30 June 2017

Wishbone Gold Plc
Wishbone Gold Plc / Index: AIM / Epic: WSBN / Sector: Natural Resources
Wishbone Gold PLC ("Wishbone Gold" or the "Company")
Final Results

Wishbone Gold Plc, the precious metals trading and exploration company, announces its final results for the year ended 31 December 2016.

Financial Overview

At the end of the period under review, Wishbone Gold held cash balances totalling US$1,065,161 (2015: US$263,741). The Directors are all paid minimal salaries and, at the Company's option, these can be paid in ordinary shares. During the period under review and during the current year all Directors' salaries have been paid in shares in this way. Administrative costs, including interest during the year totalled US$944,285 (2015: US$622,659).

The Company undertook two equity placings during the year on 28 September and 27 October 2016 to raise a gross total of £1m, and also raised a debt facility in June 2016 with Sanderson Capital. The terms of this facility include an interest rate of 2% per annum and a trading override of 0.5% of the value of gold traded using the Sanderson facility.

General Highlights

- During 2016 Wishbone Gold plc continued the expansion of its trading subsidiary Black Sand, FZE ("Black Sand") which was acquired on 4 February 2016.
- Black Sand had revenue for the year of $4.2m. During the first quarter of 2017 revenue was $2.5m. We would anticipate improved gross margins as our trading operations mature.
- During the second quarter of 2017 the Company took cash out of trading to fund the initial investments in in a joint venture with Scotia International in Honduras. This is a 30-year agreement with Scotia International and the Honduran government.
- The Company formed a new subsidiary, Wishbone Gold Honduras, which is the signatory to the joint venture and the operating company, which will implement the project.

Outlook

- Precious metals resumed their upward climb during the first two months of 2017. During January and February, spot gold rose 8.34% (from $1,152.27 to $1,248.33) and spot silver increased 15.08% (from $15.92 to $18.32). However, both these are below the levels tested last year. The Board believes China, India and Russia continue to add to reserves at every opportunity.
- The diversification of the Company, and the continued development of ventures with Black Sand offer opportunities for growth.
- The Company intends that by supplying relatively small quantities of equipment ($300-$400,000 per mine) it can substantially increase the output of artisanal mines. These are mines, which have no JORC or NI43-101 resources but are simple alluvial projects or vein chasers. In the event a mine becomes exhausted the equipment will simply be moved to another site. In addition to the equipment the joint venture has operators and security in Honduras to ensure proper training in the use of the equipment and security of the supply of gold.
- With each mine that joins the Company's network it has a 10-year supply agreement at a beneficial price. The mine owners benefit as the new equipment should increase output by 3-5 times thus the quantum of money that they will make is increased.
- The Company's involvement ensures that the increased output is correctly reported and export taxes are paid. There is also the additional benefit that the Company ensures compliance with all environmental regulations.

Board of Directors

George Cardona will retire by rotation at the next annual general meeting ("AGM") and will not be offering himself for re-election. The AGM is expected to be held during the third quarter of 2017.

Comment - Chairman Richard Poulden

"Wishbone Gold plc's further entrenchment into precious metals trading with its subsidiary Black Sand has seen an increase in the profitable opportunities for the Company.

The Company's joint venture agreement in March 2017 through its subsidiary, Wishbone Gold Honduras Ltd with SION Honduras SA funds the development and exploitation of existing gold mine sites in Honduras, enabling then to increase production. In return, the mines will agree to supply Black Sand with all the output from the mines at preferential prices. It’s proactive and sustainable model for the Company and its partners, and we look reporting further good news in coming months.

I am extremely grateful to George for all his help and advice as Wishbone has grown, and I wish him well in extending his retirement.”

ENDS

For further information, please contact:

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Abigail Stuart-Menteth Tel: +44 207 812 0645

Wishbone Gold

Wishbone Gold PLC

FINANCIAL REPORT
AND
CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2016

Wishbone Gold PLC
Consolidated Financial Statements
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Wishbone Gold PLC
Company Information

DIRECTORS	R O'D Poulden JC Harrison GS Cardona Professor MR Mainelli AD Gravett
SECRETARY	Hawk Secretaries Limited G1 Haven Court 5 Library Ramp Gibraltar
REGISTERED OFFICE	G1 Haven Court 5 Library Ramp Gibraltar
INDEPENDENT AUDITORS	RSM Audit (Gibraltar) Limited (formerly Benady Cohen & Co Limited) 21 Engineer Lane Gibraltar
BANKERS	Banque J Safra (Monaco) Limited La Belle Epoque 15 Bis / 17 Avenue D'Ostende BP 347 MC-98006 Monaco Cedex Monaco
NOMINATED ADVISOR	Allenby Capital Ltd 3 St Helen's Place London EC3A 6AB United Kingdom
BROKER	Beaufort Securities Limited 63 St Mary Axe, London EC3A 8AA United Kingdom
FINANCIAL PUBLIC RELATIONS	Damson Communications 128 Wigmore Street London W1U 3SA United Kingdom

LAWYERS	Pinsent Masons LLP 30 Crown Place London EC2A 4ES United Kingdom
	Hassans International Law Firm 57/63 Line Wall road PO Box 119 Gibraltar
REGISTRARS	Capita Registrars (Guernsey) Limited Mont Crevelt House Bulwer Avenue St Sampson Guernsey GY2 4LH
	Capita IRG The Registry 34 Beckenham Road Kent BR3 4TU United Kingdom
REGISTERED NUMBER	103190

Wishbone Gold Plc
Chairman's Report

Dear Shareholders,

During 2016 we continued the expansion of our trading subsidiary Black Sand, which we acquired on 4th February 2016. Black Sand had revenue for the year of $4.2m. During the first quarter of 2017 revenue was $2.5m.

During the second quarter of 2017 we took cash out of trading to fund the initial investments in in our joint venture with Scotia International in Honduras. As previously announced this is a 30-year agreement with Scotia International and the Honduran government. In line with our normal operating structure we formed a new subsidiary, Wishbone Gold Honduras, which is the signatory to the joint venture and the operating company, which will implement the project.

The plan for Honduras is that by supplying relatively small quantities of equipment ($300-$400,000 per mine) we can substantially increase the output of artisanal mines. These are mines, which have no JORC or 43-101 resources but are simple alluvial projects or vein chasers. In the event that a mine becomes exhausted the equipment will simply be moved to another site. In addition to the equipment the joint venture has operators and security in Honduras to ensure proper training in the use of the equipment and security of the supply of gold.

With each mine that is pulled into our network we have a 10-year supply agreement at a beneficial price. From the mine owners point of view the new equipment should increase output by 3-5 times thus the quantum of money that they will make is increased. From the government's point of view having us involved ensures that the increased output is correctly reported and export taxes are paid. There is also the additional benefit that we ensure compliance with all environmental regulations.

We will roll this out steadily over the next few years to provide a solid and secure supply chain at good margins.

Financing

We did two equity placings during the year on 28th September and 27th October to raise a gross total of £1m. We also raised a debt facility in June 2016 with Sanderson Capital. The terms of this facility include an interest rate of 2% per annum and a trading override of 0.5% of the value of gold traded using the Sanderson facility.

Australia

We met our exploration commitments for the year in Australia and the core properties of White Mountains and Wishbone II will not come up for further review until 2019.

Directors

At the AGM George Cardona will retire by rotation and is not offering himself for re-election. I am extremely grateful to George for all his help and advice, as Wishbone has grown and wish him well in extending his retirement.

The Gold Market

Precious metals resumed their upward climb during the first two months of 2017. During January and February, spot gold rose 8.34% (from $1,152.27 to $1,248.33) and spot silver increased 15.08% (from $15.92 to $18.32). However both these are below the levels tested last year. Eric Sprott, one of the best known commentators on these markets attributes the fluctuations to uncertainty about the Federal Reserve's plans. I have a lot of respect for Eric but in this instance I think he is missing the overall trend where China, India and Russia continue to add to reserves at every opportunity.

Change of Advisers

On 11 March 2016, the Company appointed Allenby Capital Limited as its nominated adviser. This was in the light of Sanlam's decision to sell its London advisory business and the fact that their key employees moved to Allenby.

Financial Overview

At the end of the period under review, Wishbone Gold held cash balances totalling US$1,065,161 (2015: US$263,741). The Directors are all paid minimal salaries and, at the Company's option, these can be paid in ordinary shares. During the period under review and during the current year all directors' salaries have been paid in shares in this way. Administrative costs, including interest during the year totalled US$944,285 (2015: US$622,659).

