

28 March 2014

FinnAust Mining plc ('FinnAust' or the 'Company')
Interim Results

FinnAust Mining plc (previously Centurion Resources Plc), the AIM listed exploration company with a portfolio of copper, zinc and nickel projects in Finland and Austria, announces its interim results for the six months ended 31 December 2013.

Overview

- Advancing highly prospective copper, zinc and nickel projects in Finland acquired in December 2013 from FinnAust Mining plc (a company owned by ASX listed Western Areas Limited and Finnish geological company Magnus Minerals Oy)
- Identified three high priority projects proximal to previously producing mines:
 - Hammaslahti – previous drilling intersected high grade copper and gold, including 3.4m @ 11.5% Cu and 3 g/t Au from extensions of the historically mined orebody
 - Outokumpu – targeting extensions from historical Outokumpu Copper Mine, which from 1908-1999 produced 42Mt @ 3.1% Cu
 - Enonkoski – identified extensions and repeats of high-grade nickel-copper mineralisation at and near the historical mine, where a previous drill intercept returned 15m @ 6.9% nickel and 2.0% Cu
- 10,300m high impact rolling drilling campaign commenced December 2013 to unlock value potential
- 80% interest in the prospective Mitterberg Copper Project – continue to seek the best way of maximising value
- Strengthened cash position following £3.4 million placing in December 2013 to advance exploration, of which Western Areas contributed £1.8 million
- Proven Board and management team with experience in identifying and developing resource assets

Alastair Clayton, Executive Director of FinnAust, said, “Since completing the acquisition of high grade copper, zinc and nickel projects in Finland, we have rapidly implemented a high impact drill programme to identify extensions to the previously producing mines within our tenure. We are confident that our rolling 10,300m campaign has strong potential to deliver value due to the high grade nature of the mineralisation in this world class region. Importantly, the regional geology is receptive to high impact exploration with any one drill hole having the potential to be a game changer. Our confidence is derived from the strong exploration track record of the Western Areas team, members of which have joined Greg Kuenzel and myself on the Board as part of the reverse takeover. I would like to thank the original Centurion shareholders for supporting our transition to FinnAust, and I look forward to building the Company’s multi-asset portfolio.”

Chairman’s Statement

In my first report to shareholders as Chairman I am pleased to update on what has been an extremely active period for the Company, culminating in the acquisition of a suite of prospective copper, zinc and

nickel projects in Finland by way of the reverse takeover (the 'RTO') in December 2013. In conjunction with the completion of this transaction came our change of name to FinnAust Mining plc and myself and Graham Marshall joining the Board. Our 100% owned Finnish assets now sit alongside the 80 percent interest we own in the Mitterberg Copper Project in Austria. Our focus now is to drive growth through exploration.

Our primary focus is on advancing our portfolio of Finnish assets. These cover approximately 4,710 sq km and are located in a prolific geological belt in Southern Finland, which includes the renowned Outokumpu copper mine and several other projects. Following significant grass roots exploration investment by Western Areas Limited ('Western Areas'), FinnAust's majority shareholder, three high-priority target areas have been identified: Hammaslahti, Outokumpu and Enonkoski (the 'Projects'). We are currently focussed on advancing these Projects up the value curve through a 10,300m rolling drilling campaign, which commenced shortly after finalising the RTO.

Exploration initially commenced at Hammaslahti. The project includes a previously mined Copper-Gold-Zinc orebody interpreted to be a Volcanogenic Massive Sulphide ('VMS') type deposit. Historically, mining commenced at several open pits, followed by an underground mine to a depth of approximately 450m, then closed in the mid-1980s due to low commodity prices. FinnAust considers both the wider area around the mine and the down plunge extensions of the known orebody to be under-explored and in some cases, untested.

During 2012, the Company drilled to test the down plunge extensions to the previously mined orebody and intersected high grade copper ('Cu') and gold ('Au') mineralisation including 3.4m @ 11.5% Cu and 3 g/t Au. Numerous regional targets have also been identified at Hammaslahti using a combination of advanced airborne and ground-based geophysics, which we consider may demonstrate the potential to host near surface mineralisation similar to that previously mined in open pits at Hammaslahti.

