15 April 2014 AIM: AMA

Amara Mining plc
("Amara" or "the Company")

2013 AUDITED FULL YEAR RESULTS

Amara Mining plc, the AIM-listed West African focused gold mining company, is pleased to announce its audited results for the year ended 31 December 2013.

HIGHLIGHTS

- Three key milestones for 2013 achieved and Amara is now well-positioned for the next phase of its growth
- Preliminary Economic Assessment ("PEA") delivered for the Yaoure Gold Project ("Yaoure") with compelling returns, including a 32% Internal Rate of Return ("IRR") and a US$688 million Net Present Value ("NPV") at a gold price of US$1,250 and a discount rate of 8%
- 6.3 million ounce Mineral Resource update announced at Yaoure, growing Amara's total resources to 10.1Moz, the largest resource base of any London-listed junior gold mining company[i]
- 4.2 million ounces within a US$950 per ounce pit shell at Yaoure and significant exploration upside potential – 2014 in-fill drilling programme has commenced
- Strong financial position and fully funded to advance Yaoure to Pre-Feasibility Study ("PFS") in Q1 2015 following placing to raise £18.2 million (US$30 million) and open offer to raise £0.3 million (US$0.5 million)
- Feasibility Study ("FS") delivered for Baomahun Gold Project ("Baomahun") and first phase of optimisation work has demonstrated the transformational underground opportunity
- Further optimisation of Baomahun FS ongoing, including planning for a highly targeted drilling campaign to increase in-pit resources
- Kalsaka Gold Mine ("Kalsaka") and Sega Gold Project ("Sega") integrated in 16 months – rapid timeline from acquisition to production
- Production guidance of 60,000-70,000 ounces for Kalsaka/Sega Gold Mine ("Kalsaka/Sega") in 2014 at a total cash cost of US$900-1,000 per ounce
- Significant cost efficiency measures implemented to ensure Amara is well positioned to adapt to the current challenging market environment

John McGloin, Executive Chairman of Amara, commented:

"2013 and the first quarter of 2014 have been a transformational period for Amara. We now have a resource base of over 10 million ounces, the largest of any London-listed junior gold miner, and Yaoure has the potential to be one of the top 10 gold mines in Africa by production. Of the other nine, all but one are held by major mining companies[ii], and this underlines my belief in Amara's opportunity for significant growth. I've mentioned many times that one of the main reasons why I joined the Company was my belief in Yaoure's potential to be a large-scale gold mine, and the delivery of a PEA that far exceeded our expectations has reinforced that view.

"The support the recent fundraising received is further testimony to the quality of Yaoure, and the rest of Amara's portfolio, and we are now well-positioned to continue unlocking the value of our growth projects. We have now commenced in-fill drilling at Yaoure to fill the 'information gaps' in

the resource area and upgrade the Inferred resources to the Indicated category. We will also begin a highly targeted drilling campaign at Baomahun with the aim of strengthening the open pit only scenario for the project, while de-risking the underground opportunity. In the next 12 months, we expect to have delivered a PFS for Yaoure and two Mineral Resource updates, further adding value for shareholders, and continuing to move this outstanding asset along the growth curve."

Management Conference Call

The management team of Amara will host a briefing for analysts at the offices of K&L Gates, One New Change, London, EC4M 9AF at 9:30am UK time today. There will be a simultaneous conference call and dial-in details are as follows:

Dial in number (UK toll free)	0808 237 0030
Alternative dial in number:	+44 (0)20 3139 4830
Participant PIN Code:	45395142#

A presentation to accompany the conference call is available at www.amaramining.com and playback of the conference call will be available at http://www.amaramining.com/Investor-Relations/Webcasts shortly after the conclusion of the call.

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About Amara Mining plc

Amara is a gold developer-producer with assets in West Africa. The Company generates cash flow through its Kalsaka/Sega gold mine in Burkina Faso. Amara is focused on unlocking the value in its development projects. At Yaoure in Côte d'Ivoire, this will be done by increasing the confidence in the existing Mineral Resource and economics at the project as the Company progresses it through to Pre-Feasibility Study and Bankable Feasibility Study. At Baomahun, this will be done by gaining an improved understanding of the exploration upside potential and underground opportunity. With its experience of bringing new mines into production and a project pipeline spanning four countries, Amara aims to further increase its production profile with highly prospective opportunities across all assets.

CHAIRMAN'S STATEMENT

In what has been an incredibly turbulent year for the gold sector, Amara has continued to demonstrate the value in its West African portfolio of gold projects. Our resource base has grown to over 10 million ounces, an increase of 71% on last year, and we have demonstrated that the majority of this has the potential to be mined economically.

A Top 10 African Gold Mine

Prior to joining the Company, I recognised that the Yaoure Gold Project in Côte d'Ivoire had the potential to be much more than the small oxide deposit many thought it was. The project had been previously operated by Compagnie Minière d'Afrique (CMA), which had mined oxide material from the CMA pit with an average headgrade of 3.9g/t. Subsequently Amara acquired the project and continued to mine oxides in the lower grade Yaoure Central pit, but drilling results showed grades in the underlying sulphide zone of up to 3.5g/t over 30 metres. Upon becoming Executive Chairman in April 2012, and with the support of our Group Exploration Manager, Peter Brown, I immediately doubled the number of drilling rigs on site and began a systematic exploration programme across the deposit. As a result, Amara's resources at Yaoure grew from 249,000 ounces to over six million ounces in an 18 month period, and the deposit remains open along strike and down dip with the potential to grow further. It is safe to say that this has significantly exceeded my expectations.

The results of the PEA have confirmed that not only will Yaoure deliver compelling financial returns, but when in production it should rank as one of the top 10 largest gold mines in Africa. With a post-tax IRR of 32% and a post-tax NPV of US$688 million at a gold price of US$1,250 per ounce and a discount rate of 8%, Yaoure offers average production of 325,000 ounces per annum over a 12 year mine life. Due to the excellent existing infrastructure, including low cost power, total cash costs are forecast at just US$655 per ounce and all-in sustaining costs are US$691 per ounce.

Based upon the 8 million tonne per annum ("Mtpa") scenario, the total payback period for the project is 2.4 years. Importantly, the project's economics remain robust at significantly lower gold prices, with a post-tax NPV of US$406 million and a post-tax IRR of 23% at a US$1,100 per ounce gold price and an 8% discount rate.

Testimony to Yaoure's Potential

In order to continue to drive Yaoure along the value curve, Amara announced a placing and open offer on 21 March 2014, which raised £18.5 million (US$30.5 million). As a result of the placing, Amara is fully funded to the point of delivering a PFS for Yaoure in Q1 2015.

I was delighted that the fundraising received encouraging support from both new and existing investors, which is testimony to Yaoure's potential and strengthens Amara's shareholder base. An open offer was included as part of the fundraising as we felt it was particularly important to give our significant retail investor base the opportunity to participate in Amara's growth, as well as our institutional shareholders, in recognition for their loyalty over the past challenging year. Any additional proceeds raised from the open offer will be used to support the delivery of a Bankable Feasibility Study ("BFS").

Creating Growth for our Shareholders

The majority of the proceeds of the fundraising will be used to advance Yaoure, with US$1.3 million allocated to expand the current in-pit resource by targeting 'information gaps' in the resource area and US$8.4 million to increase confidence in the resource by upgrading it from Inferred to the Indicated category. Based on this drilling, I look forward to delivering two Mineral Resource updates for the project in Q3 and Q4 2014, and with the anticipated delivery of the PFS in Q1 2015, we plan to announce a maiden reserve for the project. A further US$4.8 million has been allocated to upgrade a portion of the Indicated resource to Measured, which I believe will be an additional value driver for the Company. Following the delivery of the PFS, we will be well on track to completing a BFS in H2 2015.

A Second Strong Growth Opportunity

The Baomahun Gold Project in Sierra Leone is one of the highest grade projects in West Africa. In June 2013 we completed the FS and demonstrated that the project is robust and economically viable at a gold price of US$1,350 per ounce. Following the FS, the objective of the first phase of the optimisation work was to demonstrate that the high grade core could be exploited in a less capital intensive manner, while retaining the long term upside potential available from accessing the deeper resources from underground. This approach ensures the project generates robust returns for all stakeholders, improving the longevity of the mine. Following the placing we will commence a small-scale, highly targeted drilling campaign to increase Baomahun's in-pit resources and continue to optimise our upfront capital estimate, aiming to deliver the same strong returns from an open pit only scenario and de-risking the underground targets.