In conclusion, I would like to thank the board, management team and all our advisers for their hard work during the year and to express all our thanks to you our shareholders for your continuing support. I am of the belief that this will be vindicated by performance in future.

R O'D Poulden
Chairman

30 June 2017

Wishbone Gold Plc
Directors' Report

The directors submit their report and the audited consolidated financial statements for the year ended 31 December 2016.

Activities, review of business and future developments

The Group's principal activity is a diversified holding company with its principal interests in precious metals trading in Dubai, UAE and in mineral properties in Australia.

The directors' comments concerning the results and future developments are included in the Chairman's Statement.

The Group's business key performance indicators (KPIs) are cash, exploration costs, administrative costs revenue, sales margins and shareholder reserves, all of which are disclosed in these consolidated accounts.

Results for the year and dividends

The Group's loss after taxation and minority interests was US$958,120 (2015: US$1,120,111) after charging the following:

Group	**2016**	**2015**
	$	**$**
Sales	4,261,446	-
Gross profit	20,426	-
Abortive acquisition costs	-	(195,775)
Impairment losses	-	(272,450)
Other administration costs (including interest payable)	(978,546)	(651,886)
	(958,120)	(1,120,111)

The Company's loss after taxation was US$909,004 (2015: US$1,105,438) after charging the following:

Company	**2016**	**2015**
	$	**$**
Abortive acquisition costs	-	(195,775)
Impairment losses	-	(272,450)
Other	(909,004)	(637,213)
	(909,004)	(1,105,438)

The directors do not recommend the payment of a dividend for the year ended 31 December 2016.

Directors

The directors listed on page 1 have served on the board throughout the year ended 31 December 2016 and the year ended 31 December 2015.

Financial risk management

Details of the Group's financial instruments and its policies with regard to financial risk management are given in note 18 to the consolidated financial statements.

Principal risks and uncertainties

The principal risks and uncertainties facing the Group is whether potential mineral reserves can be exploited economically and further demand for precious metals will continue. Further information on this can be found in the Chairman's statement.

Going concern

As disclosed in note 2, the Group has incurred losses during the financial years ended 31 December 2016 and 31 December 2015. The Directors have reviewed the financial performance of the Group since 31 December 2016 and have considered the Group's cash projections and funding plan for the 12 months from the date of approval of these financial statements. Taking into account the debt facility of US$3m raised on 3rd June 2016 the Board of Directors is confident that the Group has access to sufficient funds to enable the Group to meet its liabilities as and when they fall due for at least the next twelve months.

Exploration and evaluation

Exploration and evaluation costs capitalised as intangible assets amounted to US$ 340,341 (2015: US$ 404,149) at the year end. The Directors recognise that the realisation of intangible assets depends on the successful discovery and development of mineral reserves. The Directors have reviewed the proposed work programme for exploration and evaluation assets and on the basis of the results from the exploration programme and the prospects for raising additional funds as required, consider it appropriate to prepare the financial statements on the going concern basis.

Creditor payment policy

The Group does not follow a code or standard on payment practice. Payment terms are normally agreed with individual suppliers at the time of order placement and are honoured, provided that goods and services are supplied in accordance with the contractual conditions.

At 31 December 2016, the Group had creditor days of 34 days (2015: 123 days) based on the financial data for the year.

Corporate governance

The Directors intend, in so far as practicable given the Group's size and the constitution of the board, to comply with the main provisions of the Combined Code: Principles of Corporate Governance and Code of Best Practice which is consistent with the recommendations on Corporate Governance Guidelines of the Quoted Companies Alliance for AIM companies.

The Directors have adopted terms of reference for an audit committee and remuneration committee. The Directors do not fully comply with the Corporate Governance Code to the extent that there is no nomination committee as the Board does not consider it appropriate to establish at this stage of the Group's development.

The Directors comply with Rule 21 of the AIM Rules relating to the Directors' dealings as applicable to AIM companies and will also take all reasonable steps to ensure compliance with Rule 21 by the Group's relevant employees.

Events after the reporting year

The following events took place after the year end:

- Wishbone Gold Plc has signed a joint venture agreement in March 2017 through its subsidiary, Wishbone Gold Honduras Ltd ("Wishbone"), with SION Honduras SA ("SION"), to fund the development and exploitation of existing gold mine sites in Honduras. SION is an associated company of Scotia International of Nevada Inc; a privately-owned mining equipment supply company based in the United States of America. SION has an agreement with the Honduran government to modernise and expand the Honduran mining industry.

  The agreement provides that Wishbone and SION will provide equipment and expertise to existing small mines in Honduras to enable then to increase production. In return, the mines will agree to supply Wishbone's trading subsidiary Black Sand FZE with all the output from the mines at preferential prices.

Statement regarding disclosure of information to the auditors

Each director of the Company has confirmed that, in fulfilling their duties as a director, they are aware of no relevant audit information of which the Group's auditors are not aware and that they have taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

This information is given and should be interpreted in accordance with the provisions of Gibraltar Companies Act 2014.

Independent auditors

RSM Audit (Gibraltar) Limited (formerly Benady Cohen & co Limited) were appointed as auditors for the year.

A resolution for the appointment of RSM Audit (Gibraltar) Limited will be proposed at the Annual General Meeting.

The financial statements on pages 12 to 39 were approved by the Board of Directors on 30 June 2017 and signed on its behalf by:

____

Name:

Date: 30 June 2017

Company's registered number: 103190

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company and the Group as at the financial year end and of the profit or loss of the Group for that year. In preparing those financial statements, the directors are required to:

a. select suitable accounting policies and then apply them consistently;

b. make judgements and estimates that are reasonable and prudent;

c. state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and

d. prepare the financial statements on the going concern basis unless it is inappropriate to resume that the group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and to enable them to ensure that the financial statements comply with the requirements of the Companies Act 2014. Specifically, pursuant to section 248 of the Gibraltar Companies Act 2014, the directors have elected to follow International Financial Reporting Standards as adopted by the European Union. The directors are also responsible for safeguarding the assets of the Company and Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate financial statements included on the Company's website. Legislation in Gibraltar governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

R O'D Poulden
Chairman

30 June 2017

To the shareholders of Wishbone Gold Plc

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements (“the financial statements”) of Wishbone Gold Plc (the "Company") and its subsidiaries (“the Group”), which comprise the company and consolidated statement of financial position as at 31 December 2016, and the consolidated income statement, the consolidated statement of comprehensive income, consolidated statement of changes in equity and company and consolidated statement of cash flows for the year then ended, and notes to the company and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements:

- give a true and fair view of the state of the Group’s and Company’s affairs as at 31 December 2016 and of the Group’s loss and cash flows for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted for use in the European Union; and,
- have been properly prepared in accordance with the Companies Act 2014.

Emphasis of matter – valuation of goodwill

In forming our opinion on the consolidated financial statements, which are not modified in this respect, we have considered the adequacy of the disclosures contained within note 10 to the consolidated financial statements concerning the valuation of the net assets acquired of $50,510, the contingent consideration of 240 million ordinary shares and the resulting goodwill of $748,617.

This note highlights the inherent uncertainties on the valuation of the resulting goodwill which may differ materially from that that might have been achieved had there been more certainty with the consideration and the fair value of the net assets acquired.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with applicable law in Gibraltar and International Financial Reporting Standards, as adopted for use in the European Union, and for such internal control as the directors determine is necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company, or to cease operations, or have no realistic alternative but to do so.

Report on the Audit of the Consolidated Financial Statements (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Opinion on other matter prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the consolidated financial statements; and

- the Directors' Report has been prepared in accordance with the requirements of the Companies Act 2014.

In the light of the knowledge and understanding of the Group, and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

Matters on which we are required to report by exception

We have nothing to report in respect of the matter where the Companies Act 2014 requires us to report to you if, in our opinion, we have not received all the information and explanations we require for our audit.

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 257 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

SVM Cohen
Statutory auditor

For and behalf of
RSM Audit (Gibraltar) Limited
(formerly Benady Cohen & Co Limited)

21 Engineer Lane
Gibraltar

30 June 2017

Wishbone Gold PLC

Consolidated Income Statement
for the year ended 31 December 2016

	Notes	2016 $	2015 $
Sales		4,261,446	-
Less: cost of goods sold		(4,241,020)	-
Gross profit		20,426	-
Abortive acquisition costs	5	-	(195,775)
Administrative expenses	5	(944,865)	(622,659)
Operating loss	5	(924,439)	(818,434)
Impairment of investments	12	(370)	(272,450)
Interest expense		(33,311)	(29,227)
Loss before taxation		(958,120)	(1,120,111)
Taxation	7	-	-
Loss for the financial year		(958,120)	(1,120,111)
Loss per share:			
Basic and diluted (cents)	8	(0.093)	(0.273)

There are no recognised gains or losses other than disclosed above and there have been no discontinued activities during the year. Precious Metals International Ltd was acquired during the year.

