next 12 months the Group is expected to incur mainly Sterling denominated expenditure. Once the Kodal Project moves into the development phase a greater proportion of expenditure is expected to be Kroner denominated which may increase the foreign exchange risk.

Financial instruments by currency

31 March 2014	GBP denominated £	NOK denominated £	Total £
Assets			
Other receivables	73,330	9,664	82,994
Cash and cash equivalents	1,332,834	168,509	1,501,343

Total	1,406,164	178,173	1,584,337
Liabilities			
Trade and other payables	85,121	12,809	97,930
31 March 2013			
Assets			
Trade and other receivables	5,476	-	5,476
Cash and cash equivalents	19,605	-	19,605
Total	25,081		25,081
Liabilities			
Trade and other payables	136,955	-	136,955

Liquidity risk
Liquidity risk is the risk that the entity will not be able to meet its financial obligations as they fall due.

The objective of managing liquidity risk is to ensure as far as possible, that the Group will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions.

The Group has established policies and processes to manage liquidity risk. These include:
- Monitoring the maturity profiles of financial assets and liabilities in order to match inflows and outflows;
- Monitoring liquidity ratios (working capital); and
- Capital management procedures, as defined below.

Capital management
The Group's objective when managing capital is to ensure that adequate funding and resources are obtained to enable it to develop its projects through to profitable production, whilst in the meantime safeguarding the Group's ability to continue as a going concern. This is to enable the Group, once projects become commercially and technically viable, to provide appropriate returns for shareholders and benefits for other stakeholders.

The Group has historically relied on equity to finance its growth and exploration activity, raised through the issue of Shares. After admission to the AIM market of the London Stock Exchange the Board will utilise financing sources, be that debt or equity, that best suits the Group’s working capital requirements and taking into account the prevailing market conditions.

Fair value
The fair value of the financial assets and financial liabilities of the Group, at each reporting date, approximates to their carrying amount as disclosed in the Statement of Financial Position and in the related notes.

The fair values of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The cash and cash equivalents, other receivables, trade payables and other current liabilities approximate their carrying value amounts largely due to the short-term maturities of these instruments.

16. DISCONTINUED OPERATIONS

During the year to 31 March 2013, the Group held a 74% shareholding in a South African subsidiary, Clear Phosphate Minerals (Pty) Limited (“CPM”). CPM was established to explore for phosphate in South Africa and all of its funding was provided by the Group. CPM incurred costs as a result of legal and consultancy work to secure an exploration licence, which was not subsequently granted. In early 2013 the Directors decided to close CPM. All balances due from CPM to the Group were written off as incurred and as at 31 March 2013 a £5,000 provision was made by the Group for closure costs of CPM. Finalisation of CPM’s tax position and the company closure process took longer than expected with CPM formally being removed from the Registrar of Companies in South Africa in December 2013. At 31 March 2013 CPM had assets of £177 comprising cash at bank. This balance was used to part settle the costs of closure.

During the year to 31 March 2013 there was a charge to the accounts of Kodal Minerals Plc of £6,075 reflecting the costs of operations and closure of CPM. During the year to 31 March 2014 an amount of £1,238 was written back to profit and loss, representing the unused accrual from the original £5,000 provision to close CPM. These amounts have been shown on the consolidated statement of comprehensive income as discontinued operations in line with the Group's accounting policy.

17. RELATED PARTY TRANSACTIONS

During the year to 31 March 2014, the Company issued 5,000,000 Shares at 0.01 pence per Share and 43,500,000 Shares at a price of 0.5747 pence per Share to Novoco Mine Engineering Limited as payment for services valued at £50,000 and £250,000 respectively. Novoco Mine Engineering Limited is a company wholly owned by Luke Bryan.

During the year to 31 March 2014, Robert Wooldridge, a Director, subscribed for 28,571,430 Shares in the IPO at a price of 0.7 pence per Share.

During the year ended 31 March 2014, GEE Consulting Limited, a company wholly owned by Guy Eastaugh, subscribed for 2,857,150 Shares at a price of 0.7 pence per Share.

