

**Equatorial Mining and Exploration Plc (“EME” or the “Company”)**

**Interim Results for the Six Months to 30<sup>th</sup> June 2014**

**Chairman’s Statement**

I have pleasure in reporting our interim results for the six month period ending 30 June 2014.

We remain focused on the Nigerian coal opportunity and the acquisition and development of nine licences covering 600 sq.km. At a site visit to one of the licences in June we discovered old mine workings showing coal seams of up to three metres thick at extremely shallow depth. Analysis of a lump of coal from the site highlighted the high quality thermal coal composition with gross calorific value of 7695 Kcal/Kg (dry) and extremely low ash and sulphur contents.

We kicked off our AIM flotation process as planned some four months ago, but in July we took the decision to freeze the process as some of the licences mentioned above, had come up for renewal. Unfortunately it has taken considerably longer than expected to create and process the renewal documentation with the mining offices in Benin City and Abuja.

Alyn Evans and I visited Abuja last week to meet Mining Ministry officials and returned with confidence that the renewal of the licences is expected in due course. Accordingly, we hope that the Placing, Acquisition and Admission to AIM process can continue shortly, with much of the legal and accounting due diligence already completed.

**N C P Nelson**

Chairman

29 September 2014

Enquiries:

Walbrook PR:

Guy McDougall

+44 (0) 20 7933 8795

Nick Rome

+44 (0) 20 7933 8783

ISDX Adviser:

Alfred Henry Corporate Finance Ltd.

+44 (0) 20 7251 37

Jon Isaacs

jisaacs@jeffreyshenry.com

*The Directors take responsibility for this announcement.*

**EQUATORIAL MINING AND EXPLORATION PLC****UNAUDITED INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2014**

	6 Months to 30 June 2014 GBP'000	6 Months to 30 June 2013 GBP'000	Year to 31 December 2013 GBP'000
Administrative expenses	(162)	(155)	(198)
Share-based compensation (note 3)	-	161	(4)
Exceptional costs - abortive acquisition expenses	-	-	(305)
Profit / (loss) from operations	(162)	6	(507)
Investment income	-	1	2
Profit / (loss) before taxation	(162)	7	(505)
Taxation	-	-	-
Profit / (loss) from continuing operations	(162)	7	(505)
Earnings / (loss) per share (note 4)			
Basic and diluted (pence)	(0.01)	0.0003	(0.024)

**EQUATORIAL MINING AND EXPLORATION PLC****UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2014**

	6 Months to 30 June 2014 GBP'000	6 Months to 30 June 2013 GBP'000	Year to 31 December 2013 GBP'000
Profit / (loss) for the period	(162)	7	(505)
Total comprehensive income	(162)	7	(505)

**EQUATORIAL MINING AND EXPLORATION PLC****UNAUDITED STATEMENT OF CHANGES IN EQUITY FOR PERIOD ENDED 30 JUNE 2014**

	Share capital	Share premium	Retained earnings	Share-based compensation reserve	Total
	GBP'000	GBP'000	GBP'000	GBP'000	GBP'000
Balance as at 1 January 2014	214	926	(1,197)	161	104
Total recognised income and expense for the period	-	-	(162)	-	(161)
Balance as at 30 June 2014	214	926	(1,359)	161	(58)
Balance as at 1 January 2013	214	926	(692)	161	609
Total recognised income and expense for the period	-	-	7	-	7
Cancellation of share-based compensation	-	-	-	(161)	(161)
Balance as at 30 June 2013	214	926	(685)	-	455

**EQUATORIAL MINING AND EXPLORATION PLC****UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2014**

	As at 30 June 2014 GBP'000	As at 30 June 2013 GBP'000	As at 31 December 2013 GBP'000
<b>Assets</b>			
<b>Current assets</b>			
Trade and other receivables	19	54	53
Cash and cash equivalents	42	408	94
Total assets	61	462	147
<b>Equity and liabilities</b>			
Share capital	214	214	214
Share premium account	926	926	926
Share-based compensation reserve	161	-	161
Retained earnings	(1,359)	(685)	(1,197)
Total equity	(58)	455	104
<b>Current liabilities</b>			
Trade and other payables	119	7	43
Total equity and liabilities	61	462	147

## EQUATORIAL MINING AND EXPLORATION PLC

## UNAUDITED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 JUNE 2014

	6 Months to 30 June 2014 GBP'000	6 Months to 30 June 2013 GBP'000	Year to 31 December 2013 GBP'000
<b>Cash flows from operating activities</b>			
Profit / (loss) before income tax	(162)	7	(505)
Share-based compensation	-	(161)	-
Finance income	-	(1)	(2)
Operating cash flows before movement in working capital and provisions	(162)	(155)	(507)
Increase in trade and other receivables	34	(24)	(23)
(Decrease) / increase in trade and other payables	12	(13)	23
Net cash used in operating activities	(116)	(192)	(507)
<b>Cash flows from investing activities</b>			
Interest received	-	1	2
Net cash generated from investing activities	-	1	2
<b>Cash flows from financing activities</b>			
Increase in shareholder loans	64	-	-
Net decrease in cash and cash equivalents	(52)	(191)	(505)
Net cash and cash equivalents at beginning of period	94	599	599
<b>Net cash and cash equivalents at end of period</b>	<b>42</b>	<b>408</b>	<b>94</b>

## NOTES TO THE ACCOUNTS

### 1. Basis of preparation of interim report

The financial information for the period ended 30 June 2014 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. It has been prepared in accordance with the accounting policies set out in, and is consistent with, the audited financial statements for the twelve months ended 31 December 2013. A copy of the statutory accounts for that period has been delivered to the Registrar of Companies. The auditor's report on those accounts was unqualified and did not contain statements under Section 498 (2) or (3) of the Companies Act 2006.

### 2. Going concern

The Directors are of the opinion that the financial information should be prepared on a going concern basis, in the light of the Company's financial resources.

### 3. Earnings / (loss) per share

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

For diluted earnings / (loss) per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

The calculation of basic and diluted earnings / (loss) per share is based on the following figures:

	6 Months to 30 June 2014 GBP'000	6 Months to 30 June 2013 GBP'000	Year to 31 December 2013 GBP'000
Total profit / (loss) for the period	(162)	7	(505)
	Number	Number	Number
Weighted average number of shares - basic	2,141,666,667	2,141,666,667	2,141,666,667
Diluting effect of warrants in issue	-	-	-
Weighted average number of shares - diluted	2,141,666,667	2,141,666,667	2,141,666,667
Basic earnings / (loss) per share	(0.01 p)	0.0003 p	(0.024 p)
Diluted earnings / (loss) per share	(0.01 p)	0.0003 p	(0.024 p)

### 4. Reports

A copy of this announcement will be mailed to shareholders and copies will be available for members of the public at the Company's registered office - 10 Orange Street, London, WC2H 7DQ.