A Safe Pair of Hands

Finally, I would like to thank my fellow Board members for their hard work, dedication and valuable guidance throughout the year. Despite difficult market conditions, our Company has adapted well and we are now fully funded to deliver our next major phase of growth. I look forward to updating you over the course of 2014.

CHIEF EXECUTIVE OFFICER'S STATEMENT

At the start of 2013 we outlined three key milestones for Amara during the year ahead: the delivery of a Mineral Resource update at Yaoure, the completion of the Baomahun FS and the integration of the Kalsaka Gold Mine ("Kalsaka") and the Sega Gold Project ("Sega"). Despite the challenge of a weakening gold price, by the end of the year we had achieved all of these goals, while also reducing our cost base significantly. I believe this will ensure that our Company is well-positioned to adapt to an unpredictable market environment.

Production Strengthening in 2014

My key focus for the year was to deliver a smooth transition from Kalsaka to Sega. The 28% fall in the gold price during 2013 created a number of challenges, including reducing the mine life. While there is still a significant amount of low grade ore at Kalsaka/Sega, it is no longer economic and accordingly a non-cash impairment charge of US$14.7 million has been recognised against the project's carrying value of US$45 million.

Management took the decision to stop mining at Kalsaka in July 2013 as it had become unprofitable due to the combination of lower grade ore (1.13g/t in H1 2013 compared to 1.26g/t in H1 2012) and reduced throughput (773kt in H1 2013 compared to 815kt in H1 2012) combined with the lower gold price.

Trucking from Sega commenced in September 2013, 16 months after the acquisition of the project from Orezone Gold Corporation was completed. While this is a rapid timeline from acquisition to production, the integration of Sega occurred later than expected due to permitting delays. As anticipated, Q4 2013 was the strongest quarter of the year for Kalsaka/Sega as the higher grade material from Sega was realised. The average headgrade of the Sega material stacked was 1.77g/t.

Full year production was 42,348 ounces in 2013 and we closed the year with US$20.0 million of cash and liquid assets. Production is anticipated to strengthen in 2014 with full year guidance of 60,000-70,000 ounces. Amara expects to generate robust cash flow even in the current gold price environment as the Sega open pits were re-optimised at a gold price of US$1,100/oz in Q2 2013, reflecting the Company's low risk approach.

A Changing Focus

Production is due to be completed at Kalsaka/Sega in Q1 2015 and I am committed to unlocking the remaining value from the project and delivering an efficient closure. While we are evaluating a number of opportunities to use the heap leach plant going forwards, removing the production aspect of our story may help to crystallise where the value of Amara is truly found: in our growth assets.

Yaoure is one of the most exciting development assets in West Africa, with large scale, long life, low cost production, and driving it along the value curve is likely to deliver the best returns for our shareholders. The opportunity exists to add significant value to the project for a relatively small investment and I am determined not to dilute our shareholders' interest in Yaoure by buying a small, near term production asset that would require substantial management attention. Only a very compelling near-term production opportunity would balance this risk of dilution.

Cost Efficiency Measures Implemented

Following a year of strong investment in 2012, one of the key steps we took in 2013 to future proof Amara was to conduct a business review and consequently implement cost savings across all areas of the Company. We achieved a 25% reduction in headcount between the 2012 year end and the 2013 year end, which is expected to generate an annualised saving in excess of US$1.5 million.

The Board accepted 15% salary cuts, with sliding scale cuts for senior/middle management, equating to an additional annualised saving of US$650,000, which gives a total annualised saving of over US$2.1 million. Further cuts were implemented in general and administration ("G&A") expenditure, delivering a 25% saving compared to FY2012. Amara's strategy is to solidify its financial position and ensure the optimal use of cash flow and this will continue throughout 2014, with further cost saving measures continuing to be identified.

Working in Partnership with West Africa

One area we continued to prioritise was our investment in our host countries. Having built and operated mines in Africa for the past 14 years, I have a thorough appreciation of the need for a company to maintain its social licence to operate.

During the year we paid a total of US$8.2 million in tax in Burkina Faso, including corporate tax, royalties and indirect taxation. We also contributed directly to Côte d'Ivoire, Sierra Leone and Liberia in respect of indirect taxes paid, despite our operations not yet generating revenue. We have continued to play an active role in community initiatives, focusing on our three key interest areas of education, health and sustainable livelihood development, and fortifying our partnerships with the governments and local people of our host countries.

Despite the challenges we faced in 2013, we enter 2014 in good shape, as a result of the targets we've delivered upon, the partnerships we've formed and the recent placing and open offer. I would like to thank all of my colleagues for their resilience, hard work and enthusiasm during what has been a difficult year for the entire gold sector, and the Board for their good counsel. 2014 will be another transformational year for Amara and we are well-positioned to deliver on our growth potential.

REVIEW OF OPERATIONS: YAOURE GOLD PROJECT, CÔTE D'IVOIRE

Largest gold deposit in Côte d'Ivoire

Yaoure has the potential to be one of the top 10 largest gold mines in Africa by production. With average production of 325,000 ounces/annum over a 12 year mine life, it outperforms the majority of other West African development projects (see Appendix A) delivering a compelling IRR of 32% and an NPV of US$688 million at a gold price of US$1,250 and a discount rate of 8%. It is the largest gold deposit in Côte d'Ivoire with 6.3 million ounces of resources (20Mt at 1.20g/t for 0.8Moz Indicated and 133Mt at 1.29g/t for 5.5Moz Inferred) and significant exploration upside potential.

The location of Yaoure is highly advantageous for developing a large-scale gold mine due to its close proximity to the Kossou dam, which offers low-cost hydro-electric power and abundant water. It is situated 40km from a dual carriageway linking the political capital of Yamoussoukro with the commercial capital of Abidjan. As a brownfield site, the timeline from exploration to production is expected to be minimised. Amara intends to utilise the excellent existing infrastructure to full effect, reducing the upfront capital requirement for the project.

Six Million Ounce Mineral Resource

During 2013 Yaoure's Mineral Resources increased from 0.2 million ounces Indicated (4.9Mt at 1.6g/t) to 6.3 million ounces as set out below, representing an increase of 71% on Amara's global resources[iii].

Mineral Resources at Yaoure, including cut-off grade sensitivity, as of 11 December 2013 using a US$1,500 open pit shell

Cut-Off g/t Au	Indicated			Inferred		
	Tonnes (Mt)	Grade (g/t)	Content (Koz)	Tonnes (Mt)	Grade (g/t)	Content (Koz)
0.5	20.3	1.20	780	133.0	1.29	5,518
0.8	13.2	1.48	637	85.7	1.65	4,554
1.0	10.0	1.68	541	65.6	1.89	3,974

Yaoure LOM estimate contained in an optimised pit shell using a US$950 per ounce gold price, at 0.5g/t cut-off

	Indicated			Inferred		
	Tonnes (Mt)	Grade (g/t)	Content (Koz)	Tonnes (Mt)	Grade (g/t)	Content (Koz)
LOM Plan	18.5	1.22	723	75.3	1.45	3,505

Notes to Mineral Resource tables

1. The effective date of the Yaoure Mineral Resource estimate is 11 December 2013, prepared by Mario E Rossi, GeoSystems International, Inc.
2. The gold price used in the Mineral Resource estimate is US$1,500/oz assuming an open pit mining scenario. Oxides are being mined assuming Heap Leach economics, Sulphides assuming Flotation economics. Pit slopes are 35º in oxide, 46 º in sulphide. Recoveries have been assumed at 90%.
3. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability.
4. There are no known environmental, permitting, legal, title, taxation, socio-economic, marketing, and political or other relevant issues that may materially affect the resource estimates.
5. Totals and average grades are subject to rounding to the appropriate precision and some columns or rows may not compute exactly as shown.

6. The stated resources include dilution in the block model that relates to the level of low selectivity envisioned in an open pit operation, assuming 10m bench heights. No additional operational or mining dilution or ore loss has been incorporated.
7. The 94.6 Mt of material scheduled for the financial evaluation contains a difference in rounding (of less than 1%) resulting from the different software packages and topography utilised for the relevant stages.