To date, 14 diamond drill holes for 2,441m have been completed by the Company on several regional geophysical targets between 500m and 800m north, east and south-east of the Hammaslahti open pits. Whilst no economic massive sulphide mineralisation has yet been intersected in the drilling, our geological team believe the minor mineralisation visible (predominantly disseminated Cu and zinc sulphide minerals, with rare more massive sulphide mineralisation in veins and veinlets) indicates that massive sulphide mineralisation may exist in greater quantities to the east of the open pits, which we intend to target with future drilling. Furthermore, highly ranked targets up to 5km south of the open pit area are yet to be drilled.

Near mine drilling is scheduled to start in the month of April to seek to extend the known mineralisation below and down-plunge of the previously mined orebody.

A single pilot hole as part of the Hammaslahti deep drill programme has also been drilled to 172m in order to extend the high grade mineralisation intersected in 2012. FinnAust plans to extend this pilot hole in the coming months.

The Outokumpu Project is located on a copper belt well renowned for its high grade projects and four targets have been identified adjacent to and along strike from the renowned Outokumpu copper mine. These have been prioritised for drill testing during this rolling campaign. As previously mentioned, work at Hammaslahti was temporarily put on hold in order for us to capitalise on favourable ice conditions at Outokumpu and commence an on-ice drilling programme at Lake Juojärvi. This drilling, which commenced in February 2014, was to test for Outokumpu-style massive copper and polymetallic mineralisation.

A total of four holes for 1,462 meters was completed across a drill traverse roughly equidistant from previous traverses drilled by FinnAust in 2012 and Outokumpu in the 1980s and a further hole located at the south west end of the belt, extending an existing drill traverse, was also completed. The section of untested inferred Outokumpu geology under the lake is approximately 5km long.

All holes intercepted varying thicknesses of known Outokumpu geology. One drill hole intercepted approximately 50m of iron sulphides and initial Niton testing suggests this intercept is anomalous in nickel, cobalt and silver. The intercept has been dispatched for multi-element analysis, including gold and silver to determine the significance or otherwise of this.

The ice drilling programme was terminated as the warm conditions meant that further drilling could not be conducted safely. The drill rig has subsequently returned to Hammaslahti to test the shallow regional targets north and south of the mine corridor prior to drilling commencing in the actual mine corridor.

At Enonkoski, we have identified possible extensions and repeats of high-grade nickel-copper mineralisation at and near the historical Enonkoski mine, where a previous drill intercept returned 15m @ 6.9% nickel and 2.0% copper. Target generation and geophysical interpretation is well underway. Once our current drill programme at Hammaslahti is complete, we will calculate the drilling required and finalise the timing of the priority targets that the Company wishes to test.

The Company is pleased to report that its current cost per meter of drilling is under budget.

The Company acquired the Projects from FinnAust Mining plc in December 2013. Its major shareholder, Western Areas Limited, is an ASX 200 company with a proven track record in acquiring and developing quality resource assets, having identified and advanced two high grade nickel mines into production from greenfield exploration. Furthermore, in 2012/13 Finland was rated the number one worldwide mining jurisdiction by the Fraser Institute .

Western Areas remains committed to the development of the Projects evidenced by the support they have shown since the acquisition. This was underlined by Western Areas' investment of £1.8 million at the time of the acquisition, and the appointment of myself (managing director and chief executive), and Graham Marshall (general manager commercial), both of Western Areas, to the Board. I am confident that Western Areas' established track record, combined with our strengthened and proven Board, stands us in good stead to demonstrate the resource potential of the Projects.

Further to the £1.8 million invested by Western Areas at the time of acquisition, FinnAust successfully raised an additional £1.605 million, resulting in a total capital raise of £3.405 million. These funds are already being used to implement the aforementioned exploration plans and we are fully funded to complete this campaign.

