MARIANA RESOURCES LIMITED

(Incorporated in Guernsey, Registered No. 44276)

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Six months ended

30 June 2016

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Mariana Resources Limited

Incorporated in Guernsey Reg. No. 44276

Report for the six-months ended 30 June 2016

Chief Executive Officer's Review

Dear Shareholder,

The first six months of the year have been a period of significant and continued progress for the Company, both operationally and corporately, which has been reflected in a 170% increase in the Company's share price in the first six months of the calendar year. Today Mariana is an exciting exploration and development Company, with an exceptional high grade gold-copper asset in Hot Maden.

Hot Maden High Grade Gold and Copper Project in North East Turkey- Development

Hot Maden, in north-eastern Turkey, has been the Company's main area of focus during the period and, from the work completed, the Board is confident that this project has the potential to develop into a truly exceptional high grade gold-copper mine.

The signing of the Shareholder and JV Agreement (SHA) with Lidya Madencilik Sanayi ve Tiecaret A.S. ("Lidya") at the beginning of the year was a very significant stepping stone for the Company as it further cemented the relationship and provides a road map for the JV to fast track the Hot Maden project. The Company is delighted to be working together at Hot Maden with Lidya, a well-respected Turkish partner with a highly qualified and experienced team.

Hot Maden continues to produce exceptionally high grade results and in February Mariana announced its best drill hole to date, with the HTD-34 intersecting 71.0m @ 32.7 g/t Au +1.9% Cu. Further drill holes, HTD-36 to HTD-50, provided exciting results whilst also enhancing the Company's geological understanding of the Hot Maden project and intersecting some of the highest grade zinc intervals to date.

Early in the second half of the year, the Company produced an updated Mineral Resource estimate for Hot Maden. This was prepared by independent mining consultants RungePincockMinarco ("RPM") and was based on the assay results received from drill holes up to, and including, HTD-62. The update in the indicated category represented a 69% increase from the August 2015 report, with the newly discovered Southern zone delivering a maiden inferred resource of some 351,000 Oz gold equivalent from just 17 drill holes. Summary details are as follows (for full details see announcement issued on 25 July 2016):

- *Indicated (100% basis): 2.79 Million Oz Gold + 166,000 Tonnes Cu (3.43 Million Oz Au equivalent)*
- *Inferred (100% basis): 375,000 Oz Gold + 17,000 Tonnes Cu (439,000 Oz Gold Equivalent), and Zinc Zone - Indicated (100% basis): 11,600 Tonnes Zinc*
- *Inferred (100% basis): 114,000 Tonnes Zinc*

The on-going programme at Hot Maden has delivered outstanding results in the period, justifying the Board's confidence and excitement in this project, as well their decision to focus the majority of the Company's resources and time on the project. The Company looks forward to providing further updates as the work programme continues.

Argentina- Santa Cruz Province – Advanced Exploration

The Company's assets in Santa Cruz Province, Argentina, remain the next highest priority after Hot Maden. Whilst little activity has been reported during the period, the retention of our low-cost exploration profile has enabled Mariana to now position and elevate the level of activity going forward. In conjunction with an improved political situation in Argentina, the direct result of a new pro-business government, investor appetite and interest is increasing for Argentina. Under this backdrop, Mariana has repositioned its assets in Santa Cruz for growth and further value creation potential.

Other Assets- Early stage Exploration

In Turkey the Ergama Project consists of targets including near surface high and intermediate sulfidation epithermal gold-silver mineralisation with a porphyry gold-copper system underneath. This project is ready to drill and Mariana is hoping to test these targets later this year.

On the Dona Ines Gold Silver and Exploradora Copper Gold project, in Northern Chile, scout drilling was completed in the first half of 2016. However, due to immaterial and disappointing assay results the Company has decided to drop these licenses. Mariana still believes Chile to be a prospective destination and remains committed to the region.