Preliminary Economic Assessment

Based upon the updated Mineral Resource, Amara completed a PEA for Yaoure in Q1 2014, which confirmed that Yaoure is a compelling gold development project[iv]. Importantly, the Project's economics remain robust at significantly lower gold prices, with a post-tax NPV of US$406 million and a post-tax IRR of 23% at a US$1,100 per ounce gold price.

Key Parameters of Yaoure PEA

Parameter	Unit	Rate
Ore mined	Mt	94.6
Average head grade mined	g/t	1.39
Waste mined	Mt	492.0
Strip ratio	waste:ore	5.2:1
Contained gold	Koz	4,239
Average gold recovery rate	%	95.0
Average annual production over LOM	ounces	325,000
Open pit mine life	years	12
Processing plant capacity	Mtpa	8
Total pre-production capital cost	US$ million	408
Total capital payback period	years	2.4
Total cash costs (including royalties)	US$/oz	655
All-in sustaining costs	US$/oz	691

The PEA supports the scenario of processing 8Mtpa of material from an open pit operation to produce an average of 325,000 ounces of gold per annum over an initial 12 year life. The metallurgy is simple and non-refractory and the plant has been designed to process Yaoure's substantial sulphide resource, achieving a recovery rate of 95% using conventional whole ore leach processing methods in a carbon-in-pulp ("CIP") circuit. The project demonstrates strong economics due to the low processing cost driven by an energy cost of 9 cents/kWh and high overall recoveries. Total cash costs (including royalties) are US$655 per ounce over the LOM and all-in sustaining costs are US$691 per ounce.

Yaoure requires a plant and infrastructure capital cost of US$274 million, with an additional US$92 million for an owner-operated mining fleet, which has the potential to be deferred through leasing or excluded if contractor mining is utilised, and US$42 million contingency. The total payback period is 2.4 years and the NPV to total pre-production capital ratio is 1.68, a significantly better outcome than many of its peers deliver.

A number of opportunities for optimisation were generated by the PEA and it is expected that they will further improve the project economics by improving average head grades and reducing the overall strip ratio. They also have the potential to decrease the upfront capital requirement. These include selective mining of the CMA zone, staged development, process selection, equipment optimisation, project layout and heap leach plant relocation. Work is also on-going for 5 Mtpa and 6.5 Mtpa throughput scenarios, which offer a lower upfront capital requirement although production is slightly reduced, demonstrating Yaoure's flexibility to development at different scales.

As Amara continues to move the project towards a PFS, the Company will gain further understanding of these scenarios to ensure the optimal path for development is understood.

Fully Funded to Delivery of PFS

The net proceeds of the placing will allow Amara to conduct an in-fill drilling programme at Yaoure in 2014, deliver a PFS in Q1 2015, and then subsequently upgrade a portion of the Indicated resource to the Measured category in 2015, supporting a BFS.

The 2014 Yaoure drilling campaign is expected to be undertaken in two phases:

- To target the 'information gaps' within the Mineral Resource area to increase the size of the Inferred resource
- To upgrade the Inferred resources to the Indicated category to increase the level of confidence in the resource

In addition, geotechnical, hydro-geological and further metallurgical test work will be undertaken alongside further engineering studies and work on the Environmental and Social Impact Assessment to deliver the PFS.

As well as increasing the size of the Mineral Resource, the first phase of drilling has the potential to reduce the overall strip ratio of the deposit (currently 5.2:1) by converting waste to ore in the mine plan. Amara expects to release a Mineral Resource update following the completion of this phase in Q3 2014. The second phase of drilling will focus on upgrading the Inferred resources within the US$950/oz proposed open-pit to the Indicated category by reducing the drill spacing from 100m x 100m to 50m x 50m. Amara expects to release a second Mineral Resource update following the completion of this phase in Q4 2014. This work will enable Amara to deliver a PFS for the project.

In 2015, the Yaoure drilling campaign will focus on further upgrading a portion of the Indicated resources at Yaoure to the Measured category. This will entail reducing the drilling spacing to 25-35m x 25-35m and will further support a BFS for the project in H2 2015.

BAOMAHUN GOLD PROJECT, SIERRA LEONE

High Grade Deposit with Upside Potential

Baomahun is a feasibility stage gold project in central Sierra Leone. With a high grade core and grades that strengthen at depth, the long term value of the project is expected to be realised through a combined open pit and underground scenario. However, Amara is focused on optimising the open pit-only opportunity by conducting a highly targeted drilling campaign, which aims to increase current in-pit resources and deliver the same strong returns through a lower risk approach.

Feasibility Study Delivered

In Q2 2013, Amara completed the FS for Baomahun, which confirmed that the project is robust and economically viable[v]. At a gold price of US$1,350 per ounce and an 8% discount rate, the project generates a post-tax 22% IRR and a post-tax NPV of US$127 million.

Baomahun is an Archean-age deposit, with 1.21 million ounces of Probable Reserves (23.27Mt at 1.62g/t). The resource base includes 2.24 million ounces of Indicated Resources (38.4Mt at 1.81g/t) and 0.54 million ounces of Inferred Resources (6.6Mt at 2.2g/t). It has simple, non-refractory metallurgy and a strong recovery rate of 93.4% through a traditional carbon-in-leach ("CIL") plant.

The Mineral Reserves support an open pit operation with an average annual throughput of 2 Mtpa of ore through a CIL plant over an 11.5 year production life. Gold production in the first year is expected to be 203,970 ounces at an average grade of 3.90g/t, generating strong cash flow through the mining of the ore body's high grade core. Average annual production over the first six years is expected to be 148,550 ounces at an average grade of 2.53g/t. Total cash costs over the LOM are forecast to be US$799 per ounce using an owner-operator scenario, with total cash costs in year one of US$582 per ounce.

Baomahun Mineral Reserves and Mineral Resources, both as of 19 November 2012

	Classification	Tonnes (Mt)	Grade (g/t)	Gold (Moz)
RESERVES[1]				
Open Pit	Probable	23.27	1.62	1.21
RESOURCES[2]				
Open Pit	Indicated	34.9	1.62	1.82
	Inferred	3.4	1.15	0.12
Underground	Indicated	3.5	3.80	0.43
	Inferred	3.2	3.95	0.41
Total	**Indicated**	**38.4**	**1.81**	**2.24**
	Inferred	**6.6**	**2.52**	**0.54**

Notes to Mineral Resources and Reserves

1. CIM definitions were used for Mineral Resources and Mineral Reserves
2. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability
3. A cut-off grade of 0.5g/t was applied within a US$1,500/oz open pit shell and a 2.0g/t cut-off for Mineral Resources suitable for underground mining. The resources suitable for underground mining are not included in the FS. The Mineral Reserve is reported at a cut-off grade of 0.5 g/t Au at a gold price of US$1,100/oz
4. The Mineral Resource is inclusive of the Mineral Reserve. The Mineral Reserve was estimated by construction of a block model within constraining wireframes and based on Indicated Resources
5. Mining dilution of 5% was added to the Mineral Reserve
6. The Mineral Reserves were estimated based on the NI 43-101 Mineral Resources, both effective as of 19 November 2012
7. A 93.4% metallurgical gold recovery was used for the Mineral Reserve
8. Due to rounding, some columns or rows may not add up exactly to the computed totals

The upfront capital cost for the project is US$151 million, with a further US$86 million for the mining fleet and power generation plant, which could be deferred by leasing these items. The total pre-production capital cost is US$253 million including contingency, and the payback period for this amount is three years.

Results of First Phase of Optimisation Work

Smaller Open Pit and Plant

In January 2014 Amara announced the results of the first phase of optimisation work for the FS[vi]. This work focused on 'right-sizing' the plant to the deposit to reflect the current market conditions and the outlook for the gold price. The desk top study demonstrated that a 1 Mtpa plant would allow for the selective mining of the deposit's higher grade core in a smaller open pit and enable longer term mine feed from underground sources, ensuring that the full potential of Baomahun's Mineral Resource is unlocked. Based upon this smaller scenario, the upfront capital cost is reduced by 40% to US$90 million and the total pre-production capital cost is reduced by 43% to US$143 million compared to the FS.