In addition to our Finnish interests, we maintain an 80 percent interest in the prospective Mitterberg Copper Project ('Mitterberg'), a previously producing tenure in the Mitterberg district of Salzburg, Austria, where approximately 120,000 tonnes Cu was extracted between 1829 and ceased in 1977. The project, which is comprised of 47 licences over 33 sq km, sits in the Mitterberg district, which arguably contains the largest copper concentration in the Eastern Alps, and has an estimated exploration target of 11.0Mt to 11.7Mt with a grade range of 1.0% to 1.15% Cu. Although we are currently focussed on advancing our Finnish portfolio, we will continue to seek the best possible way of maximising value from Mitterberg.

Financials

As is to be expected with an exploration company, for the 6 month period ended 31 December 2013, the Company is reporting a pre-tax loss of £1,470,577 (six months ended 31 December 2012: £52,276). The Group's net cash balances as at 31 December 2013 were £3,234,579 (six months ended 31 December 2012: £122,981). The Group's cash position currently stands at £2.6 million.

Outlook

With a defined, high impact exploration and development strategy in place, a strengthened management team, and a portfolio of highly prospective projects located in close proximity to major historic and current deposits, I believe we are ideally placed for strong growth in 2014 and beyond.

Finally, I would like to take this opportunity to thank management and shareholders for their support, and I look forward to building upon FinnAust's position as a leading exploration company.

Daniel Lougher

Chairman

28 March 2014

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		6 months to 31 December 2013 Unaudited £	6 months to 31 December 2012 Unaudited £
	Notes		
Continuing operations			
Revenue		-	-
Administration expenses		(583,808)	(52,276)
Impairment of goodwill	5	(886,805)	-
Operating Loss		(1,470,613)	(52,276)
Finance income		36	-
Loss Before Taxation		(1,470,577)	(52,276)
Corporate tax expense		-	-
Loss for the period from continuing operations attributable to equity owners of the parent		(1,470,577)	(52,276)
Other comprehensive income			
Items that may be reclassified to profit or loss			
Currency translation differences		(25,114)	(27,803)
Total comprehensive income for the period attributable to equity owners of the parent		(1,495,691)	(80,079)
Loss per share from continuing operations attributable to the equity owners of the parent			
Basic and diluted (pence per share)	8	(2.269)	(0.001)

CONDENSED CONSOLIDATED BALANCE SHEET

	Notes	31 December 2013 Unaudite d £	30 June 2013 Audited £
Non-Current Assets			
Property, plant and equipment		18,471	18,456
Intangible assets	5	7,595,949	7,190,919
		7,614,420	7,209,375
Current Assets			
Trade and other receivables		742,499	581,023
Cash and cash equivalents		3,234,579	122,981
		3,977,078	704,004
		11,591,49	
Total Assets		8	7,913,379
Current Liabilities			
Trade and other payables		428,711	220,161
		428,711	220,161
Non-Current Liabilities			
Borrowings	6	324,816	-
		324,816	-
Total Liabilities		753,527	220,161
		10,837,97	
Net Assets		1	7,693,218
Capital and Reserves Attributable to Equity Holders of the Company			
Share capital	9	4,941,953	141,180
	9	14,188,31	
Share premium		1	8,500,753
Deferred shares		1,825,104	-
		(8,071,001	
Reverse acquisition reserve)	-
Other reserves		373,200	(2,486)
		(2,419,596	
Retained losses)	(946,229)
		10,837,97	
Total Equity		1	7,693,218

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to Owners of the Parent						
	Share capital £	Share Premium £	Deferred shares £	Reverse			Total equity £
				acquisition reserve £	Other reserves £	Retained losses £	
As at 1 July 2012	115,972	5,962,569	-	-	9,798	(521,241)	5,567,098
Loss for the period	-	-	-	-	-	(52,276)	(52,276)
Other comprehensive income							
Currency translation differences	-	-	-	-	(27,803)	-	(27,803)
Total comprehensive income for the period	-	-	-	-	(27,803)	(52,276)	(80,079)
Issue of ordinary shares	10,245	1,270,442	-	-	-	-	1,280,687
Currency translation differences	(231)	(28,756)	-	-	28,987	-	-
Total contributions by and distributions to owners of the Parent recognised directly in equity	10,014	1,241,686	-	-	28,987	-	1,280,687
As at 31 December 2012	125,986	7,204,255	-	-	10,982	(563,718)	6,767,706