During the period under review the Company decided to withdraw from the Nassau Gold Project in Suriname. Whilst the Company continues to believe that Suriname is an attractive destination the results to date, and the milestones achieved, from the Nassau project have not been as the Company had hoped. As such, taking into account the geological results obtained versus expenditure requirements, the decision to withdraw was made. Mariana retains a 10.2% interest in the Nassau project and will pursue other opportunities in country.

The Company will continue to grow and advance its portfolio whilst prioritising appropriate opportunities in order to strengthen the portfolio along Mariana's development curve.

Financial

The Mariana group made a consolidated loss of £2,636,956 for the six-months ended 30 June 2016 (half year ended 30 June 2015: £2,918,185). At 30 June 2016 Mariana had cash and cash equivalents of £5,766,350 (31 December 2015: £1,520,374).

During the period the Company also announced that it raised £6 million through the issuance of 330,000,001 shares by way of a Private Placing. These funds were mainly for the advancement of the Hot Maden project, its portfolio, and working capital and leaves the Company well funded into 2017. Following the fund-raise the Company is delighted to announce that it has secured a much stronger investor base, a further endorsement and vote of confidence in the Hot Maden project. Mariana is continuing to attract major institutional investors with the most notable on our share register at present being:- Exploration Capital Partners 2014 Partnership (Sprott Group), Sandstorm Gold Limited (SSL), and Resource Capital Funds VI LP(RCF).

The Company now has the funds it requires to take it comfortably through the next 12-18 months.

Post Period

On 6th July 2016, it was announced that two new non-executive directors, Mustafa Aksoy and Ron Ho had been appointed thereby reflecting our strengthening relationship with Lidya and Sandstorm Gold respectively. Both Mustafa and Ron have significant complementary experience and knowledge, which will help Mariana as the Company progresses its strategy.

On 26th July 2016, the Company announced that trading had commenced on the TSX Venture Exchange (TSXV) under the symbol: MRA. The decision to dual-list the Company was taken at what the Board believed to be an opportune time as the market began to show more positive signs in relation to gold; along with the growth in visibility the Company gained stronger institutional following in Canada and the US. The Company believes that the listing on the TSXV will provide access to a much wider capital pool for future fundraisings as the markets improve and the listing will support its growing North American investor base.

On 27th July 2016, the Company announced that 25,000 warrants, relating to the October 2015 Private placement, were exercised at the consolidated figure of 30p each. The Company issued and allotted 25,000 new ordinary shares resulting in the total issued share capital being 119,956,827 ordinary shares in the Company (after taking into account the 1 for 10 share consolidation approved by shareholders at the Annual General Meeting held on the 30 June 2016.

On 24th August 2016, the Company announced that it had taken the decision to discontinue at its Dona Ines Gold Silver and Exploradora Copper Gold projects located in Northern Chile due to the immaterial and disappointing scout drilling results. The company estimates project costs to be written off will total approximately £260,000.

Conclusion

During the period under review, the Company has continued to grow and evolve from being a pure junior exploration company, listed on AIM, to become a dynamic entrepreneurial precious metals company with a focussed strategy of progressing economically exciting projects up the development curve. The Board and I believe that Mariana is now well positioned to continue to deliver this strategy, being sufficiently funded and able to take advantage of the current upward momentum in the gold space, as well as the investor appetite.

Hot Maden is an exceptional asset and continues to deliver outstanding results. This project, therefore, will undoubtedly remain the Company's focus with the objective of fast tracking its development in association with Lidya in order to effectively generate the best value for our shareholders. The Board, given the results and work carried out to date, has great confidence in the potential of this asset and looks forward to developing Hot Maden further with our partner during the year ahead whilst continuing to assess a pipeline of future projects.

I am delighted that the period under review has seen our share price rise by 170% and I would therefore like to take this opportunity to thank our shareholders, fellow directors and staff for their continued efforts and support as the Company enters the next exciting stage of its development.