A gold price of US$900 per ounce was used for pit optimisations and this smaller open pit is capable of feeding a 1Mtpa plant for 10 years. Average production remains robust, at 88,000 ounces per annum in years 1-6, and average LOM total cash costs have decreased by 11% to US$711/oz, with all-in sustaining cash costs expected to be US$975/oz.

At a gold price of US$1,350 per ounce, which was used for the FS, the open pit only scenario delivers a post-tax IRR consistent with the FS at 22% and a post-tax NPV of US$80 million. In line with the current gold price, the optimisation work was based upon a gold price of US$1,250 per ounce, which generates a post-tax IRR of 17% and a post-tax NPV of US$50 million. These metrics are comparable with other similar gold projects in West Africa, although Baomahun's performance strengthens significantly when an underground component to the project is introduced.

Transformational Underground Opportunity

Through the exploitation of Baomahun's underground as well as the open pit, there is the opportunity to extend the current 10 year LOM and boost production in year 7 onwards. Based on the scoping study conducted by the independent consultant Snowden Mining Industry Consultants Pty Limited, the inclusion of material from the underground potentially transforms Baomahun's economics, with the post-tax IRR increasing to 25% and the post-tax NPV to US$192 million at a US$1,250 gold price. The LOM doubles to 20 years, with an average production rate of 90,000 ounces per annum for the first 16 years. The deposit remains open at depth, which further increases the opportunity for a stable, long-term producing gold mine in Sierra Leone.

The underground opportunity can be further evaluated with little additional expenditure in the near term. Due to the smaller pit shell, some of the material previously categorised as suitable for open-pit mining within a US$1,500 open pit will now be below the US$900 pit floor and thus could be mined as part of the underground opportunity.

Strategy for Baomahun in 2014

There are three focuses to the on-going optimisation work for Baomahun: expanding in-pit resources through exploration, continuing to evaluate the underground opportunity and further reducing the upfront capital requirement of the project.

Following a geological review, Amara is planning to use US$1.0 million of the proceeds of the placing to conduct a small-scale, near surface drilling campaign. It will focus on geochemical anomalies in open pit shell and has the potential to significantly improve the economics of an open pit only scenario for Baomahun. It is expected to demonstrate greater continuity of the high grade mineralisation of the deposit, increasing in-pit resources and de-risking the project. In addition Amara will gain a more thorough understanding of Baomahun's underground opportunity by generating longer term targets and evaluating the optimal place in the orebody to transition between the open pit and the underground.

KALSAKA/SEGA GOLD MINE, BURKINA FASO

Unlocking the Remaining Value

Kalsaka is a heap leach operation that has been in production since 2008 and has produced approximately 300,000 ounces during the past five years. This small-scale production differentiated Amara from its exploration-only peers, funding the Company's G&A costs and supporting exploration expenditure in the years when the gold price was stronger. Amara is focused on unlocking the remaining value in Kalsaka/Sega through robust cash generation in 2014 and an efficient closure, in addition to exploring opportunities to realise the latent value of the operational team and processing plant.

Kalsaka/Sega is located in central Burkina Faso, 150km from Ouagadougou. The Sega deposit is 20km to the north of Kalsaka and Amara successfully integrated the two projects during 2013 in order for production to continue at the Kalsaka/Sega complex beyond mid-2013, when Kalsaka's minelife was due to end. Amara acquired the Sega deposit from Orezone Gold Corporation in May 2012[vii] and the Company took the project through the permitting and construction phases in just 16 months.

Operational Overview

2013 was a difficult year for Kalsaka/Sega, with production of 42,348 ounces at a total cash cost of US$1,383 per ounce. On 2 January 2013, the London PM fix gold price was US$1,694 per ounce and at this level, Kalsaka/Sega was forecast to generate strong cash flow. However, in April 2013 the gold price experienced its largest fall in a single day for 30 years and over the course of 2013, the gold price fell by 28%, fixing at a low for the year of US$1,192 per ounce on 28 June 2013.

The challenge of operating in a falling gold price environment was exacerbated by the lower grades being processed at Kalsaka, averaging 1.08g/t. Ore that would have been economic at a gold price above US$1,500 per ounce became marginal at US$1,200 and thus Amara's management took the decision to halt mining at Kalsaka in July 2013. It had been anticipated that the transition to Sega would take place at the time that mining ceased at Kalsaka, however due to permitting delays, trucking commenced from Sega in mid-September 2013.

Once the material from Sega became available, production strengthened significantly at Kalsaka/Sega, with an 86% increase in production in Q4 2013 to 14,926 ounces, compared to Q3 2013[viii]. The average headgrade of the Sega material stacked in Q4 was 1.77g/t, a 61% increase on the average headgrade of the Kalsaka ore processed during the rest of the year. In line with Amara's low risk approach, the mine plan for Sega was re-optimised in Q2 2013 at a gold price of US$1,100 per ounce[ix] and Amara expects to generate robust cash flow in 2014. Full year production guidance is 60,000-70,000 ounces at a total cash cost of US$900-1,000 per ounce.

	Unit	2013	2012
Ore mined	kt	1,228	1,625
Waste mined	kt	5,615	8,073
Total tonnage mined	kt	6,843	9,698
Strip ratio	w:o	4.57	4.97
Ore processed	kt	1,359	1,558
Average ore head grade	g/t	1.29	1.23
Gold production	oz	42,348	53,544
Cash costs excl. royalties	US$/oz prod	1,330	961
Cash costs inc. royalties	US$/oz sold	1,383	964
Average realised gold price	US$/oz sold	1,381	1,667

Opportunities for Kalsaka/Sega beyond 2014

Production is expected to conclude at Kalsaka/Sega in Q1 2015. The cost of environmental closure of the mine has been set aside in a bonded bank account. The rehabilitation work for the site has been conducted on an on-going basis throughout the mine's life as mining moved from one pit to the next, so the final phase of rehabilitation once Kalsaka/Sega's mine life ends is not expected to exceed the monies set aside.

Although Sega's higher grade resources will be exhausted by the end of 2014, there remain significant lower grade resources on the Kalsaka and Sega licence areas. These resources could be mined economically in a higher gold price environment, however Amara is focused on higher value opportunities in the near term.

A small amount of gold is expected to continue to leach from the Kalsaka/Sega leach pads throughout 2015, however Amara is now evaluating opportunities for the plant after processing is complete. Heap leach plants are relatively mobile, so it could be relocated to another oxidized gold deposit in order to maintain Amara's status as a producer. However, as management is focused on minimising dilution to its shareholders' interest in Yaoure, only a very compelling near-term production opportunity would generate returns consummate to Yaoure.

Alternatively, the plant could be sold to strengthen Amara's balance sheet. Amara has two adsorption-desorption-recovery ("ADR") plants, one at Kalsaka/Sega and one at Yaoure, so the ADR plant at Kalsaka/Sega could continue to process the remaining solution leaching from the Kalsaka/Sega leach pads in 2015 and the Yaoure ADR plant could be relocated or sold with the Kalsaka/Sega stacking and agglomeration circuit. Both options for the plant deliver upside for shareholders although as there is no certainty that either scenario will be possible, Amara's business model is focused on generating the best value from Kalsaka/Sega in its final year of material production.