	Attributable to Owners of the Parent						
	Share capital £	Share Premium £	Deferred shares £	Reverse			Total equity £
				acquisition reserve £	Other reserves £	Retained losses £	
As at 1 July 2013	141,180	8,500,753	-	-	(2,486)	(946,229)	7,693,218
Loss for the period	-	-	-	-	-	(1,470,577)	(1,470,577)
Other comprehensive income							
Currency translation differences	-	-	-	-	(25,114)	-	(25,114)
Total comprehensive income for the period	-	-	-	-	(25,114)	(1,470,577)	(1,495,691)
Issue of ordinary shares	4,482,000	6,823,000	-	-	-	-	11,305,000
Issue costs	-	(72,625)	-	-	-	-	(72,625)
Reverse acquisition	318,773	(1,062,817)	1,825,104	(8,071,001)	391,231	-	(6,598,710)

Options issued	-	-	-	-	6,779	-	6,779
Total contributions by and distributions to owners of the Parent recognised directly in equity	4,800,773	5,687,558	1,825,104	(8,071,001)	398,010	-	4,640,444
As at 31 December 2013	4,941,953	14,188,311	1,825,104	(8,071,001)	370,410	(2,416,806)	10,837,971

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	31 December 2013 Unaudited £	31 December 2012 Unaudited £
Cash flows from operating activities		
Loss before taxation	(1,470,577)	(52,276)
Adjustments for:		
Net finance (income)/expense	-	-
Depreciation	1,222	1,052
Impairment of goodwill	886,805	-
Non-cash expenditure	-	-
Foreign exchange differences	(141,521)	(20,328)
(Increase)/decrease in trade and other receivables	(161,476)	222,641
(Decrease)/increase in trade and other payables	210,835	(643,978)
Net cash used in operations	(674,712)	(492,889)
Cash flows from investing activities		
Interest received	36	-
Acquisition of subsidiary, net of cash acquired	509,806	-
Purchase of intangible assets	(578,439)	(1,420,988)
Net cash generated from investing activities	(68,597)	(1,420,988)
Cash flows from financing activities		
Proceeds received from issue of shares	3,605,000	1,280,688
Cost of issue	(72,625)	-
Proceeds from borrowings	324,816	-
Net cash generated from financing activities	3,857,191	1,280,688
Net increase in cash and cash equivalents	3,113,882	(633,189)
Cash and cash equivalents at beginning of period	122,981	965,132
Exchange (losses)/gains on cash and cash equivalents	(2,284)	(7,513)
Cash and cash equivalents at end of period	3,234,579	324,430

Major non-cash transactions

On 2 December 2013 the Company issued 154,000,000 new ordinary shares of £0.02 each as consideration for the purchase of the entire issued share capital of Finland Investments Plc (previously FinnAust Mining Plc).

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. General Information

The principal activity of FinnAust Mining Plc ('the Company') and its subsidiaries (together 'the Group') is the exploration and development of precious and base metals. The Company's shares are listed on the Alternative Investment Market of the London Stock Exchange ('AIM'). The Company is incorporated and domiciled in the UK.

The address of its registered office is 47 Charles Street, London, W1J 5EL.

At a general meeting of the Company held on 29 November 2013 shareholders voted in favour of changing the Company name from Centurion Resources Plc to FinnAust Mining Plc.

2. Basis of Preparation

The condensed interim financial statements have been prepared in accordance with the requirements of the AIM Rules for Companies. As permitted, the Company has chosen not to adopt IAS 34 "Interim Financial Statements" in preparing this interim financial information. The condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended 28 February 2013, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The interim financial information set out above does not constitute statutory accounts within the meaning of the Companies Act 2006. It has been prepared on a going concern basis in accordance with the recognition and measurement criteria of International Financial Reporting Standards (IFRS) as adopted by the European Union.

Statutory financial statements for the period ended 28 February 2013 were approved by the Board of Directors on 9 August 2012 and delivered to the Registrar of Companies. The report of the auditors on those financial statements was unqualified.