The notes on pages 19 to 39 form part of these financial statements.

Wishbone Gold PLC

Consolidated Statement of Comprehensive Income for the year ended 31 December 2016

	Notes	2016 $	2015 $
Loss for the year		(958,120)	(1,120,111)
Other Comprehensive loss:			
Exchange differences on translating foreign operations		769,305	216,254
Other comprehensive gain for the year, net of tax		769,305	216,254
Total comprehensive loss for the year attributable to equity owners of the parent		(188,815)	(903,857)

The notes on pages 19 to 39 form part of these financial statements.

Wishbone Gold PLC
Consolidated Statement of Financial Position
as at 31 December 2016

	Notes	2016 $	2015 $
Current assets			
Inventory		2,662	-
Trade and other receivables	9	4,339,341	16,677
Cash and cash equivalents		1,065,161	263,741
		5,407,164	280,418
Non-current assets			
Intangible assets	10	1,088,958	404,179
Loan	16	99,281	-
Investments	11	1,108	91,152
		1,189,347	495,331
Total assets		6,596,511	775,749
Current liabilities	13	4,251,663	200,661
Non-current liabilities	14	607,792	-
Equity			
Share capital	15	1,448,632	1,128,351
Share premium		5,611,582	4,569,658
Share based payment reserve		58,743	70,165
Accumulated losses		(6,269,557)	(5,311,437)
Foreign exchange reserve		887,656	118,351
		1,737,056	575,088
Total equity and liabilities		6,596,511	775,749

The financial statements on pages 12 to 39 were approved by the board and authorised for issue on 30 June 2017 and signed on its behalf by:

JC Harrison
Director

R O'D Poulden
Director

The notes on pages 19 to 39 form part of these financial statements.

Wishbone Gold PLC
Company Statement of Financial Position
as at 31 December 2016

	Notes	2016	2015
		$	$
Current assets			
Trade and other receivables	9	1,167,279	511,077
Cash and cash equivalents		805,110	215,750
		1,972,389	726,827
Non-current assets			
Loan	16	99,281	-
Investments	11	936,541	255,287
		1,035,822	255,287
Total assets		3,008,211	982,114
Current liabilities	13	347,106	182,778
Non-current liabilities	14	607,792	-
			-
Equity			
Share capital	15	1,448,632	1,128,351
Share premium		5,611,582	4,569,658
Share based payment reserve		58,743	70,165
Foreign Exchange Reserve		1,034,568	222,370
Accumulated losses		(6,100,212)	(5,191,208)
		2,053,313	799,336
Total equity and liabilities		3,008,211	982,114

The financial statements on pages 12 to 39 were approved by the board and authorised for issue on 30 June 2017 and signed on its behalf by:

JC Harrison
Director

R O'D Poulden
Director

The notes on pages 19 to 39 form part of these financial statements.

Wishbone Gold PLC
Consolidated Statement of Changes in Equity
for the year ended 31 December 2016

	Share capital $	Share premium $	Share based payment reserve $	Accumulated losses $	Foreign exchange reserve $	Total equity $
Balance at 1 January 2015	419,146	3,671,758	74,205	(4,191,326)	(97,903)	(124,120)
Shares issued during the year (net of issue costs)	709,205	897,900	-	-	-	1,607,105
Loss for the year	-	-	-	(1,120,111)	-	(1,120,111)
Foreign exchange	-	-	(4,040)	-	216,254	212,214
Balance at 31 December 2015	1,128,351	4,569,658	70,165	(5,311,437)	118,351	575,088
Shares issued during the year (net of issue costs)	503,964	1,785,815	-	-	-	2,289,779
Loss for the year	-	-	-	(958,120)	-	(958,120)
Foreign exchange	(183,683)	(743,891)	(11,422)	-	769,305	(169,691)
Balance at 31 December 2016	1,448,632	5,611,582	58,743	(6,269,557)	887,656	1,737,056

The notes on pages 19 to 39 form part of these financial statements.

Wishbone Gold PLC

Consolidated Statement of Cash Flows for the year ended 31 December 2016

	Notes	2016 $	2015 $
Cash flows from operating activities			
Loss before tax		(958,120)	(1,120,111)
Reconciliation to cash generated from operations:			
Foreign exchange loss		64,313	22,125
Interest expense		33,310	29,227
Impairment losses		370	272,450
Administrative expenses converted into ordinary shares		257,432	1,209,625
Operating cash flow before changes in working capital		(602,695)	413,316
Increase in inventory		(2,662)	-
(Increase)/decrease in receivables		(4,322,664)	11,934
Decrease/(increase) in payables		4,051,002	(816,781)
Cash outflow used in operations		(877,019)	(391,531)
Cash flows from investing activities			
Intangible assets	10	(748,617)	-
Loan	16	(99,281)	-
Investments		90,044	-
Net cash flows used in investing activities		(757,854)	-
Cash flows from financing activities			
Issue of shares for cash	16	1,059,196	368,253
Decrease/(increase) in borrowings	14; 15	607,792	(233,025)
Net cash flows from financing activities		1,666,988	135,228
Effects of exchange rates on cash and cash equivalents		769,305	216,254
Net increase/ (decrease) in cash and cash equivalents		801,420	(40,049)
Cash and cash equivalents at 1 January		263,741	303,790
Cash and cash equivalents at 31 December		1,065,161	263,741

The notes on pages 19 to 39 form part of these financial statements.

Wishbone Gold PLC

Company Statement of Cash Flows for the year ended 31 December 2016

	2016	2015
	$	$
Cash flows from operating activities		
Loss before tax	(909,004)	(1,105,438)
Reconciliation to cash generated from operations:		
Foreign exchange loss	1,587	26,345
Interest expense	7,795	29,227
Impairment losses	370	272,450
Administrative expenses converted into ordinary shares	257,432	1,209,625
Operating cash flow before changes in working capital	(641,820)	432,209
(Increase)/decrease in receivables	(155,510)	(58,189)
Increase/(decrease) in payables	164,328	(816,587)
Cash outflow from operations	(633,002)	(442,567)
Cash flows from investing activities		
Payment of loan	(99,281)	-
Payment for investments	(1,181,946)	-
Net cash flow from investing activities	(1,281,227)	-
Cash flows from financing activities		
Issue of shares for cash	1,083,599	368,253
(Decrease)/increase in borrowings	607,792	(233,025)
Net cash flow from financing activities	1,691,391	135,228
Effects of exchange rates on cash and cash equivalents	812,198	222,370
Net increase/(decrease) in cash and cash equivalents	589,360	(84,969)
Cash and cash equivalents at 1 January	215,750	300,719
Cash and cash equivalents at 31 December	805,110	215,750

The notes on pages 19 to 39 form part of these financial statements.

1 General information

The consolidated financial statements of Wishbone Gold Plc (the "Company") and its subsidiaries (the "Group) for the year ended 31 December 2016 were authorised for issue in accordance with a resolution of the Company's directors on 30 June 2017.

The Company was incorporated in Gibraltar under the name of Wishbone Gold Plc as a public company under the Gibraltar Companies Act 2014. The authorised share capital of the Company is £3,000,000 divided into 3,000,000,000 shares of £0.001 each. The registered office is located at G1 Haven Court, 5 Library Ramp, Gibraltar. The principal activity of the Company is that of holding company of a group which is engaged in mineral exploration.

On 2 July 2013, the Company approved the conversion of £207,222 of expenses and debts into 11,841,307 ordinary shares to the Directors at a price of 1.75p to satisfy debts and expenses incurred on behalf of the Company.

On 18 December 2013 the Company approved the conversion of £7,500 of expenses into 272,727 shares at the price of 2.75p.

On 7 March 2014 the Company issued 45,772,693 ordinary shares in exchange for 1,031,360 ordinary shares in Global Resources Investment Trust, net of issue costs of US$34,450.

