



28<sup>th</sup> September 2018

**Wishbone Gold Plc (“Wishbone Gold” or the “Company”)**

**Wishbone Gold Plc / Index: AIM / Epic: WSBN / Sector: Natural Resources**

**Interim results**

**Chairman’s statement**

Wishbone Gold has pleasure in announcing its interim results for the period ended 30th June 2018. Shareholders are reminded that these results are unaudited and based on the Company’s management accounts.

The six months ended saw total sales of \$3.908m, showing a small decline over the same period last year (2017: \$3.977m). Volumes processed by the Company during this period were mainly from Thailand and supplemented from further African trading. The Company's volumes were constrained by a shortage of trading capital and the board are in the process of resolving this challenge. Gross margins remained thin at 0.91%, an improvement on the same period last year (0.54%), but a slight decline from the last full year (1.02%). The Board believes that its strategy of working with artisanal/small-scale miners will improve these margins.

As previously announced Wishbone Gold suffered delays in its Honduras operation coming online due to the failure of our partners to obtain the correct licenses. We moved to remedy this failure earlier in the year and expect the operation to be on stream by the end of the calendar year. Once the Honduras operation is on stream the Board anticipates that its output will significantly boost the Company’s profitability. While waiting for the permits to be granted additional equipment is being installed on the site to boost production and improve the percentage of recovered gold to make up for lost time. Once the permits are in place local miners will be able to process more ore, no longer require the use of mercury, and be able to recover more gold.

Videos are available on the Wishbone website showing the progress on the Honduras site.

The rise in administration expenses is due to the expansion of Wishbone’s presence in Africa. Discussions to implement artisanal/small scale mining strategies are continuing and will be reported on in due course.

In addition, expenditure has been incurred on Wishbone’s new online gold trading initiative which will be announced shortly.

During the period cash reduced by \$0.2m (period ended 30 June 2017: reduction of \$0.617m) and at 30 June 2018 the Company had net cash of \$0.054m (30 June 2017: \$0.448m). Net assets at 30 June 2018 were \$2.88m (30 June 2017 (\$2.63m).

The major changes in the last few months are moving Honduras to final completion and continued expansion in Africa. The move to a stable government in Zimbabwe is particularly significant as we have been in discussions there since before the elections. We will make announcements shortly.

Many thanks to all our shareholders for their continuing support.

ENDS

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Wishbone Gold PLC

**Consolidated Income Statement  
for the period 1 January 2018 to 30 June  
2018**

	<b>Unaudited Six Months Ended 30 June 2018 US\$</b>	<b>Unaudited Six Months Ended 30 June 2017 US\$</b>	<b>Audited Year Ended 31 December 2017 US\$</b>
Sales	3,908,979	3,977,139	8,240,821
Cost of sales	(3,873,223)	(3,955,630)	(8,156,937)
<b>Gross profit</b>	<b>35,755</b>	<b>21,509</b>	<b>83,884</b>
Administration expenses	(497,834)	(352,544)	(884,602)
<b>Operating loss</b>	<b>(462,079)</b>	<b>(331,035)</b>	<b>(800,718)</b>
Impairment of investments	-	-	(1,568)
Foreign exchange gains	(6,746)	-	(31,730)
Finance costs	(58,603)	-	(79,001)
<b>Loss on ordinary activities before taxation</b>	<b>(527,428)</b>	<b>(331,035)</b>	<b>(913,017)</b>
Tax on loss on ordinary activities	-	-	-
<b>Loss for the financial year</b>	<b>(527,428)</b>	<b>(331,035)</b>	<b>(913,017)</b>

**Wishbone Gold PLC****Consolidated Statement of Financial  
Position  
as at 30 June 2018**

	<b>Unaudited Six Months Ended 30 June 2018 US\$</b>	<b>Unaudited Six Months Ended 30 June 2017 US\$</b>	<b>Audited Year Ended 31 December 2017 US\$</b>
<b>Current assets</b>			
Trade and other receivables	545,843	26,111	568,396
Cash and cash equivalents	54,102	447,925	256,857
Inventory	27,751	27,391	27,755
Loans	306,183	308,656	308,656
	<u>933,879</u>	<u>810,083</u>	<u>1,161,664</u>
<b>Non-current assets</b>			
Property, plant and equipment	250,024	249,987	250,058
Goodwill	748,625	748,617	748,617
Intangible assets	377,672	312,267	387,162
Loans	572,278	504,600	680,476
	<u>1,948,599</u>	<u>1,815,471</u>	<u>2,066,313</u>
<b>Total assets</b>	<u>2,882,478</u>	<u>2,625,554</u>	<u>3,227,977</u>
<b>Current liabilities</b>	1,397,345	937,996	1,198,188
<b>Non-current liabilities</b>	-	-	-
<b>Equity</b>			
Share capital	1,730,590	1,691,824	1,770,406
Share premium	7,115,052	5,912,988	7,278,748
Share based payment reserve	62,908	61,898	64,355
Accumulated losses	(7,710,000)	(6,600,591)	(7,182,574)
Foreign exchange reserve	286,583	621,439	98,854
<b>Total equity and liabilities</b>	<u>2,882,478</u>	<u>2,625,554</u>	<u>3,227,977</u>

**Wishbone Gold PLC**

**Consolidated Statement of Cash Flows  
for the period from 1 January 2018 to 30  
June 2018**

	<b>Unaudited Six Months Ended 30 June 2018</b>	<b>Unaudited Six Months Ended 30 June 2017</b>	<b>Audited Year Ended 31 December 2017</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
<b>Cash flows from operating activities</b>			
Loss before tax	(527,428)	(331,035)	(913,017)
Reconciliation to cash generated from operations:			
Foreign exchange (gain)/loss	6,745	(9,146)	31,730
Interest expense	58,603	6,055	79,001
Impairment losses	-		1,108
Administrative expenses converted into ordinary shares	-	-	204,399
<i>Operating cash flow before changes in working capital</i>	<u>(462,080)</u>	<u>(334,126)</u>	<u>(596,779)</u>
Increase in inventory	4	24,729	(25,093)
Decrease/(increase) in receivables	22,553	4,313,230	3,571,645
Increase/(decrease) in payables	178,036	(3,945,894)	(3,853,477)
<i>Cash outflow from operations</i>	<u>(261,487)</u>	<u>57,939</u>	<u>(903,704)</u>
<b>Cash flows from investing activities</b>			
Increase/(decrease) in fixed assets	34	249,987	(250,058)
Net movement in investments	-	1,108	-
(Increase)/Decrease in Intangible Assets	9,490	(280,582)	(46,821)
(Increase)/Decrease in Loans	27	(405,319)	(9,375)
Other investing activities	108,198	-	(680,476)
<i>Net cash flow from investing activities</i>	<u>117,749</u>	<u>(434,806)</u>	<u>(986,730)</u>
<b>Cash flows from financing activities</b>			
(Decrease)/Increase in loans payable	(389,276)	24,435	(192,210)
Issue of shares for cash	-	-	1,080,824
Interest Paid	-	1,413	-
<i>Net cash flow from financing activities</i>	<u>(389,276)</u>	<u>25,848</u>	<u>888,614</u>
<i>Effects of exchange rates on cash and cash equivalents</i>	330,260	(266,217)	193,516
<b>Net increase/(decrease) in cash</b>	<u>(202,755)</u>	<u>(617,236)</u>	<u>(808,304)</u>
Cash at bank at 1 January	256,857	1,065,161	1,065,161
Cash at bank at period end	<u>54,102</u>	<u>447,925</u>	<u>256,857</u>