On behalf of the Board,

"G. Parsons"

G. Parsons – Chief Executive Officer
26th August 2016

Mariana Resources Limited and its controlled entities

Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six-months ended 30 June 2016

	Notes	30 June 2016 Unaudited £	30 June 2015 Unaudited £
Revenue		8,842	102,382
Employee and directors benefits expense		(1,016,861)	(608,416)
Professional services expense		(186,324)	(233,632)
Marketing expense		(56,113)	(37,181)
Administrative and other expense		(38,253)	(49,419)
Travel expense		(71,673)	(112,388)
Occupancy expense		(14,744)	(22,337)
Finance cost		-	(85,361)
Write off/impairment of deferred exploration costs		(1,526,783)	(828,294)
Depreciation expense		(12,344)	(20,152)
Exchange losses		204,363	(1,028,652)
Gain on sale of investment		-	5,265
Gain on investment in associate		195,781	-
Share of associate's loss		(122,847)	-
Loss before Tax		**(2,636,956)**	**(2,918,185)**
Tax		-	-
Loss for the period		**(2,636,956)**	**(2,918,185)**
Other comprehensive income			
Other comprehensive income to be reclassified to profit or loss on subsequent periods			
Exchange differences on translation of foreign operations		(134,123)	460,471
Total comprehensive loss for the period		**(2,771,079)**	**(2,457,714)**
Loss attributable to :			
Equity holders of the parent		(2,630,970)	(2,918,185)
Non-controlling interests		(5,986)	-
		(2,636,956)	**(2,918,185)**
Total comprehensive loss attributable to:			
Equity holders of the parent		(2,770,711)	(2,457,714)
Non-controlling interests		(368)	-
		(2,771,079)	**(2,457,714)**
		Pence	**Pence**
Loss per share – basic and diluted		(0.28)	(0.43)

Mariana Resources Limited and its controlled entities

Interim Consolidated Statement of Financial Position as at 30 June 2016

	Notes	30 June 2016 Unaudited £	31 December 2015 Unaudited £
ASSETS			
Non-current assets			
Deferred exploration costs	3	4,767,589	5,810,525
Property, plant and equipment		148,830	174,484
Goodwill		88,057	88,057
Investment in an associate	5	1,645,352	893,051
Financial asset	10	115,109	-
Other		712,250	725,851
		7,477,187	7,691,968
Current assets			
Other receivables and pre-payments		268,879	167,582
Cash and cash equivalents		5,766,350	1,520,374
		6,035,229	1,687,956
TOTAL ASSETS		**13,512,416**	**9,379,924**
LIABILITIES			
Non-current liabilities			
Finance lease liability	10	325	700
Other		-	358
		325	1,058
Current Liabilities			
Trade and other payables		431,052	414,637
Provisions		45,935	40,238
Finance lease liability	10	901	753
		477,888	455,628
TOTAL LIABILITIES		**478,213**	**456,686**
NET ASSETS		**13,034,203**	**8,923,238**
EQUITY			
Issued share capital	6	119,931	85,810
Share premium account		47,475,725	41,254,883
Other components of equity	7	8,450,094	7,956,768
Accumulated losses		(43,095,015)	(40,458,059)
Equity attributable to equity holders of the parent		**12,950,735**	**8,839,402**
Non-controlling interest		83,468	83,836
TOTAL EQUITY		**13,034,203**	**8,923,238**

Mariana Resources Limited and its controlled entities
Interim Consolidated Statement of Changes in Equity for the six months ended 30 June 2016 and 30 June 2015