Mineral Resources at Kalsaka/Sega as of 31 December 2013 using a 0.5g/t cut-off

Project	Category	Tonnage (Mt)	Grade (g/t)	Contained Gold (Koz)
Kalsaka	Measured	0.8	1.3	34
	Indicated	6.4	1.2	243
	Inferred	4.5	1.3	185
Sega	Indicated	8.1	1.7	427
	Inferred	2.8	1.5	136

Notes to Mineral Resources
1. Resources shown as combined oxide, transitional and sulphide
2. Resource estimation has been subsequently updated for production changes as at 31 December 2013

FINANCIAL REVIEW

Financial Highlights

US$'000	**2013**	**2012**	**2011**
Revenue	52,403	91,320	121,684
Gross (loss)/profit	(3,731)	32,424	46,978
EBITDA	(7,568)	23,980	43,544
Exceptional items (impairments and provisions)	(33,037)	(4,374)	-
Profit/(loss) before taxation	(51,951)	8,527	25,376
Basic EPS (cents per share)	(27.21)	(0.22)	9.40
Adjusted EPS excl. exceptional items (cents per share)	(9.88)	2.56	9.40
Cash generated from operating activities	12,155	23,540	41,104
Net cash (outflow)/inflow	(20,438)	2,905	7,998
Total cash (excluding bullion)	11,372	31,810	28,905
Total assets	176,692	201,032	140,698
Total liabilities	(59,673)	(43,712)	(28,535)

2013 was a challenging year for the gold sector, with a precipitous fall in the gold price making asset impairments and operational losses common place. Amara was not immune, with the Kalsaka/Sega gold mine experiencing weak grades as Kalsaka reached the end of its mine life and exploration delivering only marginal additional ounces in Burkina Faso. These issues have led to the recognition of an impairment against the Kalsaka/Sega Mineral Resource. Pleasingly, neither of Amara's growth assets, Yaoure in Côte d'Ivoire and Baomahun in Sierra Leone, which represent the majority of Amara's assets, are impaired, underlining the strong growth opportunity within the Company's development pipeline.

Income statement

Group revenue dropped by US$38.9 million (43%) to US$52.4 million in 2013 due to a 29% fall in gold sold in the year aligned with a 20% fall in the average gold price. The combination of weaker production and a weaker gold price generated an EBITDA loss of US$1.8 million from Kalsaka/Sega, leading to an overall EBITDA loss for the Group of US$7.6 million.

The 21% fall in production at Kalsaka/Sega to 42,348 ounces in 2013 was due to a 13% fall in the volume of material processed off-set by a small rise in the average grade. Processed volumes were low due to the down-time between cessation of stacking of Kalsaka ore and the start-up at Sega. Processed grades were weak prior to the commencement of stacking from Sega. With the strongest grades being processed in Q4 2013 from Sega at an average of 1.77g/t in the quarter, the shortfall in production in the year is greater than the shortfall in gold processed due to the heap leach cycle; the quantity of gold locked up in the heap and recovery circuit at 31 December 2013 increased by over 2,700 ounces compared to the 2012 year-end due to the high year-end grades.

Costs at Kalsaka/Sega in 2013 rose by 37%, driven by the reduced throughput and higher mining costs. The latter were impacted by the increased cost of mining harder, transitional material at the end of the Kalsaka life, together with the inclusion of haulage from the furthest pits within the Kalsaka licence area, as well as from the Sega pits. Processing costs have also shown a modest increase due to the costs associated with crushing the harder Sega ore. Other operating costs in Burkina Faso also showed a modest overall increase due to costs associated with the commencement of Sega. Despite the loss in the year, a total of US$4.9 million of direct taxation was paid to the Burkina Faso government in 2013 as required under Burkinabe law. A taxation debtor totalling US$2.4 million is repayable by means of offset against future profits, or on winding up of the local company.

Total cash costs including royalties at Kalsaka/Sega totalled US$1,383 per ounce in 2013, a 37% increase compared to 2012, which primarily reflects the higher mining costs and the spreading of general and administrative costs over a smaller total production base. Savings in general and administrative costs totalling US$2.2 million were realised in 2013 in London, off-setting the weaker operational performance. This included savings of US$0.7 million from salary reductions of up to 15% taken by all directors and senior staff, together with US$1.0 million of savings from staffing reductions.

With the weaker operational performance, an impairment charge of US$30.4 million was recognised against the Group's Burkina Faso assets in 2013, including US$9.7 million against exploration opportunities that do not carry sufficient grade for exploitation at the current gold price and a provision totalling US$3.2 million against the low grade stockpile and gold in process. A further US$2.6 million was written-off the old heap leach plant in Côte d'Ivoire as with the substantial sulphide Mineral Resources unable to be processed via heap leach it is unlikely to be utilised and accordingly has been written-down to scrap value.

Excluding the impairment charges, Amara generated a loss attributable to equity shareholders of US$17.1 million or 9.88 cents per share.

The 2009-2011 tax inspection in Burkina Faso was finalised during the year with a final settlement set at US$1.7 million, of which US$1.0 million was paid in the year. This amount had been fully provided in the 2012 financial statements.

Cash flow and liquidity

A summary of the movement of cash and debt is set out below:

US$ million	Cash	Debt	Net Cash
At 1 January 2013	**31.8**	-	**31.8**
Net cash generated by operating activities	12.2	-	12.2
Burkina Faso corporation tax paid	(4.9)	-	(4.9)
Exploration expenditure*	(21.0)	-	(21.0)
Property, plant and equipment	(9.0)	-	(9.0)
Cash acquired in business combination	10.0	-	10.0
Samsung debt facility incl. interest	(7.7)	(13.3)	(21.0)
At 31 December 2013	**11.4**	**(13.3)**	**(1.9)**
Bullion held at 31 December 2013	9.0	-	9.0
Total cash and liquid assets	**20.4**	(13.3)	7.1

*exploration and Feasibility Study expenditure

Despite delivering an EBITDA loss of US$7.6 million, the Group's operations generated net cash inflows of US$12.2 million in 2014 due to the support of Kalsaka/Sega's suppliers who assisted with the transition from Kalsaka to Sega in a volatile gold market. With higher grades stacked in Q4 2013, there was a significant increase in the amount of gold delivered to the heap leach plant, which will assist in generating the funds to repay the creditors in 2014.

In 2013 Amara continued to invest in its assets and a full analysis is set out below.

US$ million	**Baomahun**	**Yaoure**	**Kalsaka/ Sega**	**Liberia**	**London**	**Total**
Exploration and evaluation	7.3	8.5	5.2	-	-	21.0
Infrastructure	0.2	-	-	-	-	0.2
Sustaining capex	-	-	0.9	-	-	0.9
Sega plant	-	-	7.9	-	-	7.9
	7.5	8.5	14.0	-	-	30.0

The most notable outcome of this investment was the 6.3 million ounce Mineral Resource delineated at Yaoure, a project that forms the basis of Amara's 2014 investment plans. The outcome of the recent PEA clearly demonstrated that Yaoure has the potential to be one of the most compelling development properties in West Africa and in 2014 the Company will progress the project towards the delivery of a PFS.

At Baomahun, the investment delivered a FS, which demonstrated that the project is robust at US$1,350 per ounce. In 2014, further low cost optimisation work and a targeted drilling programme to test the continuity of the Mineral Resources will be undertaken.

At Kalsaka/Sega, the investment delivered a plant upgrade, which allowed the harder Sega material to be processed from Q4 2013. Exploration delineated a number of low grade opportunities for mine life extension but at the current gold price these are not economic and accordingly, in 2014 investment will be significantly reduced as the asset reaches maturity.

Following the recent placing and open offer (as detailed in note 24) the Group's financial position has been strengthened and Amara is now fully funded to advance its key assets to the next stage of development.

AMARA MINING plc
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 31 December 2013

	Note	**2013**	2012
		US$000	US$000
Continuing operations			
Revenue		**52,403**	91,320
Cost of sales		**(56,134)**	(58,896)
Gross (loss)/profit		**(3,731)**	32,424
General and administrative expenses		**(7,598)**	(9,599)
Other operating costs		**(9,532)**	(9,635)
Impairment of deferred exploration and evaluation costs		**(9,747)**	(4,374)
Impairment of mine development and associated property, plant and equipment costs		**(20,118)**	-
Operating (loss)/profit		**(50,726)**	8,816
Finance income		**308**	208
Finance costs		**(1,533)**	(497)
(Loss)/profit before taxation		**(51,951)**	8,527
Income tax		**(153)**	(6,080)
(Loss)/profit and total comprehensive income for the year		**(52,104)**	2,447
Attributable to:			
Equity shareholders of the parent company		**(47,096)**	(351)
Non-controlling interests		**(5,008)**	2,798
(Loss)/profit and total comprehensive income for the year		**(52,104)**	2,447
Loss per share			
Basic (cents per share)	5	**(27.21)**	(0.22)
Diluted (cents per share)	5	**(27.21)**	(0.22)