The Company undertook a conditional Placing and Open Offer on 4 April 2014. A total of new issues, including commission shares, of 33,677,181 new ordinary shares were admitted to trading AIM on 28 April 2014 which raised US$780,792 net of expenses of US$32,682.

On 17 July 2014, the Company approved the conversion of £7,500 of expenses into 500,000 new ordinary shares at the price of 1.5p.

On 1 September 2015, the Company approved the issue of 100,000,000 shares at a price of 0.25p per share to raise £250,000 gross.

On 11 September 2015, the Company settled £992,123 of debts including outstanding directors' fees and expenses and repaid loans from the Black Swan group through the issue of 396,849,129 shares at a price of 0.25p per share.

On 5th February 2016 Wishbone acquired Precious Metals International Ltd ("PMI") and its wholly owned subsidiary, Black Sand FZE in an all share transaction.

The terms of the acquisition are an initial payment of 240,000,000 ordinary shares of 0.1p each in the Company with a further payment of an additional 240,000,000 ordinary shares once the annual profit after tax of the PMI Group exceeds $1m. This values the initial consideration for the PMI Group at £648,000 ($779,127), based on the Company's closing mid-market. The net assets acquired were $50,510 leading to goodwill of $748,617.

On 3rd June 2016 Wishbone agreed a two-year loan facility of $3m from Sanderson Capital Partners Limited. A 10% commitment fee is payable in ordinary shares of Wishbone. The 38,657,037 shares of 0.1p each, will be issued at a price of 0.54p per ordinary share, being the closing mid-market price of the company's shares on 3rd June 2016.

On 28th September 2016 Wishbone raised £600,000 (before expenses) through a placing via its broker, Beaufort Securities Limited of 80,000,000 new ordinary shares of 0.001p each at a price of 0.0075p per ordinary share. The Company has also issued 5,000,000 warrants with an exercise price of 1.2p with a life of two years to Beaufort Securities Limited.

On 27th October 2016 Wishbone raised £400,000 (before expenses) through a placing via its broker, Beaufort Securities Limited, of 50,000,000 new ordinary shares of 0.1p each at a price of 0.8p per ordinary share. The Company has also issued 3,076,923 warrants with an exercise price of 1.3p with a life of two years to Beaufort Securities Limited.

2 Accounting policies

Basis of preparation

The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS") applied in accordance with the provisions of the Gibraltar Companies Act 2014.

In accordance with the Gibraltar Companies Act 2014, the individual statement of financial position of the Company has been presented as part of these financial statements. The individual statement of comprehensive income has not been presented as part of these financial statements as permitted by Section 288 of the Act. The individual statement of comprehensive income of the Company shows a loss for the year of US$909,004 (2015 loss: US$1,105,438).

IFRS is subject to amendment and interpretation by the International Accounting Standards Board ("IASB") and the International Financial Reporting Interpretations Committee ("IFRIC") and there is an on-going process of review and endorsement by the European Commission. The accounts have been prepared on the basis of the recognition and measurement principles of IFRS that are applicable for the year commencing 1 January 2016.

The consolidated financial statements have been prepared under the historical cost convention. The principal accounting policies set out below have been consistently applied to all years presented other than changes from the new and amended standards and interpretations effective from 1 January 2016.

Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Chairman's Report and Directors' Report. The financial position of the Group at the year end and its cash flows and liquidity position are included in the consolidated statement of financial position on page 14 and the consolidated statement of cash flows on page 17. As at 31 December 2016 the Group cash balances amounted to US$1,065,161 and current liabilities, excluding directors and other fees (amounting to US$143,554), were US$4,108,110. The Group closely monitors and manages its capital position and liquidity risk regularly throughout the year to ensure that it has sufficient funds to meet forecast cash requirements and satisfy the working capital requirements and proposed acquisition and exploration activity. Taking into account the debt facility of US$3m raised on 3rd June 2016 the Board of Directors is confident that the Group has access to sufficient funds to enable the Group to meet its liabilities as and when they fail due for at least the next twelve months.

Basis of consolidation

The Group's consolidated financial statements incorporate the financial statements of the Company and its subsidiaries prepared to 31 December each year. Control is achieved where the company has power to govern the financial and operating policies of an investee entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by the Group.

All intra-group transactions and balances and any unrealised gains and losses arising from intra-group transactions are eliminated in preparing the consolidated accounts.

In the parent company financial statements the investment in the subsidiaries is accounted for at cost.

2 Accounting policies (continued)

Business combinations and goodwill

On acquisition, the assets and liabilities and contingent liabilities of subsidiaries are measured at their fair values at the date of acquisition. Any excess of cost of acquisition over the fair value of identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of identifiable net assets acquired (i.e. discount on acquisition) is credited to the income statement in the period of acquisition. Goodwill arising on consolidation is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed.

Exploration and evaluation assets

Costs arising from exploration and evaluation activities are accumulated separately for each area of interest and only capitalised where such costs are expected to be recovered through successful development, or through sale, or where exploration and evaluation activities have not, at the reporting date, reached a stage to allow a reasonable assessment regarding the existence of economically recoverable reserves.

Expenditure capitalised comprises direct costs that have a specific connection with a particular area of interest. Capitalised expenditure in respect of areas of interest is written off in the income statement when the above criteria do not apply or when the directors assess that the carrying value may exceed the recoverable amount.

Capitalised costs in respect of an area of interest that is abandoned are written off in the period in which the decision to abandon is made.

Once production commences, capitalised expenditure in respect of an area of interest will be amortised on a unit of production basis by reference to the reserves of that area of interest.

Investments

Investments in group undertakings

Investments in group undertakings are measured at cost less any impairments arising should the fair value after disposal costs be lower than cost.

Investments held for resale

Investments held for resale are designated at fair value through profit or loss at inception. Purchases and sales of investments are recognised on the trade date, which is the date that the Group commits to purchase or sell the asset. Investments are de-recognised when the rights to receive cash flows from the investments have expired or the Group has transferred substantially all risks and rewards of ownership. Investments held for resale are initially recognised at cost. Subsequent to initial recognition, these investments held for resale are measured at fair value in the statement of financial position. Gains and losses arising from changes in the fair value of these assets are presented in profit or loss in the period in which they arise. During the year the Group and Company recognised impairments of US$370 (2015: US$272,450).

Impairment

At each year end date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

2 Accounting policies (continued)

Impairment (continued)

Recoverable amount is the higher of fair value less cost to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash generating unit) is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior periods. A reversal of impairment loss is recognised in the income statement immediately.

Foreign currencies

The consolidated financial statements are presented in United States Dollars ("US$"), the presentation and functional currency of the Company. All values are rounded to the nearest US$. Transactions denominated in a foreign currency are translated into US$ at the rate of exchange at the date of the transaction or using the average rate for the financial year. At the year-end date, monetary assets and liabilities denominated in foreign currency are translated at the rate ruling at that date. All exchange differences are dealt with in the income statement.

On consolidation, the assets and liabilities of foreign operations which have a functional currency other than US$ are translated into US$ at foreign exchange rates ruling at the year-end date. The revenues and expenses of these subsidiary undertakings are translated at average rates applicable in the period. All resulting exchange differences are recognised as a separate component of equity. Foreign exchange gains or losses arising from a monetary item receivable from or payable to a foreign operation are recognised in the consolidated statement of comprehensive income and disclosed as a separate component of equity, such foreign exchange gains or losses are reclassified from equity to the income statement on disposal of the net foreign operation. The same foreign exchange gains or losses are recognised in the stand-alone income statements of either the parent or the foreign operation.

In the statement of cash flows, cash flows denominated in foreign currencies are translated into the presentation currency of the Group at the average exchange rate for the year or the prevailing rate at the time of the transaction where more appropriate.

The closing exchange rate applied at the year-end date was AUD 1.3885 per US$1 (2015: AUD 1.3735). The average exchange rate applied at the year-end date was AUD 1.346 per US$1 (2015: AUD 1.3319).

The closing exchange rate applied at the year-end date was AED 3.67 per US$1. The average exchange rate applied at the year-end date was AED 3.67 per US$1.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker as required by IFRS 8 "Operating Segments". The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The accounting policies of the reportable segments are consistent with the accounting policies of the Group as a whole. Segment loss represents the loss incurred by each segment without allocation of foreign exchange gains or losses, investment income, interest payable and tax. This is the measure of loss that is reported to the Board of Directors for the purpose of the resource allocation and the assessment of the segment performance.

2 Accounting policies (continued)

Segment reporting (continued)

When assessing segment performance and considering the allocation of resources, the Board of Directors review information about segment assets and liabilities. For this purpose, all assets and liabilities are allocated to reportable segments (note 4).