	Share Capital	**Share premium**	**Other components of equity**	**Accumulated losses**	**Total**	**Non-controlling interest**	**Total**
	£	**£**	**£**	**£**	**£**	**£**	**£**
Balance at 1 January 2016 (unaudited)	**85,810**	**41,254,883**	**7,956,768**	**(40,458,059)**	**8,839,402**	**83,836**	**8,923,238**
Issues of shares	34,121	6,220,842	-	-	6,254,963	-	6,254,963
Share-based payment options	-	-	627,449	-	627,449	-	627,449
Non-controlling interest	-	-	5,618	(5,986)	(368)	-	(368)
Transactions with owners	34,121	6,220,842	633,067	(5,986)	6,882,044	-	6,882,044
Loss for the period	-	-	-	(2,630,970)	(2,630,970)	(5,986)	(2,636,956)
Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	(139,741)	-	(139,741)	5,618	(134,123)
Total comprehensive loss for the year	-	-	(139,741)	(2,630,970)	(2,770,711)	(368)	(2,771,079)
Balance at 30 June 2016 (unaudited)	**119,931**	**47,475,725**	**8,450,094**	**(43,095,015)**	**12,950,735**	**83,468**	**13,034,203**
Balance at 1 January 2015 (unaudited)	45,600	35,530,447	4,892,324	(32,686,749)	7,781,622	-	7,781,622
Issues of shares	30,679	3,959,973	-	-	3,990,652	-	3,990,652
Acquisition of Aegean Metals Group	-	-	(21,873)	-	(21,873)	-	(21,873)
Share-based payment options	-	-	358,437	-	358,437	-	358,437
Transactions with owners	30,679	3,959,973	336,564	-	4,327,216	-	4,327,216
Loss for the period	-	-	-	(2,918,185)	(2,918,185)	-	(2,918,185)
Other comprehensive income:							
Exchange differences on translating foreign operations	-	-	-	-	460,471	-	460,471
Total comprehensive loss for the year	-	-	-	(2,918,185)	(2,457,714)	-	(2,457,714)
Balance at 30 June 2015 (unaudited)	**76,279**	**39,490,420**	**5,689,359**	**(35,604,934)**	**9,651,124**	**-**	**9,651,124**

Mariana Resources Limited and its controlled entities

Interim Consolidated Statement Cash Flows for the six months ended 30 June 2016

	30 June 2016 Unaudited £	30 June 2015 Unaudited £
Cash Flow from Operating Activities		
Payments to suppliers & employees	(940,988)	(911,506)
Interest and other income received	7,798	5,242
Net Cash Used in Operating Activities	**(933,190)**	**(906,264)**
Cash Flow from Investing Activities		
Cash balance acquired on acquisition of subsidiary	-	29,471
Payments for purchase of property, plant & equipment	-	(39,354)
Payments for exploration expenditure	(727,667)	(1,136,990)
Payment for joint venture activities	(669,562)	-
Net Cash Used in Investing Activities	**(1,397,229)**	**(1,146,873)**
Cash Flow from Financing Activities		
Proceeds from option agreement with Lidya	-	97,155
Proceeds from termination of convertible note facility	-	116,125
Proceeds from issue of share capital	6,304,512	1,722,200
Payment for share issue costs	(17,885)	-
Net Cash Flow from Financing Activities	**6,286,627**	**1,935,480**
Net increase/(decrease) in cash and cash equivalents	3,956,208	(117,657)
Effect of exchange rate fluctuations on cash held	289,768	144,429
Cash and cash equivalents at the beginning of the period.	1,520,374	821,123
Cash and cash equivalents at the end of the period	**5,766,350**	**847,895**

Mariana Resources Limited and its controlled entities

Notes to the Interim Condensed Consolidated Financial Statements for the six-months ended 30 June 2016

NOTE 1 Corporate Information

Mariana Resources Limited ("Mariana" or the "Company") is a public limited company incorporated and domiciled in Guernsey and is listed on the Alternative Investment Market of the London Stock Exchange. Mariana is a holding company of a group of mineral exploration companies (the "Group"). The Group is involved in mineral exploration in Argentina, Chile, Peru, Suriname and Turkey.

The Company's registered address is Granite House, La Grande Rue, St. Martin, Guernsey.

These interim condensed consolidated financial statements (herein after referred to as "interim financial statements") are for the period 1 January 2016 to 30 June 2016 and were authorised for issue in accordance with a resolution of the directors on the 26th August 2016.