The 2013 interim financial report of the Company is not required to be audited but has been reviewed by the Company's auditor, PKF Littlejohn LLP, although no Independent review report is required to be included in this Interim financial report.

Going concern

The Directors, having made appropriate enquiries, consider that adequate resources exist for the Company to continue in operational existence for the foreseeable future and that, therefore, it is appropriate to adopt the going concern basis in preparing the condensed interim financial statements for the period ended 31 December 2013.

Risks and uncertainties

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

Critical accounting estimates

The preparation of condensed interim financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the end of the reporting period. Significant items subject to such estimates are set out in note 3 of the Company's 2013 Annual Report and Financial Statements. The nature and amounts of such estimates have not changed significantly during the interim period except for the following:

3. Accounting Policies

Except as described below, the same accounting policies, presentation and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the Group's annual financial statements for the year ended 28 February 2013, except for the impact of the adoption of the Standards and interpretations described in para 3(a) below and the following which has been adopted for the first time as the Group had borrowings in this reporting period:

Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings, using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services, and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

The preparation of condensed interim financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the condensed interim financial statements, are disclosed in Note 4 of the Group's 2013 Annual Report and Financial Statements.

3.1 Changes in accounting policy and disclosures

(a) New and amended standards mandatory for the first time for the financial year beginning 1 July 2013

The financial statements have been drawn up on the basis of accounting standards, interpretations and amendments effective at the beginning of the accounting period. The following new standards, interpretations and amendments to published standards effective in the period have been adopted by the Group:

Standard	Impact on initial application	Effective date
IAS 12 (amendment)	Deferred tax: Recovery of underlying assets	1 January 2012* ¹
IAS 1 (amendment)	Presentation of items of other comprehensive income	1 July 2012
IFRS 13	Fair value measurement	1 January 2013
IAS 19 (amendment)	Employee benefits	1 January 2013
IFRIC 20	Stripping costs in the production phase of surface mine	1 January 2013
IFRS 1 (amendment)	Government loans	1 January 2013
IFRS 7 (amendment)		
(annual improvements 2009-2011)	Disclosures: Offsetting financial assets and financial liabilities	1 January 2013
IRFS 1 (amendment)		
(annual improvements 2009-2011)	First time adoption of International Financial Reporting Standards	1 January 2013
IAS 1 (amendment)		
(annual improvements 2009-2011)	Presentation of financial statements	1 January 2013
IAS 16 (amendment)		
(annual improvements 2009-2011)	Property, plant and equipment	1 January 2013
IAS 32 (amendment)		
(annual improvements 2009-2011)	Financial instruments – presentation	1 January 2013

IAS 34 (amendment)
(annual improvements
2009-2011)

Interim financial reporting

1 January 2013

*1 Effective date 1 January 2013 for the EU

(b) New standards, amendments and Interpretations in issue but not yet effective or not yet endorsed and not early adopted

The following new standards, amendments to standards and interpretations have been issued but are not effective or not yet endorsed for the financial period beginning 1 July 2013 and have not been early adopted:

Standard	Impact on initial application	Effective date
IFRS 10	Consolidated financial statements	1 January 2013 ^{*2}
IFRS 11	Joint arrangements	1 January 2013 ^{*2}
IFRS 12	Disclosure of interest in other entities	1 January 2013 ^{*2}
IAS 27 (amendment 2011)	Separate financial statements	1 January 2013 ^{*2}
IAS 28 (amendment 2011)	Investments in associates and joint ventures	1 January 2013 ^{*2}
IAS 32 (amendment 2011)	Offsetting financial assets and financial liabilities	1 January 2014
IFRS 9	Financial instruments	No mandatory effective date ^{*3}
IFRS 9 (amendment November 2013)	Financial instruments	No mandatory effective date
IFRS 7 (amendment November 2013)	Financial instruments	No mandatory effective date
IAS 39 (amendment November 2013)	Financial instruments	No mandatory effective date
IFRS 10 (amendment)	Consolidated financial statements – Investment entities	1 January 2014
IFRS 12 (amendment)	Disclosure of interests in other entities – Investment entities	1 January 2014
IAS 27 (amendment)	Separate financial statements – Investment entities	1 January 2014
IAS 36 (amendment)	Impairment of assets – Recoverable amount disclosures for non-financial assets	1 January 2014
IAS 39 (amendment)	Financial instruments: recognition and measurement – Novation of derivatives and continuation of hedge accounting	1 January 2014
IFRIC 21	Levies	1 January 2014