Revenue recognition

Revenue is recognised only when the following have occurred:

- The product has been despatched to the purchaser and is no longer under the physical control of the producer;
- The products is in a form that can be delivered to a purchaser, requiring no additional processing by or on behalf of the producer;
- The quantity and quality of the product can be determined with reasonable accuracy; and
- The selling price can be determined with reasonable accuracy.

Other receivables

Other receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. Provision for impairment 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 receivable. The amount of the impairment is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at effective interest rate.

Cash and cash equivalents

Cash and cash equivalents comprise on demand deposits held with banks, with original maturity of three months or less.

Derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to the income statement.

Trade and other payables

Trade payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest rate method.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the year end date.

Deferred taxation 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. However, if the deferred tax arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting, nor taxable profit or loss, it is not accounted for. Deferred tax is determined using tax rates and laws that have been enacted (or substantively enacted) by the year end date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

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

2 Accounting policies (continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by a group entity are recorded at the proceeds received, net of any direct issue costs.

Share based payments

The Company has historically issued warrants and share options in consideration for services. The Company issued warrants as disclosed in note 16 in 2016. The fair value of the warrants have been treated as part of the cost of the service received and is charged to share premium with a corresponding increase in the share based payment reserve. As of 31st December 2016, the warrants remain outstanding.

Standards, amendments and interpretations to existing standards that are effective in 2016:

The following new standards, amendments and interpretations to existing standards have been adopted by the Group during the year but have had no significant impact on the financial statements of the Group:

- IAS 1 (amendment), 'Presentation of financial statements'. The amended standard is effective for annual periods beginning on or after 1 January 2016, and clarifies existing IAS 1 requirements. The amendments clarify the materiality requirements in IAS 1 which includes the following: that specific line items in the statement(s) of profit or loss and other comprehensive income ("OCI") and the statement of financial position may be disaggregated; that entities have flexibility as to the order in which they present the notes to financial statements; and the requirements that apply when additional subtotals are presented in the statement of financial position and the statement(s) of profit or loss and OCI. The adoption of this amended standard is not expected to have a significant impact on the Group's financial position or results.

- IAS 16 (amendment), 'Property, plant and equipment'. The amended standard is based on the principle that the basis of depreciation is the expected pattern of consumption of the future economic benefits of an asset. The amended standard is effective for annual periods beginning on or after 1 January 2016. The amendments prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment since revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset. The adoption of this amended standard is not expected to have a significant impact on the Group's financial position or results.

- IAS 27 (amendment), 'Equity Method in Separate Financial Statements'. The amendments reinstate the equity method as an accounting option for investments in subsidiaries, joint ventures and associates in an entity's separate financial statements. The adoption of this amended standard is not expected to have a significant impact on the Group's financial position or results.

- IAS 38 (amendment), 'Intangible Assets'. The requirements of IAS 38 are amended to introduce a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate for the same reasons as in IAS 16. However, the IASB states that there are limited circumstances when the presumption can be overcome:
  - The intangible asset is expressed as a measure of revenue (the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold);
  - And it can be demonstrated that revenue and the consumption of economic benefits of the intangible asset are highly correlated (the consumption of the intangible asset is directly linked to the revenue generated from using the asset).

  The adoption of this amended standard is not expected to have a significant impact on the Group's financial position or results.

2 Accounting policies (continued)

Standards, amendments and interpretations to existing standards that are effective in 2016 (continued):

- IFRS 7 (amendment), 'Financial Instruments: Disclosures'. The amendment adds additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of determining the disclosures required. The adoption of this amended standard is not expected to have a significant impact on the Group's financial position or results.

- IFRS 11 (amendment), 'Joint arrangements: Accounting for Acquisitions of Interests in Joint Operations'. The amendments clarify the accounting for acquisitions of an interest in a joint operation when the operation constitutes a business. The adoption of this amended standard is not expected to have a significant impact on the Group's financial position or results.

- IFRS 14 'Regulatory Deferral Accounts'. This standard permits an entity which is a first-time adopter of International Financial Reporting Standards to continue to account, with some limited changes, for 'regulatory deferral account balances' in accordance with its previous GAAP, both on initial adoption of IFRS and in subsequent financial statements. The objective of IFRS 14 is to specify the financial reporting requirements for 'regulatory deferral account balances' that arise when an entity provides goods or services to customers at a price or rate that is subject to rate regulation. FRS 14 is designed as a limited scope Standard to provide an interim, short-term solution for rate-regulated companies that have not yet adopted IFRS. The adoption of this standard will not have any impact on the Group's financial position or results.

New standards, amendments and interpretations to existing standards that are not yet effective or have not been early adopted by the Company:

At the date of authorisation of these consolidated financial statements, the following standards and interpretations were in issue but not yet mandatorily effective and have not been applied in the financial statements:

- IFRS 1 (amendment), 'First-time Adoption of International Financial Reporting Standards'. The amendment is to delete the short-term exemptions in paragraphs E3-E7 of IFRS 1, because they have now served their intended purpose. The amendments are effective for annual periods beginning on or after 1 January 2018. The adoption of this new standard is not expected to have a significant impact on the Group's financial position and results.

- IFRS 2 (amendment), 'Share-based Payment'. The amendments clarify the classification and measurement of share-based payment transactions. Guidance has been added that introduces accounting requirements for cash-settled share-based payments that follows the same approach as used for equity-settled share-based payments. The amendments are effective for annual periods beginning on or after 1 January 2018. Earlier application is permitted. The amendments are to be applied prospectively. The adoption of this new standard is not expected to have a significant impact on the Group's financial position or results.

- IFRS 9 'Financial Instruments'. This standard introduces new requirements for the classification and measurement of financial assets and liabilities, including some hybrid contracts. The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. Upon adoption of IFRS 9, modified prior period disclosures may be required. IFRS 9 represents the completion of the first part of a three-part project to replace IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 uses business model and contractual cash flow characteristics to determine whether a financial asset is measured at amortised cost or fair value, replacing the four category classification in IAS 39. The approach is also based on how an entity manages its financial instruments (its business model) and the contractual cash flow characteristics of the financial assets. The adoption of this new standard is expected to have a significant impact on the Group's financial position or results.

2 Accounting policies (continued)

New standards, amendments and interpretations to existing standards that are not yet effective or have not been early adopted by the Company (continued):

- IFRS 12 (amendment), 'Disclosure of Interests in Other Entities'. The amendment clarified the scope of the standard by specifying that the disclosure requirements in the standard, except for those in paragraphs B10–B16, apply to an entity's interests listed in paragraph 5 that are classified as held for sale, as held for distribution or as discontinued operations in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations. The amendment to IFRS 12 are effective for annual periods beginning on or after 1 January 2017. The adoption of this new standard is not expected to have a significant impact on the Group's financial position and results.

- IFRS 15 'Revenue from Contracts with Customers'. This standard is based on the principle that revenue is recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. The standard establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry. The standard's requirements will also apply to the recognition and measurement of gains and losses on the sale of some non-financial assets that are not an output of the entity's ordinary activities (e.g., sales of property, plant and equipment or intangibles). Extensive disclosures will be required, including disaggregation of total revenue; information about performance obligations; changes in contract asset and liability account balances between periods and key judgements and estimates. The adoption of this new standard is not expected to have a significant impact on the Group's financial position or results.

- IFRS 15 (amendment) 'Revenue from Contracts with Customers'. The amended standard are clarifications seeking to address certain implementation issues of IFRS 15. The amended standard is effective for annual periods beginning on or after 1 January 2018, with early adoption permitted. The amendments address three areas which are identifying performance obligations, principal versus agent considerations, and licensing and provide some transition relief for modified contracts and completed contracts. The adoption of this new standard is not expected to have a significant impact on the Group's financial position or results.

- IFRS 16 'Leases'. The new standard eliminates the current dual accounting model for lessees, which distinguishes between on-balance sheet finance leases and off-balance sheet operating leases. The standard is effective for annual periods beginning on or after 1 January 2019, with early adoption permitted. The standard requires lessees to recognise assets and liabilities for most leases. Lessees applying IFRS 16 will have a single accounting model where all leases will be recorded on the statement of financial position as liabilities, at the present value of the future lease payments, along with an asset reflecting the right to use the asset over the lease term. Rent expense will be replaced with depreciation and interest expenses. Two possible exemptions are available for leases with a maximum term of twelve months or less and leases of low value assets (something in the region of circa £3,000 or less, irrespective of how many such leases there are). Lessors applying IFRS 16 will classify leases using the same principle as in IAS 17 and lessor accounting is substantially unchanged. The adoption of this new standard is not expected to have a significant impact on the Group's financial position and results.