NOTE 2 Basis of preparation and changes to the Group's accounting policies

(a) Basis of preparation

The interim condensed consolidated financial statements for the six months ended 30 June 2016 and six months ended 30 June 2015 are unaudited, and do not constitute financial statements.

These interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34: *Interim Financial Reporting,* as issued by International Accounting Standards Board (IASB).

The interim financial statements do not include all the information and disclosures required in the annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the Group's annual financial statements as at 31 December, 2015 and any public announcements made by Mariana Resources Limited during the interim reporting period.

(b) New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2015, except for the adoption of new standards and interpretations effective as of 1 January 2016. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The nature and the effect of these changes are disclosed below. Although these new standards and amendments apply for the first time in 2016, they do not have a material impact on the annual consolidated financial statements of the Group or the interim condensed consolidated financial statements of the Group. The nature and the impact of each new standard or amendment is described below:

IFRS 14 Regulatory Deferral Accounts
IFRS 14 is an optional standard that allows an entity, whose activities are subject to rate-regulation, to continue applying most of its existing accounting policies for regulatory deferral account balances upon its first-time adoption of IFRS. Entities that adopt IFRS 14 must present the regulatory deferral accounts as separate line items on the statement of financial position and

NOTE 2 Basis of preparation and changes to the Group's accounting policies (continued)

present movements in these account balances as separate line items in the statement of profit or loss and OCI. The standard requires disclosure of the nature of, and risks associated with, the entity's rate-regulation and the effects of that rate-regulation on its financial statements. IFRS 14 is effective for annual periods beginning on or after 1 January 2016. Since the Group is an existing IFRS preparer and is not involved in any rate-regulated activities, this standard does not apply.

Amendments to IFRS 11 Joint Arrangements: Accounting for Acquisitions of Interests

The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business, must apply the relevant IFRS 3 Business Combinations principles for business combination accounting. The amendments also clarify that a previously held interest in a joint operation is not remeasured on the acquisition of an additional interest in the same joint operation if joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group as there has been no interest acquired in a joint operation during the period.

Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation

The amendments clarify the principle in IAS 16 Property, Plant and Equipment and IAS 38 Intangible Assets that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is a part) rather than the economic benefits that are consumed through use of the asset. As a result, a revenue-based method cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortise intangible assets. The amendments are effective prospectively for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact to the Group given that the Group has not used a revenue-based method to depreciate its non-current assets.

Amendments to IAS 16 and IAS 41 Agriculture: Bearer Plants

The amendments change the accounting requirements for biological assets that meet the definition of bearer plants. Under the amendments, biological assets that meet the definition of bearer plants will no longer be within the scope of IAS 41 Agriculture. Instead, IAS 16 will apply. After initial recognition, bearer plants will be measured under IAS 16 at accumulated cost (before maturity) and using either the cost model or revaluation model (after maturity). The amendments also require that produce that grows on bearer plants will remain in the scope of IAS 41 measured at fair value less costs to sell. For government grants related to bearer plants, IAS 20 Accounting for Government Grants and Disclosure of Government Assistance will apply. The amendments are retrospectively effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact to the Group as the Group does not have any bearer plants.

NOTE 2 Basis of preparation and changes to the Group's accounting policies (continued)

Amendments to IAS 27: Equity Method in Separate Financial Statements
The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. Entities already applying IFRS and electing to change to the equity method in their separate financial statements will have to apply that change retrospectively. First-time adopters of IFRS electing to use the equity method in their separate financial statements will be required to apply this method from the date of transition to IFRS. The amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group's consolidated financial statements.

Annual Improvements 2012-2014 Cycle

These improvements are effective for annual periods beginning on or after 1 January 2016. They include:

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations
Assets (or disposal groups) are generally disposed of either through sale or distribution to owners. The amendment clarifies that changing from one of these disposal methods to the other would not be considered a new plan of disposal, rather it is a continuation of the original plan. There is, therefore, no interruption of the application of the requirements in IFRS 5. This amendment must be applied prospectively.