AMARA MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2013

	Notes	2013 US$000	2012 US$000
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	6	**110,222**	120,113
Property, plant and equipment	7	**22,208**	24,382
Corporation tax receivable		**2,414**	-
Total non-current assets		**134,844**	144,495
CURRENT ASSETS			
Inventories		**24,522**	18,618
Other receivables		**5,954**	6,109
Cash and cash equivalents		**11,372**	31,810
Total current assets		**41,848**	56,537
TOTAL ASSETS		**176,692**	201,032
CAPITAL AND RESERVES			
Share capital		**3,785**	2,951
Share premium		**173,242**	163,241
Merger reserve		**15,107**	15,107
Share option reserve		**4,678**	3,932
Currency translation reserve		**987**	987
Accumulated losses		**(77,941)**	(31,067)
TOTAL EQUITY ATTRIBUTABLE TO THE PARENT		**119,858**	155,151
Non-controlling interests		**(2,839)**	2,169
TOTAL EQUITY		**117,019**	157,320
NON-CURRENT LIABILITIES			
Provisions		**10,156**	9,298
Deferred tax liability		**-**	94
Borrowings		**-**	9,828
Total non-current liabilities		**10,156**	19,220
CURRENT LIABILITIES			
Trade and other payables		**36,355**	12,548
Corporation tax		**-**	2,196
Borrowings		**13,162**	9,748
Total current liabilities		**49,517**	24,492
TOTAL LIABILITIES		**59,673**	43,712
TOTAL EQUITY AND LIABILITIES		**176,692**	201,032

AMARA MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2013

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT								
	Share capital US$000	Share premium US$000	Merger reserve US$000	Share option reserve US$000	Currency translation reserve US$000	Accumulated losses US$000	Sub-total US$000	Non-controlling interests US$000	Total equity US$000
BALANCE AT 1 JANUARY 2012	2,375	117,823	15,107	3,316	987	(30,886)	108,722	3,441	112,163
(Loss)/profit for the year	-	-	-	-	-	(351)	(351)	2,798	2,447
Total comprehensive income for the year	-	-	-	-	-	(351)	(351)	2,798	2,447
Issue of ordinary share capital	576	47,768	-	-	-	-	48,344	-	48,344
Share issue costs	-	(2,350)	-	-	-	-	(2,350)	-	(2,350)
Dividend	-	-	-	-	-	-	-	(4,070)	(4,070)
Share option charge	-	-	-	786	-	-	786	-	786
Reserve transfer on exercise or lapse of share options	-	-	-	(170)	-	170	-	-	-
BALANCE AT 31 DECEMBER 2012	2,951	163,241	15,107	3,932	987	(31,067)	155,151	2,169	157,320
Loss for the year	-	-	-	-	-	(47,096)	(47,096)	(5,008)	(52,104)
Total comprehensive income for the year	-	-	-	-	-	(47,096)	(47,096)	(5,008)	(52,104)
Issue of ordinary share capital	834	10,001	-	-	-	-	10,835	-	10,835
Share option charge	-	-	-	968	-	-	968	-	968
Reserve transfer on exercise or lapse of share options	-	-	-	(222)	-	222	-	-	-
BALANCE AT 31 DECEMBER 2013	3,785	173,242	15,107	4,678	987	(77,941)	119,858	(2,839)	117,019

AMARA MINING PLC
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 31 December 2013

	2013 US$000	2012 US$000
CASH FLOWS FROM OPERATING ACTIVITIES		
Operating (loss)/profit for the year	**(50,726)**	8,816
Depreciation and amortisation	**6,607**	9,825
Decrease in other receivables	**13**	1,515
Increase/(decrease) in trade and other payables	**23,450**	(1,462)
Decrease/(increase) in inventories	**1,052**	(1,098)
Increase in provisions	**858**	720
Share option charge	**968**	786
Impairment of deferred exploration and evaluation costs	**9,747**	4,374
Impairment of mine development and associated property, plant and equipment costs	**20,118**	-
Loss on disposal of property, plant & equipment	**68**	64
NET CASH FLOWS FROM OPERATING ACTIVITIES	**12,155**	23,540
Income taxes paid	**(4,858)**	(9,042)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Interest received	**175**	208
Interest paid	**(1,280)**	(328)
Purchase of property, plant and equipment	**(9,035)**	(10,488)
Purchase of intangible assets - deferred exploration	**(21,060)**	(35,968)
Purchase of intangible assets - mining rights	**-**	(14,959)
Cash acquired from business combination	**10,000**	-
NET CASH FLOWS USED IN INVESTING ACTIVITIES	**(21,200)**	(61,535)
CASH FLOWS (USED IN)/ FROM FINANCING ACTIVITIES		
Proceeds from the issue of share capital	**-**	36,955
Issue costs paid	**-**	(2,350)
Dividend	**-**	(4,070)
Proceeds from borrowings	**-**	20,000
Issue cost of borrowings	**-**	(466)
Repayment of borrowings	**(6,668)**	-
NET CASH FLOWS (USED IN)/FROM FINANCING ACTIVITIES	**(6,668)**	50,069
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(20,571)**	3,032
Cash and cash equivalents at start of period	**31,810**	28,905
Exchange loss on cash and cash equivalents	**133**	(127)
CASH AND CASH EQUIVALENTS AT END OF YEAR	**11,372**	31,810
CASH AND CASH EQUIVALENTS COMPRISE		
Cash at bank	**11,372**	31,810

Included in cash and cash equivalents is US$3,359k (2012: US$3,069k) in respect of a restricted bank account held for the purposes of the rehabilitation of Kalsaka mine site in Burkina Faso.

AMARA MINING PLC
NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2013

1 FINANCIAL STATEMENTS

The financial information set out above does not constitute the company's statutory accounts for the years ended 31 December 2013 or 2012. The financial information for 2013 and 2012 are derived from the statutory accounts for 2013 and 2012. The auditor has reported on both the 2013 and 2012 accounts; their reports were (i) unmodified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their reports and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The 2012 statutory accounts have been delivered to the registrar of companies; the 2013 accounts will be filed in due course.

Full financial statements for the year ended 31 December 2013 will shortly be published on the Groups website at www.amaramining.com and posted to shareholders and, after adoption at the Annual General Meeting on 4 June 2014, they will be delivered to the registrar.

2 BASIS OF PREPARATION, ACCOUNTING POLICIES AND GOING CONCERN

Whilst the financial information included in this preliminary announcement has been presented in accordance with International Financial Reporting Standards as adopted by the EU (IFRS), this announcement in itself does not constitute full compliance with IFRS. Details of the accounting policies are those set out in the annual report for the year ended 31 December 2012. These accounting policies have remained unchanged for the financial year ended 31 December 2013 except for those new standards issued and adopted in the year.

The Directors regularly review cashflow forecasts to determine whether the Group has sufficient cash reserves to meet future working capital requirements, progress its exploration projects and take advantage of business opportunities that may arise. The Group manages its treasury function to ensure that cash is primarily held in politically stable countries. This minimises the risk of political events preventing the Group from continuing to make payments required for the Group's operations to continue.

Included in the Group's cash flow forecasts are amounts from the placement of shares announced on 21 March 2014 and approved by shareholders on 11 April 2014. The receipt of the funds from the placement has yet to be received as such receipt is subject to certain administrative tasks. However, the placement is guaranteed by irrevocable contracts and has been approved by the Board of Directors and the shareholders; accordingly the inclusion of such inflow of funds is deeded suitable for cash flow planning purposes.

Based on current performance and forecast cash flows the Directors are satisfied that the Group has sufficient cash resources to meet its financial obligations as they fall due for the foreseeable future. Accordingly the Directors have concluded that it is appropriate for the financial statements to be prepared on a going concern basis.

3 DIVIDENDS

The directors do not recommend the payment of a dividend (2012: nil).

4 SEGMENTAL REPORTING

Operating segments have been identified on the basis of internal reports about components of the Group that are regularly reviewed by the Group's chief operating decision maker. The Group's chief operating decision maker is considered by management to be the Board of Directors. The operating segments included in internal reports are determined on the basis of their significance to the Group. In particular, operating mines are reported as separate segments together with exploration projects that have significant capitalised expenditure. An analysis of the Group's business segments is set out below.