2 Accounting policies (continued)

New standards, amendments and interpretations to existing standards that are not yet effective or have not been early adopted by the Company (continued):

- IAS 7 (amendment), 'Statement of Cash Flows' - Disclosure Initiative. The amended standard is effective for annual periods beginning on or after 1 January 2017 and clarifies existing IAS 7 requirements. The amendments carry the objective for entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities. The following changes in liabilities arising from financing activities are required to be disclosed (to the extent necessary): (i) changes from financing cash flows; (ii) changes arising from obtaining or losing control of subsidiaries or other businesses; (iii) the effect of changes in foreign exchange rates; (iv) changes in fair values; and (v) other changes. The amendments also state that changes in liabilities arising from financing activities must be disclosed separately from changes in other assets and liabilities. The adoption of this amended standard is not expected to have a significant impact on the Group's financial position or results.

- IAS 17 'Leases' will be superseded by IFRS 16 Leases as of 1 January 2019. The adoption of this new standard is not expected to have a significant impact on the Group's financial position and results.

- IAS 18 'Revenue' will be superseded by IFRS 15 Revenue from Contracts with Customers as of 1 January 2018. The adoption of this new standard is not expected to have a significant impact on the Group's financial position and results.

- IAS 28 (amendment) 'Investments in Associates and Joint Ventures'. The amendment clarified that the election to measure at fair value through profit or loss an investment in an associate or a joint venture that is held by an entity that is a venture capital organisation, or other qualifying entity, is available for each investment in an associate or joint venture on an investment-by-investment basis, upon initial recognition. The amendments are effective for annual periods beginning on or after 1 January 2018. The adoption of this new standard is not expected to have a significant impact on the Group's financial position and results.

- IAS 39 'Financial Instruments: Recognition and Measurement' will be largely replaced by IFRS 9 Financial Instruments for annual periods beginning on or after 1 January 2018. The adoption of this new standard is not expected to have a significant impact on the Group's financial position and results.

- IFRIC 22 'Foreign Currency Transactions and Advance Consideration'. The new standard is to clarify the accounting for transactions that include the receipt or payment of advance consideration in a foreign currency. It is effective for annual reporting periods beginning on or after 1 January 2018. Earlier application is permitted. The adoption of this new standard is expected to have a significant impact on the Group's financial position and results.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the company.

3 Critical accounting estimates and judgements

The critical accounting estimates and judgements made by the Group regarding the future or other key sources of estimation, uncertainty and judgement that may have a significant risk of giving rise to a material adjustment to the carrying values of assets and liabilities within the next financial year are:

Critical judgements in applying the group's accounting policies

Going concern

The preparation of the financial statements is based on the going concern assumption as disclosed in note 2. The Board of Directors, after taking into consideration the additional funding received, believe the going concern assumption is appropriate.

Impairment of exploration and evaluation assets

The Board of Directors continue to budget for the exploration and evaluation commitments noted in note 19 and continue to invest in these. The Board of Directors do not consider that the exploration and evaluation assets are impaired. The carrying value of these assets is dependent on the judgements reached in relation to going concern in order to fund and develop these assets.

Determination of functional currency

The Directors considers the US$ to be the currency that most faithfully represents the economic effect of the underlying transactions, cash flows, events and conditions of the Company. The US$ is the currency in which the Company measures its performance and reports its results, as well as the currency in which it assesses the viability of projects.

Parent company statement of financial position - impairment of the investment in and loan to the subsidiary

At the reporting date, the Australian subsidiary had net liabilities of US$266,254 (AUD 213,883) (2015: US$127,801 (AUD 175,535)). As noted above, the Board of Directors do not consider that the exploration and evaluation assets are impaired and therefore there is no indication of impairment of the investment in and loan to the Australian subsidiary of US$340,341 (2015: US$164,135) and US$518,302 (2015: US$495,588) respectively.

At the reporting date, the UAE subsidiary had net liabilities of US$23,354 (AED 85,709). There is no indication of impairment of the loan to the UAE subsidiary of US$500,692.

Key accounting estimates

Valuation of warrants and options

As described in note 17, the fair value of the warrants and options granted was calculated using the Black & Scholes model which requires the input of highly subjective assumptions, including volatility of the share price. Changes in subjective input assumptions may materially affect the fair value estimate.

4 Segmental analysis

Management has determined the operating segments by considering the business from both a geographic and product perspective. For management purposes, the Group is currently organised into three operating divisions: resource evaluation (Australia), gold trading (UAE) and gold production (Honduras). The division is the business segment for which the Group reports its segment information internally to the Board of Directors.

5 Operating loss

	2016	2015
	$	$
This is stated after charging:		
Abortive acquisition costs	-	195,775
Fees payable to the company's auditor for the audit of the Group consolidated financial statements	74,302	37,567
Other assurance services	8,578	19,872
Accounting and tax compliance	41,420	19,984
Other administrative costs	719,741	388,620
Remuneration of the directors of the Group	92,182	147,853
Remuneration of the directors of subsidiaries	8,642	8,763
	944,865	818,434

Abortive acquisition costs relate to costs incurred in exploring and evaluating potential acquisition targets which were later aborted by the directors.

Remuneration paid to the directors of the Group has historically been settled via the issue of equity in the Company, as disclosed in note 20.

6 Staff costs

The Group has used the services of Mr. Barrett Kosh. Staff costs for the year ended 31 December 2016 were US$52,338 (2015: US$nil).

7 Taxation

The Company is subject to corporation tax in Gibraltar on any profits which are accrued in or derived from Gibraltar or any passive income which is taxable. The corporation tax rate in Gibraltar for the year ended 31 December 2016 is 10% (2015: 10%).

The Company has taxable losses to carry forward, consequently no provision for corporate tax has been made in these financial statements.

The Group's subsidiary is subject to corporate income tax in Australia. The corporate income tax rate in Australia for the year ended 31 December 2016 is 30% (2015: 30%).

This subsidiary has taxable losses to carry forward, consequently no provision for corporate tax has been made in these financial statements.

Note that there are no group taxation provisions under the tax laws of Gibraltar.

The Ajman Free Zone where the UAE based subsidiary operates currently is a tax-free zone and has no corporate income taxes levied on companies operating within the Zone.

As at 31 December 2016 and as at 31 December 2015 the Company has no deferred tax assets and no deferred tax liabilities.

8 Loss per share

	2016 $	2015 $
Loss for the purpose of basic loss per share being net loss attributable to equity owners of parent	(958,120)	(1,120,111)
Loss for the purpose of diluted earnings per share	(958,120)	(1,120,111)
Number of shares:		
Weighted average number of ordinary shares for the purpose of the basic and diluted loss per share	1,029,542,339	409,955,753
Basic and diluted (cents)	(0.093)	(0.273)

Due to the Company and the Group being loss making, the share options and warrants (note 17) are anti-dilutive.

9 Trade and other receivables

Group	2016 $	2015 $
Debtors	4,136,995	10,395
Loan to Supplier	200,000	-
Prepayments	2,346	6,282
	4,339,341	16,677

Company	2016 $	2015 $
Amounts owed by subsidiary undertakings (note 19)	964,933	495,589
Loan to Supplier	200,000	-
Debtors	-	9,206
Prepayments and accrued income	2,346	6,282
	1,167,279	511,077

The amount owed by subsidiary undertaking relates to an interest free loan to Wishbone Gold Pty. and Black Sand FZE, repayable on demand.

The loan to supplier relates to an interest-free loan to Ecogreen del Peru SAC to support the Company's gold trading business and repayable on demand.

10 Intangible fixed assets

Group	Goodwill $	Exploration & evaluation assets $	Total $
Cost			
At 1 January 2016	-	404,179	404,179
Foreign exchange revaluation	-	(63,838)	(63,838)
Goodwill	748,617	-	748,617
At 31 December 2016	748,617	340,341	1,088,958

The Group holds Exploration Permits for Mining ("EPMs") to four tenements which have initial expiration dates ranging from 2019 and beyond. The renewal of the EPMs is for a maximum further period of 5 years. Permits are not automatically renewed but require an application to the Queensland Department of Natural Resources and Mines.