IFRS 7 Financial Instruments: Disclosures

(i) Servicing contracts
The amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and the arrangement against the guidance for continuing involvement in IFRS 7 in order to assess whether the disclosures are required. The assessment of which servicing contracts constitute continuing involvement must be done retrospectively. However, the required disclosures would not need to be provided for any period beginning before the annual period in which the entity first applies the amendments.

(ii) Applicability of the amendments to IFRS 7 to condensed interim financial statements
The amendment clarifies that the offsetting disclosure requirements do not apply to condensed interim financial statements, unless such disclosures provide a significant update to the information reported in the most recent annual report. This amendment must be applied retrospectively.

IAS 19 Employee Benefits
The amendment clarifies that market depth of high quality corporate bonds is assessed based on the currency in which the obligation is denominated, rather than the country where the obligation is located. When there is no deep market for high quality corporate bonds in that currency, government bond rates must be used. This amendment must be applied prospectively.

NOTE 2 Basis of preparation and changes to the Group's accounting policies (continued)

IAS 34 Interim Financial Reporting
The amendment clarifies that the required interim disclosures must either be in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the interim financial report (e.g., in the management commentary or risk report). The other information within the interim financial report must be available to users on the same terms as the interim financial statements and at the same time. This amendment must be applied retrospectively. These amendments do not have any impact on the Group.

Amendments to IAS 1 Disclosure Initiative
The amendments to IAS 1 clarify, rather than significantly change, existing IAS 1 requirements. The amendments clarify:

• The materiality requirements in IAS 1
• That specific line items in the statement(s) of profit or loss and 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
• That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, and classified between those items that will or will not be subsequently reclassified to profit or loss

Furthermore, the amendments clarify 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. These amendments are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group.

Amendments to IFRS 10, IFRS 12 and IAS 28 Investment Entities: Applying the Consolidation Exception
The amendments address issues that have arisen in applying the investment entities exception under IFRS 10 Consolidated Financial Statements. The amendments to IFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

Furthermore, the amendments to IFRS 10 clarify that only a subsidiary of an investment entity that is not an investment entity itself and that provides support services to the investment entity is consolidated. All other subsidiaries of an investment entity are measured at fair value. The amendments to IAS 28 Investments in Associates and Joint Ventures allow the investor, when applying the equity method, to retain the fair value measurement applied by the investment entity associate or joint venture to its interests in subsidiaries.

These amendments must be applied retrospectively and are effective for annual periods beginning on or after 1 January 2016, with early adoption permitted. These amendments do not have any impact on the Group as the Group does not apply the consolidation exception.

Mariana Resources Limited and its controlled entities

Notes to the Interim Condensed Consolidated Financial Statements for the six-months ended 30 June 2016 (continued)

NOTE 2 Basis of preparation and changes to the Group's accounting policies (continued)

(c) **Basis of measurement**

These interim financial statements have been prepared under the historical cost convention and are presented in Pounds Sterling.

(d) **Significant accounting policies**

The interim financial statements have been prepared in accordance with the same accounting policies adopted in the Group's last annual financial statements for the year ended 31 December 2015.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim statements.

(e) **Critical accounting estimates and judgements**

When preparing the interim financial statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the Group's last annual financial statements for the year ended 31 December 2015.