	Kalsaka/ Sega	Yaoure	Baomahun	All other segments	Total
	US$000	US$000	US$000	US$000	US$000
Year ended 31 December 2013					
External revenue – sale of gold	56,798	-	-	-	56,798
Direct costs of production	(49,822)	-	-	(175)	(49,997)
Other operating and administrative costs	(8,750)	-	-	(5,619)	(14,369)
Segmental result - EBITDA	(1,774)	-	-	(5,794)	(7,568)
Total assets	84,635	43,388	86,031	6,496	220,550
Capital expenditure	14,085	9,090	8,110	3	31,288

An impairment totalling US$14.7m (2012: nil) was recognised against the Kalsaka/Sega operating segment - further detail is given in note 7.

	Kalsaka	Yaoure	Baomahun	All other segments	Total
	US$000	US$000	US$000	US$000	US$000
Year ended 31 December 2012					
External revenue – sale of gold	89,370	2,289	-	-	91,659
Direct costs of production	(46,428)	(3,149)	-	-	(49,577)
Other operating and administrative costs	(7,729)	(2,514)	-	(7,859)	(18,102)
Segmental result - EBITDA	35,213	(3,374)	-	(7,859)	23,980
Total assets	74,654	35,965	78,977	26,754	216,350
Capital expenditure	38,592	14,221	18,518	1,799	73,130

In 2013 the Group had two customers (2012: two).	2013	2012
	%	%
Customer A	52	85
Customer B	48	15

The segmental result reported represents earnings before interest, tax, depreciation and amortisation (EBITDA) and excludes share option charges, which is the measure of segmental profit regularly reported to the board of Directors. The accounting policies of the reporting segments are different from the Group's accounting policies as follows:

- Pre-commissioning income and expenditure at operating mines is not capitalised in the segmental results.
- Income is accrued for gold bullion on hand at the period end in segmental results and, accordingly, no stock is recognised for this item.
- The depreciation charge against segmental assets is based on a different total asset cost compared to the statutory accounts due to the fact that income and expenditure is not capitalised during the commissioning period. In addition, the total asset cost is depreciated from the commencement of mining operations.

SEGMENTAL REPORTING (continued)

A reconciliation of segmental revenue to the statutory financial statements is as follows:

	2013 US$000	2012 US$000
Revenue for reportable segments	56,798	91,659
Change in accrued revenue for gold bullion stock at year-end	(4,395)	(339)
Revenue for statutory accounts	52,403	91,320

A reconciliation of EBITDA to (loss)/profit before taxation is as follows:

	2013 US$000	2012 US$000
EBITDA for reportable segments	(7,568)	23,980
Depreciation and amortisation	(6,608)	(9,825)
Share based payments	(968)	(786)
Net interest payable	(1,205)	(162)
Loss on disposal of fixed assets	82	(64)
Impairment of stock-pile	(3,172)	-
Change in accrued revenue for gold bullion stock at year-end	(1,210)	115
Impairment of deferred exploration and evaluation costs	(9,747)	(4,374)
Impairment of mine development and associated property, plant and equipment costs	(20,118)	-
Exchange rate variance	(655)	(40)
Provision for Burkinabe tax audit	-	(925)
VAT provision (provided)/released net of direct fees in year	(782)	608
(Loss)/profit before taxation	(51,951)	8,527

A reconciliation of segmental assets to the statutory financial statements is as follows:

	2013 US$000	2012 US$000
Total assets for reportable segments	220,550	216,350
EBITDA capitalised during commissioning phase of mining operations	5,962	5,962
Differences in depreciation and amortisation	749	749
Impairment of non-current assets	(51,779)	(21,914)
Accrued revenue for gold bullion stock at year-end	1,210	(115)
Total assets	176,692	201,032

Geographic information

	Burkina Faso US$000	Côte d'Ivoire US$000	Sierra Leone US$000	UK US$000	Other US$000	Total US$000
Year ended 31 December 2013						
Revenue	52,403	-	-	-	-	52,403
Non-current assets	18,711	29,830	85,672	154	477	134,844
Year ended 31 December 2012						
Revenue	89,031	2,289	-	-	-	91,320
Non-current assets	42,513	23,727	78,032	220	3	144,495

5 LOSS PER SHARE

	2013	2012
The calculation of the basic and diluted loss per share is based on the following data:	US$000	US$000
Loss for the purposes of loss per share (net loss for the year attributable to equity holders of the parent)	(47,096)	(351)
Number of shares		
Weighted average number of ordinary shares for the year ('000's)	173,086	158,065
Effect of share options in issue	-[1]	-[1]
Weighted average for the purposes of diluted loss per share ('000's)	173,086	158,065

[1] Due to the loss incurred in 2013 and 2012 the effect of the share options in issue (totalling 15,030,000 and 10,000,980 respectively) are anti-dilutive and consequently not included in the calculation of diluted loss per share

6 INTANGIBLE ASSETS

	Exploration and mining rights US$000	Deferred exploration and evaluation costs US$000	Total US$000
COST			
At 1 January 2012	30,223	43,937	74,160
Additions	26,325	35,709	62,034
Impairment	-	(4,374)	(4,374)
Transfer to property, plant and equipment	-	(4,858)	(4,858)
At 31 December 2012	56,548	70,414	126,962
Additions	-	22,253	22,253
Impairment	-	(9,747)	(9,747)
Transfer (to)/from property, plant and equipment	(26,326)	4,206	(22,120)
At 31 December 2013	30,222	87,126	117,348
AMORTISATION			
At 1 January 2012	6,133	-	6,133
Charge for the year	716	-	716
At 31 December 2012	6,849	-	6,849
Charge for the year	277	-	277
At 31 December 2013	7,126	-	7,126
NET BOOK VALUE			
At 31 December 2013	23,096	87,126	110,222
At 31 December 2012	49,699	70,414	120,113
At 1 January 2012	24,090	43,937	68,027

Included above is an amount of US$80.4 million in relation to the Baomahun Gold Project. A further US$5.3m is included within Property Plant and Equipment in Note 7 relating to Baomahun. These amounts are recoverable through the exploitation or sale of the project. In order to recover this amount through exploitation significant additional funds would be required to construct an operating mine.

Also included above is US$29.1m in relation to the Yaoure Gold Project. A further US$0.7m is included within Property Plant and Equipment in Note 7 relating to Yaoure. Yaoure faces the same risk as described above for Baomahun.

7 PROPERTY, PLANT AND EQUIPMENT

	Assets in the course of construction US$000	Mining, development and associated property, plant and equipment cost US$000	Motor vehicles, office equipment, fixtures & computers US$000	Total US$000
COST				
At 1 January 2012	-	73,267	5,918	79,185
Additions	4,543	4,895	1,658	11,096
Transfer	-	4,858	-	4,858
Disposals	-	-	(223)	(223)
At 31 December 2012	4,543	83,020	7,353	94,916
Additions	-	8,854	181	9,035
Impairment	-	(20,118)	-	(20,118)
Business combination	-	-	709	709
Transfer	-	22,157	(37)	22,120
Disposals	-	(101)	(98)	(199)
At 31 December 2013	4,543	93,812	8,108	106,463
DEPRECIATION				
At 1 January 2012	-	57,641	4,091	61,732
Charge for the year	-	7,719	1,242	8,961
Disposals	-	-	(159)	(159)
At 31 December 2012	-	65,360	5,174	70,534
Charge for the year	-	13,170	592	13,762
Disposals	-	(10)	(31)	(41)
At 31 December 2013	-	78,520	5,735	84,255
NET BOOK VALUE				
At 31 December 2013	4,543	15,292	2,373	22,208
At 31 December 2012	4,543	17,660	2,179	24,382
At 1 January 2012	-	15,626	1,827	17,453

Impairment reviews

In accordance with IAS 36 - Impairment of Assets, the group assesses whether there are any indicators of impairment of its assets at the end of each reporting period. Due to the reduction in the spot price of gold during 2013 impairment reviews were carried out on the Group's main cash generating units (CGU). Further to these reviews an impairment charge was recognised in respect of the Kalsaka/Sega CGU.

Kalsaka/Sega

The reduction in the price of gold led to the decision in 2013 to re-optimise the Sega gold resource using lower priced pit-shells. The revised mine schedule estimated less gold production and a shorter mine life which results in a reduced recoverable amount. Accordingly, an impairment charge totalling US$14.7m has been recognised.