Acquisition of PMI Group

During the year, Wishbone acquired 100% of the share capital of Precious Metals International Ltd together with its wholly owned subsidiary Black Sand FZE (“the PMI Group”).

The fair value of the net assets acquired was $50,510 and the initial consideration of USD 799,127 was paid in shares.

The terms of acquisition of the PMI Group involved the aforementioned initial consideration and a further contingent payment of an additional 240,000,000 ordinary shares if annual profit after tax of the PMI Group exceeds $1m. At the end of the reporting year, the value of this contingent consideration cannot be ascertained.

The Company carried out its own valuation of the net assets acquired. There are inherent limitations in any fair value estimation and material differences could arise that could have an impact on the fair value of the net assets acquired and on the resulting goodwill.

In the directors’ opinion, there is no difference between the fair value and book values of the assets acquired.

The resulting goodwill of USD 748,617 reflects uncertainty on the fair value of the net assets acquired and on the value of the consideration reflected in these financial statements.

The goodwill currently has an unlimited useful economic life as its subsidiary Black Sand FZE is more valuable than when purchased due to new agreements, in particular Honduras.

11 Investments

	Group		Company	
	2016 $	2015 $	2016 $	2015 $
Shares in subsidiary undertakings	1,108	-	936,541	164,135
Investments held for resale	-	91,152	-	91,152
	1,108	91,152	936,541	255,287

11 Investments (continued)

The movement in investments held for resale during the year is as follows:

	Group:		Company:	
	2016	**2015**	**2016**	**2015**
	$	**$**	**$**	**$**
At 1 January 2016	91,152	384,537	91,152	384,537
Additions/disposal	(76,313)	-	(76,313)	-
Impairment	(370)	(272,450)	(370)	(272,450)
Foreign exchange movement	(14,469)	(20,935)	(14,469)	143,200
At 31 December 2016	-	91,152	-	255,287

Company	**Class of shares held**	**% held**	**Country of registration or incorporation**	**2016 $**
Wishbone Gold Pty Ltd	110,000,000 ordinary shares of AUD 0.001 each	100%	Australia	107,907
Wishbone Gold Tasmania Pty Limited	1 ordinary share of AUD 1 each	100%	Australia	1
Precious Metals International Ltd.	100 common shares of USD 1 each	100%	British Virgin Islands	1,498

Wishbone Gold Pty Ltd is an exploration company and Wishbone Gold Tasmania Pty Limited has remained dormant. Both companies are incorporated in Australia and the registered office address is PKF, RSL Centre Level 5, 9 Beach Road, Surfer's Paradise QLD 4217, Australia.

Precious Metals International Ltd. is a holding company that controls Black Sand FZE in the UAE. Precious Metals International Ltd. is incorporated in the British Virgin Islands and the registered office address is Nerine Chambers, P.O. Box 905, Road Town, Tortola, British Virgin Islands.

Investments held for resale

Investments held for resale of both the Group and the Company relate to Global Resources Investment Trust which was acquired as a result of a share-for-share exchange as disclosed in note 15. The investments held for resale are valued based on the market price of the shares. During the year, this investment has been sold and the value of investment held for resale is US$nil (2015: US$91,152), however prior to the sale, the directors recognised an impairment loss of US$370 (2015: US$272,450) through the consolidated income statement.

12 Impairment of investments

As stated in note 11, the directors have recognised impairment on the investment held in Global Resources Investment Trust to reflect the fair value of the investment. The impairments recognised in both the Group and the Company accounts are as follows:

	2016 $	2015 $
Impairments recognised during the year (note 11)	370	272,450

13 Current liabilities

Group

	2016 $	2015 $
Trade payables	3,950,018	106,073
Accruals and deferred income	65,599	43,217
Directors fees accrued and expenses payable	143,554	51,371
Loan from Canon Street Investments Ltd.	92,492	-
	4,251,663	200,661

Company

	2016 $	2015 $
Trade payables	61,327	101,407
Accruals and deferred income	49,733	30,000
Directors fees accrued and expenses payable	143,554	51,371
Loan from Canon Street Investments Ltd.	92,492	-
	347,106	182,778

In addition to the directors' fees payable as disclosed in note 20, directors' expenses amounting to US$73,839 (2015: US$51,371) have been accrued and are expected to be settled via the issue of equity.

The loan from Canon Street Investments Ltd. relates to a loan note issued by the Company to Canon Street Investments Ltd, repayable at the option of the noteholder or upon default. The note bears 4% interest payable monthly.

14 Non-current liabilities

Group and Company

	2016 $	2015 $
Loan from Sanderson Capital Partners Limited	607,792	-

15 Share capital - Group and Company	**2016**	**2015**
	$	**$**
Authorised:		
3,000,000,000/1,000,000,000 Ordinary shares of £0.001 (US$0.0016) each	4,800,000	1,600,000

	2016	**2015**	**2016**	**2015**
	No	**No**	**$**	**$**
Allotted and called up:				
Ordinary shares of £0.001 (US$ 0.0016) each	1,168,557,401	759,900,364	1,448,632	1,128,351

On 2 July 2013, the company approved the conversion of £207,222.87 of expenses and debts into 11,841,307 ordinary shares to the directors at a price of 1.75p to satisfy debts and expenses incurred on behalf of the Company.

On 18 December 2013 the Company approved the conversion of £7,500 of expenses into 272,727 shares at a price of 2.75p.

On 7 March 2014 the Company issued 45,772,693 ordinary shares in exchange for 1,031,360 ordinary shares in Global Resources Investment Trust, net of issue costs of US$34,450.

The Company announced a conditional Placing and Open offer on 4 April 2014. A total of new issues, including commission shares, of 33,677,181 new ordinary shares were admitted to trading AIM on 28 April 2014 which raised US$780,792 net of expenses of US$32,682.

On 17 July 2014 the Company approved the conversion of £7,500 of expenses into 500,000 shares at a price of 1.5 p.

On 1 September 2015, the Company approved the issue of 100,000,000 shares at a price of 0.25p per share.

On 11 September 2015, the Company approved the issue of 396,849,129 Debt Settlement Shares at a price of 0.25p per share; in order settle all its debt as of that date.

On 5th February 2016 Wishbone acquired Precious Metals International Ltd ("PMI") and its wholly owned subsidiary, Black Sand FZE in an all share transaction.

The terms of the acquisition are an initial payment of 240,000,000 ordinary shares of 0.1p each in the Company with a further payment of an additional 240,000,000 ordinary shares once the annual profit after tax of the PMI Group exceeds $1m. This values the initial consideration for the PMI Group at £648,000, ($799,127) based on the Company's closing mid-market. The net liabilities acquired were $50,510 leading to goodwill of $748,617.

On 3rd June 2016 Wishbone agreed a two-year loan facility of $3m from Sanderson Capital Partners Limited. A 10% commitment fee is payable in ordinary shares of Wishbone. The 38,657,037 shares of 0.1p each, will be issued at a price of 0.54p per ordinary share, being the closing mid-market price of the company's shares on 3rd June 2016.

On 28th September 2016 Wishbone raised £600,000 (before expenses) through a placing via its broker, Beaufort Securities Limited of 80,000,000 new ordinary shares of 0.001p each at a price of 0.0075p per ordinary share. The Company has also issued 5,000,000 warrants with an exercise price of 1.2p with a life of two years to Beaufort Securities Limited.

On 27th October 2016 Wishbone raised £400,000 (before expenses) through a placing via its broker, Beaufort Securities Limited, of 50,000,000 new ordinary shares of 0.1p each at a price of 0.8p per ordinary share. The Company has also issued 3,076,923 warrants with an exercise price of 1.3p with a life of two years to Beaufort Securities Limited.

Ordinary shares carry a right to receive notice of, attend, or vote at any Annual General and Extraordinary General Meetings of the company. The holders are entitled to receive dividends declared and paid by the Company.

16 Loan

	2016 $	2015 $
Loan to Narh Global Services	99,281	-

The loan relates to a provision of an interest-free loan facility to Narh Global Services Ltd. to support their gold mining and procurement operations. The loan facility is repayable with three deliveries of 1kg of pure gold, each.