Transactions with subsidiary companies

Kodal Mining AS
Kodal Mining AS was incorporated on 13 June 2013 in Norway as a wholly owned subsidiary of the Company. On 13 February 2014 it was sold to Kodal Norway (UK) Limited, another wholly owned subsidiary of the Company. During the year ended 31 March 2014, £223,420 (2013: Nil) was advanced as a loan to Kodal Mining AS by the Company to support ongoing activity.

Kodal Norway (UK) Limited
Kodal Norway (UK) Limited is a wholly owned subsidiary of the Company incorporated in England. On 13 February 2014 Kodal Norway (UK) Limited acquired from the Company its two Norwegian subsidiaries, Kodal Phosphate AS and Kodal Mining AS for consideration of £1,835,369 and £5,000 respectively. The Directors consider that the consideration paid for each company was equal to the fair value of the assets and liabilities acquired. The Company recognised a profit of £nil on the sale of each company.

During the year ended 31 March 2014, the Company purchased assets for a cost £47,603 (2013: £nil) on behalf of Kodal Norway (UK) Limited which it subsequently sold to Kodal Norway (UK) Limited at cost.

Sale of exploration assets to Kodal Norway (UK) Limited
In December 2013 Kodal Minerals Plc sold all the tangible and intangible assets relating to the Kodal Project to Kodal Norway (UK) Limited for a sum of £900,000. These assets and knowhow were the result of exploration and evaluation work undertake by Kodal Minerals Plc on the Kodal Project. Kodal Minerals Plc recorded a profit on this sale of £266,079. Kodal Norway (UK) Limited is the operating company for the Kodal Project.

Kodal Phosphate AS
During the year ended 31 March 2014 Kodal Mining AS incurred expenses on behalf of Kodal Phosphate AS of £895. Following the closure of Kodal Phosphate's bank account, the balance of the bank account £2,098 was transferred to Kodal Mining AS.

Kodal Minerals Plc also paid annual licence costs on behalf of Kodal Phosphate AS of £1,434 during the year ended 31 March 2014 (2013: £nil).

Transactions with related parties

Robert Wooldridge, a Director, is a member of SP Angel Corporate Finance LLP ("SP Angel") which acts as Financial Adviser and Broker to the Company. During the year ended 31 March 2014 the Company issued 17,857,143 ordinary shares to SP Angel at 0.7 pence per Share as payment for advisory services and placing commission in relation to the placing and admission of the Company's Shares to trading on AIM. In addition, during the year ended 31 March 2014, the Company has paid fees to SP Angel of £62,500 (2013: £nil) as commission for placing Shares and has paid it £6,250 (2013: £nil) for its services as broker since the admission to AIM.

SP Angel was reimbursed by the Group for travel expenses in the year to 31 March 2013 of £2,493.

In October 2012, SP Angel subscribed for 1,500,000 Shares at a price of 1.0 pence per Share.

Furthermore in the years to 31 March 2014 and 31 March 2013 SP Angel was reimbursed by the Group £19,117 and £69,845 respectively for expenses paid by it on behalf of the Group.

Novoco Mine Engineering Limited, a company wholly owned by Luke Bryan, provided consultancy services to the Group during the year and received fees of £100,000 in cash plus 48,500,000 in Shares in the year ended 31

March 2014 (2013:£nil). Of these fees, £50,000 in cash and 43,500,000 in Shares were success payments that were conditional on completion of the Company's admission to AIM. During the year to 31 March 2014 Novoco was reimbursed £32,783 for expenses (2013: £Nil). At 31 March 2014 £14,500 was owed by the group to Novoco which was paid in April 2014.

18. CONTROL

No one party is identified as controlling the Group.

19. POST BALANCE SHEET EVENTS

On 17 April 2014 the Group issued 2,358,681 Shares at a price of 0.743 pence per Share to Emin Eyi, a Director of the Group (672,949 Shares), Robert Wooldridge, a Director of the Group (336,472 Shares) both in lieu of director's fees and a consultant to the Group (1,349,260 Shares) as part payment of services to the Company.