IFRS 2 (amendment) (annual improvements 2010-2012)	Share-based payment – Definition of ‘vesting condition’	1 July 2014
IFRS 3 (amendment) (annual improvements 2010-2012)	Business combinations – Accounting for contingent consideration in a business combination	1 July 2014
IFRS 8 (amendment) (annual improvements 2010-2012)	Operating segments – Aggregation of operating segments and Reconciliation of the total of the reportable segments’ assets to the entity’s assets	1 July 2014
IFRS 13 (amendment) (annual improvements 2010-2012)	Fair value measurement – Short-term receivables and payables	1 July 2014
IAS 16 (amendment) (annual improvements 2010-2012)	Property, plant and equipment – Revaluation method – proportionate restatement of accumulated depreciation	1 July 2014
IAS 24 (amendment) (annual improvements 2010-2012)	Related party disclosures – Key management personnel	1 July 2014
IAS 38 (amendment) (annual improvements 2010-2012)	Intangible assets – Revaluation method – proportionate restatement of accumulated amortisation	1 July 2014
IFRS 1 (amendment) (annual improvements 2011-2013)	First time adoption of International Financial Reporting Standards – Meaning of effective IFRSs	1 July 2014
IFRS 3 (amendment) (annual improvements 2011-2013)	Business Combinations – Scope of exception for joint ventures	1 July 2014
IFRS 13 (amendment) (annual improvements 2011-2013)	Fair value measurement – Scope of paragraph 52 (portfolio exception)	1 July 2014
IAS 40 (amendment) (annual improvements 2011-2013)	Investment property – Clarifying the interrelationship of IFRS 3 and IAS 40 when classifying property as investment property or owner-occupied property	1 July 2014

*2 Effective date 1 January 2014 for the EU

*3 Not yet endorsed by the EU

The Group is evaluating the impact of the above pronouncements and will consider the potential impact of IFRS 13. No other pronouncement is expected to have a material impact on the Group’s results or shareholders’ funds.

3.2 Intangible assets

(a) Exploration and evaluation assets

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

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

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

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

3.3 Basis of Consolidation

The Group Financial Statements consolidate the Financial Statements of FinnAust Mining Plc and the management accounts of all of its subsidiary undertakings made up to 31 December 2013.

Subsidiaries are entities over which the Group has control. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The Group obtains and exercises control through voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Investment in subsidiaries are accounted for at cost less impairment.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated. Accounting

policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

The acquisition by FinnAust Mining Plc of Finland Investments Plc was accounted for under reverse acquisition accounting.

The following accounting treatments were applied in respect of the reverse acquisition:

- The assets and liabilities of the legal subsidiary, Finland Investments Plc, were recognised and measured in the consolidated financial statements at their pre-combination carrying amounts, without restatement to fair value;
- The equity structure appearing in the consolidated financial statements reflects the equity structure of the legal parent, FinnAust Mining Plc, including the equity instruments issued to effect the business combination;
- Where necessary, adjustments were made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group. All significant intercompany transactions and balances between Group enterprises were eliminated on consolidation.

4. Dividends

No dividend has been declared or paid by the Company during the six months ended 31 December 2013 (six months ended 31 December 2012: nil).

5. Intangible Assets

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

Cost and Net Book Value	Goodwill	Exploration & evaluation assets £	Total £
Balance as at 1 July 2013	-	7,190,919	7,190,919
Additions	-	578,439	578,439
Acquired through business combination	886,805	-	886,805
Impairment losses	(886,805)	-	(886,805)
Exchange rate movements	-	(173,409)	(173,409)
As at period end	-	7,595,949	7,595,949

6. Borrowings

	31
	December
	2013
Non-current	£
Unsecured borrowings at amortised cost	
Non-interest bearing loan	324,816
	324,816

Non-interest bearing loans arose during the period as unsecured cash advances to the Group from its majority shareholder Western Areas Limited.