17 Share based payments

Details of the warrants and share options in issue during the year ended 31 December are as follows:

	Number of warrants / options 2016 No	Average exercise price 2016 £	Number of warrants / options 2015 No	Average exercise price 2015 £
Outstanding at 1 January	-	-	1,709,873	0.02000
Issued/(lapsed) during the year	8,076,923	1.2381	(1,709,873)	(0.02000)
Outstanding at 31 December	8,076,923	1.2381	-	-

Fair value is measured by use of the Black & Scholes model with the assumption of 50% future market volatility and a future interest rate of 1% per annum based on the current economic climate. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability and exercise restrictions. The fair value of share options and warrants granted as at 31 December 2016 was US$nil (2015: US$ nil).

18 Financial instruments

The Group's financial instruments comprise cash and cash equivalents, borrowings and items such as trade payables which arise directly from its operations. The main purpose of these financial instruments is to provide finance for the Group's operations.

The Group's operations expose it to a variety of financial risks including credit risk, liquidity risk, interest rate risk and foreign currency exchange rate risk. The Directors do not believe the Group is exposed to any material equity price risk. The policies are set by the Board of Directors.

Classification of financial instruments

All Group financial assets are classified as loans and receivables, and are held at amortised cost. All of the Group's financial liabilities classified as other financial liabilities are also held at amortised cost. The carrying value of all financial instruments approximates to their fair value.

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital. The Group defines capital as being share capital plus reserves. The Board of Directors monitor the level of capital as compared to the Group's commitments and adjusts the level of capital as is determined to be necessary, by issuing new shares. The Group is not subject to any externally imposed capital requirements.

Credit risk

The Group's credit risk is primarily attributable to its cash and cash equivalents. However, these are deposited at reputable financial institutions, therefore management do not consider the risk to be significant.

18 Financial instruments (continued)

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was US$ 5,202,157 (2015: US$274,136).

The total of other receivables and cash and cash equivalents constitutes all of the financial assets within the IAS 39 category; loans and receivables held by the Group.

Interest rate risk

The Group's interest-bearing assets comprise only cash and cash equivalents and earn interest at a variable rate. The Group has a policy of maintaining debt at fixed rates which are agreed at the time of acquiring debt to ensure certainty of future interest cash flows. The directors will revisit the appropriateness of the policy should the Group's operations change in size or nature.

No sensitivity analysis for interest rate risk has been presented as any changes in the rates of interest applied to cash balances would have no significant effect on either profit or loss or equity.

The Group has not entered into any derivative transactions during the year under review.

Liquidity risk

The Group actively maintains cash balances that are designed to ensure that sufficient funds are available for operations and planned expansions. The Group monitors its levels of working capital to ensure that it can meet its debt repayments as they fall due. All of the Group's financial liabilities are measured at amortised cost. Details of the Group's funding requirements are set out in note 2.

Non-derivative financial liabilities, comprising borrowings, trade payables and accruals of US$4,251,663 (2015: US$200,661) are repayable within 1-3 months from the year end, apart from a loan due to Canon Street Investment Limited that is repayable on demand and directors fees which are due within 12 months. The amounts represent the contractual undiscounted cash flows, balances due equal their carrying balances as the impact of discounting is not significant.

Foreign currency exchange rate risk

The Group undertakes certain transactions in foreign currencies. Hence, exposure to exchange rate fluctuations arises.

The Group and Company incurs foreign currency risk on transactions denominated in currencies other than their functional currencies. The principal currencies that give rise to this risk at Group level is United States Dollars. At the year end, the Group's exposure to currencies other than the functional currencies is minimal; accordingly any increase or decrease in the exchange rates relative to the functional currencies would not have a significant effect on the financial statements.

Fair values of financial instruments

In the opinion of the directors, the book values of financial assets and liabilities represent their fair values.

19 Commitments

Annual expenditure commitments

In order to maintain current rights of tenure to exploration tenements, the Group is required to perform minimum exploration work to meet the minimum expenditure requirements specified by various authorities. These obligations are subject to periodic renegotiations. These obligations are not provided for in the financial statements and as at 31 December 2016 and 31 December 2015 are payable as follows:

	2016	**2015**
	$	**$**
Within one year	128,174	149,704
After one year but not more than five years	473,511	405,033
	601,685	554,737

20 Related parties

The Company wholly owns Wishbone Gold Pty Ltd, an Australian entity that is engaged in the exploration of gold in Australia. The Company's investment in Wishbone Pty Ltd was US$ 137,415, as at 31 December 2016 (2015: US$ 164,135). The financial and operating results of this subsidiary have been consolidated in these financial statements.

Wishbone Pty Ltd, as at 31 December 2016, has a loan outstanding from Wishbone Gold Plc of the following amounts:

	2016	**2015**
	$	**$**
Outstanding at 1 January	495,589	424,970
(Repayments)/additions during the year	(31,348)	70,619
Outstanding at 31 December	464,241	495,589

Precious Metals International Ltd., through the subsidiary Black Sand FZE as at 31 December 2016, has a loan outstanding from Wishbone Gold Plc of the following amounts:

	2016	**2015**
	$	**$**
Outstanding at 1 January	-	-
Additions during the year	500,692	-
Outstanding at 31 December	500,692	-

The intercompany loans are repayable on demand and do not attract any interest.

20 Related parties (continued)

The following summarises the fees incurred in respect of directors and officers services for the year ended 31 December 2016 and 2015, and the amounts settled by the Company by way of share issues:

31 December 2016:	Balance as at 1 January 2016 $	Charge for the year $	Settled in shares $	Balance as at 31 December 2016 $
Richard Poulden	16,718	30,830	-	47,548
Jonathan Harrison	9,132	15,107	-	24,239
George Cardona	8,818	15,415	-	24,233
Alan Gravett	8,818	15,415	-	24,233
Professor Michael Mainelli	7,886	15,415	-	23,301
Total	51,372	92,182	-	143,554

31 December 2015:	Balance as at 1 January 2015 $	Charge for the year $	Settled in shares $	Balance as at 31 December 2015 $
Richard Poulden	57,692	36,949	(77,923)	16,718
Jonathan Harrison	34,641	19,091	(44,600)	9,132
George Cardona	28,846	18,433	(38,461)	8,818
Alan Gravett	28,846	18,433	(38,461)	8,818
Professor Michael Mainelli	27,275	16,485	(35,874)	7,886
Clive Hyman	115,384	38,462	(153,846)	-
Total	292,684	147,853	(389,165)	51,372

Richards Poulden's services are billed by Black Swan FZE, in which Richard Poulden, a director of the Company, has an interest for consultancy services. In addition, the services of the CFO, Clive Hyman, who is not a director of the Company, were also billed by Black Swan FZE to Wishbone Gold Plc. The Company settled US$nil (2015: US$153,846) of these fees in ordinary shares to Black Swan FZE, a company in which Richard Poulden has an interest. Clive Hyman resigned from Wishbone Gold Plc with effect from 1st January 2016. Travelling expenses of US$4,034 (2015: US$172,788) were incurred on behalf of the Company during the year. US$ nil (2015: US$172,788) were settled through the issue of ordinary shares during the year.

Jonathan Harrison's services are billed by Easy Business Consulting Limited, in which Jonathan Harrison, a director of the Company, has an interest for consultancy services. Professor Michael Mainelli's services are billed by Z/Yen Group Limited, in which Professor Michael Mainelli, a director of the Company, has an interest for consulting services.

21 Ultimate controlling party

The directors believe that there is no single ultimate controlling party.

22 Events after the reporting date

The following events took place after the year end:

- Wishbone Gold Plc has signed a joint venture agreement in March 2017 through its subsidiary, Wishbone Gold Honduras Ltd ("Wishbone"), with SION Honduras SA ("SION"), to fund the development and exploitation of existing gold mine sites in Honduras. SION is an associated company of Scotia International of Nevada Inc; a privately-owned mining equipment supply company based in the United States of America. SION has an agreement with the Honduran government to modernise and expand the Honduran mining industry.

  The agreement provides that Wishbone and SION will provide equipment and expertise to existing small mines in Honduras to enable then to increase production. In return, the mines will agree to supply Wishbone's trading subsidiary Black Sand FZE with all the output from the mines at preferential prices.

23 Availability of accounts

The full report and accounts are being posted on the Company's website, www.wishbonegold.com.

24 Contingent liability

There is some risk that native title, as established by the High Court of Australia's decision in the Mabocase, exists over some of the land over which Wishbone Gold Pty Limited holds tenements or over land required for access purposes.

Wishbone Gold Pty Limited is unable to determine the prospects for success or otherwise of the future claims and, in any event, whether or not and to what extent the future claims may significantly affect Wishbone Gold Pty or its projects.

There are no contingent liabilities outstanding at 31 December 2016 and 31 December 2015.