The recoverable amount was calculated by reference to value in use - using a discounted cash flow model on the re-optimised mine plan. Given the relative short-term life (estimated 12 months) of the mine a gold price of US$1,300 and a post-tax discount rate of 5% were deemed appropriate. The table below presents reasonably possible changes to key assumptions in the value in use calculation:

	US$000	US$000	US$000	US$000
Gold price sensitivity +/(-)	US$(200)/oz	US$(100)/oz	US$100/oz	US$200/oz
Impact on impairment charge	(10,869)	(5,435)	5,435	10,869
Gold production sensitivity +/(-)	(20)%	(10)%	10%	20%
Impact on impairment charge	(14,066)	(7,033)	7,033	14,066

The relative short-term nature of the mine means that the value in use calculation is insensitive to changes in production costs or the discount rate.

A further impairment totalling US$2.8m against the ZR reserve at Kalsaka, which was transferred to mine development on 31 December 2012, was recognised to reflect that this ore body will not be mined in the lower gold price environment.

Yaoure - residual plant impairment

A detailed review of the carrying value of the residual heap leach plant equipment was performed by reference to resale value. An impairment charge totalling US$2.6m was recognised against this equipment.

Included in the residual mining, development and associated property, plant & equipment cost is US$4.2m relating to the Yaoure resource that was not exploited prior to the cessation of the heap leach activities in 2011. This amount has been transferred back to deferred exploration and evaluation costs.

8 BUSINESS COMBINATION

On 25 November 2013 the company acquired 100% of the issued share capital of AUMJ Limited, a dormant holding company incorporated in Jersey, from Amlib Holdings plc. AUMJ Limited is the 100% shareholder of Amlib Drilling Services (Liberia) Inc. (ADSL) a company incorporated in Liberia which was included in the acquisition.

ADSL is a drilling company based in Monrovia, Liberia and the acquisition will enable the company to utilise ADSLs drill assets, including three fully operational diamond drill rigs. In addition, ADSL holds the exploration rights to three licence tenements in Liberia.

Consideration totalled US$10.8m and was settled by the issuance of 51,846,782 ordinary shares of 1p:

FAIR VALUE OF CONSIDERATION	US$000
51,846,782 ordinary shares of 1p of Amara Mining plc	10,784

The fair value of the shares issued was measured using the closing market price on the date of acquisition.

FAIR VALUE OF ASSETS ACQUIRED	Book value	Fair value adjustment	Fair value
	US$000	US$000	US$000
Intangible assets - exploration and mining rights	-	-	-
Property, plant and equipment	1,415	(706)	709
Cash and cash equivalents	10,000	-	10,000
Other assets and receivables	825	(496)	329
Other payables	(254)	-	(254)
	11,986	(1,202)	10,784

The fair value of consideration is considered to be the same as the fair value of the assets acquired. A deferred tax asset totalling US$196k has not been recognised in respect of the fair value adjustments as it is unclear when they may be utilised.

9 EVENTS AFTER THE REPORTING PERIOD

On 21 March the Company announced the placement of 107,058,823 ordinary shares of 1p at 17p together with an open offer to existing shareholder of up to 24,468,439 additional ordinary shares of 1p also priced at 17p. In the event of a full take up on the open offer the Company will have 351,743,216 shares in issue.

The placement and open offer was subject to shareholder approval which was sought and received at the General Meeting held on 11 April 2014.

This report includes certain "forward-looking information" within the meaning of applicable Canadian securities legislation.

All statements other than statements of historical fact included in this report, including, without limitation, the positioning of the Company for future success, anticipated production at Kalsaka and cash flow from Kalsaka, expected grade of material processed from Sega, statements regarding the exploration, drilling results, Mineral Resource update and potential future production at Yaoure and Baomahun, the timing of the pre-feasibility study for Yaoure, and future capital plans and objectives of Amara, are forward-looking information that involve various risks and uncertainties. There can be no assurance that such statements will prove to be accurate and actual results and future events could differ materially from those anticipated in such statements. Important factors that could cause actual results to differ materially from Amara's expectations include, among others, risks related to international operations, the actual results of current exploration and drilling activities, changes in project parameters as plans continue to be refined as well as future price of gold. Although Amara has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. Amara does not undertake to update any forward-looking statements that are included herein, except in accordance with applicable securities laws.

Non IFRS Measures – EBITDA (Earnings Before Interest, Income Taxes, Depreciation and Amortization), cash cost per ounce and average realised gold price are financial measures used by many investors to *compare mining companies on the basis of operating results, asset value and the ability to incur and service debt. EBITDA is used because Amara's net income alone does not give an accurate picture of its cash generating potential. Management believes that EBITDA is an important measure in evaluating the Company's financial performance, ability to fund future capital expenditures and repay any future project financing, and in determining whether to invest in Amara. Similarly, cash cost per ounce and average realised gold price are measures that are considered key measures by Amara in evaluating the Company's operating performance. However, EBITDA, cash cost per ounce and average realised gold price are not measures of financial performance, nor do they have a standardized meaning prescribed by IFRS, and may not be comparable to similar measures presented by other companies. Investors are cautioned that EBITDA should not be construed as an alternative to net income or loss determined in accordance with IFRS as an indicator of Amara's performance or to cash flows from operating, investing and financing activities of liquidity and cash flows. These measures have been described and presented in this document in order to provide shareholders and potential investors with additional information regarding the Company's operational performance, liquidity and its ability generate funds to finance its operations.*

Peter Brown is a "Qualified Person" within the definition of National Instrument 43-101 and has verified the data disclosed in this release, including sampling, analytical and test data underlying the information contained herein, and reviewed and approved the information contained within this announcement. Dr Brown (MIMMM) is the Group Exploration Manager.

Appendix A

Company	Project	Country	Av. Annual Production[1,3]	Life of Mine[1]	IRR at US$1,250[2]	IRR at US$1,100[2]
Amara Mining	**Yaoure**	**Côte d'Ivoire**	**325,000oz**	**12 years**	**32%**	**23%**
Papillon Resources	Fekola	Mali	306,000oz	9 years	36%	26%
Asanko Gold	Asanko (Obotan)	Ghana	200,000oz	12 years	25%	17%
Asanko Gold	Asanko (Esaase)	Ghana	200,000oz	10 years	17%	10%
Orezone Gold Corp.	Bomboré	Burkina Faso	123,000oz	8 years	19%	10%
Aureus Mining	New Liberty	Liberia	107,375oz	8 years	18%	9%
True Gold Mining	Karma	Burkina Faso	90,000oz	10 years	27%	20%

Roxgold	Yaramoko	Burkina Faso	73,900oz	10 years	40%	30%
Gryphon Minerals	Banfora	Burkina Faso	71,000oz	9 years	24%	14%

Notes

1. Source: RMG Intierra database
2. Source: BMO Capital Markets gold sector report, 27 November 2013 excluding Yaoure (Amara company data)
3. Projected average annual production

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[i] A junior miner is defined here as an explorer/developer or a producer with projected FY14 production of <200koz

[ii] Centamin plc's Sukari Gold Mine is the only one of the other top 9 African gold mines by production not held by a major. The remaining eight are held by Gold Fields (Tarkwa), Sibanye Gold (Driefontein and Kloof), Randgold Resources (Loulo), Newmont Mining (Ahafo) and AngloGold Ashanti (Geita, Mponeng and Siguiri)

[iii] See NI 43-101 compliant technical report entitled, 'Yaoure Gold Project, Côte d'Ivoire, Technical Report and Mineral Resource Estimates', dated 22 January 2014

[iv] See press release entitled, 'Preliminary Economic Assessment for Yaoure Gold Project confirms strong financial returns', dated 12 March 2014

[v] See NI 43-101 compliant technical report entitled, 'Feasibility Study of the Baomahun Project in Sierra Leone NI 43-101 Technical Report', dated 28 June 2013

[vi] See press release entitled, 'Results of first phase of Baomahun optimisation work', dated 30 January 2014

[vii] See press release entitled, 'Acquisition of new Burkina Faso gold project', dated 03 February 2012

[viii] See press release entitled, '2013 Production Results for Kalsaka/Sega Gold Mine', dated 20 January 2014

[ix] See press release entitled, H1/Q2 2013 Results', dated 10 September 2013