7. Business Combination

On 2 December 2013 the Group acquired 100% of the share capital of Finland Investments Plc (previously FinnAust Mining Plc and the 'Legal Subsidiary') for £7,700,000. Through this acquisition the Group acquired the wholly owned subsidiaries of the Legal Subsidiary, the subsidiaries hold licences in Finland for the exploration and evaluation of precious and base metals. As a result of the acquisition the Group will be able to conduct exploration and evaluation work on the various exploration project sites.

The acquisition has been treated as a reverse acquisition and hence accounted for in accordance with IFRS 3, as set out in the accounting policies. The following table summaries the consideration paid for FinnAust Mining Plc (previously Centurion Resources Plc and the 'Legal Parent') through the reverse acquisition and the amounts of the assets acquired and liabilities assumed on the acquisition date.

In accordance with IFRS 3, goodwill under a reverse acquisition is calculated on the net assets of the legal parent. The goodwill of £886,805 arising from the acquisition is attributable to the value of the parent company being an AIM listed entity to the Legal Subsidiary. The Directors do not consider goodwill reflects an increase in the Group's assets and therefore have impaired the goodwill in full.

Consideration at 2 December 2013	£
Equity instruments in issue (249,976,697 ordinary shares 0.57p each)	1,424,867
Less cash consideration	-
Total consideration	1,424,867
Recognise amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	509,806
Property, plant & equipment	1,665
Trade and other receivables	673,963
Trade and other payables	(647,372)
Total identified net assets	538,062
Goodwill	886,805

In a reverse acquisition the acquisition date fair value of the consideration transferred by the Legal Subsidiary is based on the number of equity instruments that the Legal Subsidiary would have had to issue to the owners of the Legal Parent to give the owners of the Legal Parent the same percentage of equity interests that results from the reverse acquisition. However, in the absence of a reliable valuation of the Legal Subsidiary, the cost of the combination was calculated using the fair value of all the pre-acquisition issued equity instruments of the Legal Parent as at the date of the acquisition. The fair value was based on the published price of the Legal Parent shares on 29 November 2013 immediately prior to the acquisition.

Acquisition related costs of £570,422 were recognised in the Legal Parent's profit or loss. These costs were incurred prior to the date of the acquisition and have therefore been eliminated on consolidation along with other pre-acquisition losses in the Legal Parent in accordance with the requirements of IFRS 3 as outlined in the accounting policies.

The Legal Parent did not contribute any revenue to the Group since the acquisition on 2 December 2013. The Group statement of comprehensive income includes an operating loss of £160,786 in the period since acquisition, which is attributable to the Legal Parent. Had the Legal Parent been consolidated from 1 July 2013, the consolidated statement of comprehensive income would show revenue of £nil and a loss of £2,200,373.

8. Loss per Share

The calculation of loss per share is based on a retained loss of £1,470,577 for the six months ended 31 December 2013 (six months ended 31 December 2012: £52,756) and the weighted average number of shares in issue in the period ended 31 December 2013 of 64,819,952 (six months ended 31 December 2012: 76,403,060).

No diluted earnings per share is presented for the six months ended 31 December 2013 or six months ended 31 December 2012 as the effect on the exercise of share options would be to decrease the loss per share.

9. Issued Capital

On 29 November 2013 the shareholders approved the consolidation of the Company's equity whereby each existing ordinary share of 0.2p was converted into new ordinary shares of 2p each on the basis of one new ordinary share for every existing ten ordinary shares.

On 2 December 2013 the Company raised £3,405,000 via the issue and allotment of 68,100,000 new ordinary shares of 2 pence each fully paid at a price of 5 pence per share. On the same date the Company issued 154,000,000 new ordinary shares of 2 pence each fully paid at 5 pence per share as consideration for a business acquisition.

10. Approval of interim financial statements

The Condensed interim financial statements were approved by the Board of Directors on 27 March 2014.

****ENDS****