NOTE 3 DEFERRED EXPLORATION COSTS

	Half-year 30 June 2015	Full–year 31 December 2015
	Unaudited	Audited
	£	£
At beginning of period	5,810,525	7,032,792
Exchange differences	(143,801)	(1,887,458)
Additions	742,757	1,804,277
Acquisition of subsidiary	-	905,099
Loss of control of subsidiary	-	(433,027)
Impairment provision/write off	(1,526,783)	(1,611,158)
Transfer to financial asset	(115,109)	-
At end of period	**4,767,589**	**5,810,525**

During the period the Group withdrew from the Nassau Gold Project located in Suriname. This decision was made taking into consideration the following; evaluation of all results received from exploration activities to date, the significant future financial commitment associated with the earn-in agreement and the Company's other, higher priority, opportunities. As a result, an amount of £1,414,581 of project expenditure relating to this project was written off and recorded in the statement of profit or loss for the six months ended 30 June 2016.

Following the write off of project expenditure the Group recognised an investment interest of 10.2% in Nassau Gold Limited, the unlisted entity that holds the right to the interest in the Nassau Gold project, as detailed in the Agreement with Sumin Resources (parent of Nassau Gold Limited) for exploration costs incurred to date. The Group has recognised this investment as a financial asset held at a fair value at 30 June 2016. Refer to Note 10 for further disclosure.

The balance of exploration costs written off during the period relate to general or early stage project expenditures not directly allocated to a project.

NOTE 4 SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their activities and has six reportable segments:

- Argentina – this segment is involved in exploration activities in Argentina
- Chile – this segment is involved in exploration activities in Chile
- Peru - this segment is involved in exploration activities in Peru
- Suriname - this segment is involved in exploration activities in Suriname
- Turkey - this segment is involved in exploration activities in Turkey
- Head Office Operations – this segment is the support function provided to the Group from Guernsey and Australia, including early stage exploration opportunities.

The operating results of each of these segments are regularly reviewed by the Group's chief operating decision makers in order to make decisions about the allocation of resources and assess their performance.

During the six month period to 30 June 2016, there have been no changes from prior periods in the measurement methods used to determine operating and reported segment information.

The following tables present information regarding the Group's operating segments for the six months ended 30 June 2016 and 2015 respectively.

Six months ended 30 June 2016	**Argentina**	**Chile**	**Peru**	**Turkey**	**Suriname**	**Head Office Operations**	**Group**
	£	**£**	**£**	**£**	**£**	**£**	**£**
Segment result	(1,793,744)	(17,861)	(90,661)	(52,262)	-	(682,428)	(2,636,956)
Other segment items Included in the income statement are as follows:							
Depreciation	(11,058)	-	(181)	-	-	(1,105)	(12,344)
Write off/provision for impairment of exploration expenditure	881	-	(28,831)	(42,027)	(1,414,581)	(42,225)	(1,526,783)
Share based payments	-	-	-	-	-	(613,671)	(613,671)
Foreign exchange loss	(1,706,587)	(9,445)	106,560	-	-	1,813,835	204,363

Mariana Resources Limited and its controlled entities

Notes to the Interim Condensed Consolidated Financial Statements for the six-months ended 30 June 2016 (continued)

NOTE 4 SEGMENT INFORMATION (continued)

Six months ended 30 June 2015	Argentina £	Chile £	Peru £	Turkey £	Suriname £	Head Office Operations £	Group £
Segment result	(812,395)	(6,047)	(1,016,714)	(62,789)	-	(1,020,240)	(2,918,185)
Other segment items Included in the income statement are as follows:							
Depreciation	(19,124)	-	-	-	-	(1,028)	(20,152)
Write off/provision for impairment of exploration expenditure	(2,317)	-	(820,265)	(63)	-	(5,649)	(828,294)
Share based payments	-	-	-	-	-	(302,430)	(302,430)
Foreign exchange loss	(695,336)	83	(164,170)	-	-	(169,229)	(1,028,652)

The following tables present the assets and liabilities and exploration expenditure of the Group's operating segments as at 30 June 2016 and 31 December 2015 respectively:

30 June 2016	Argentina £	Chile £	Peru £	Turkey £	Suriname £	Head Office Operations £	Group £
Segment assets	5,234,685	386,086	81,350	1,717,676	115,109	5,977,510	13,512,416
Segment liabilities	(132,812)	(185,003)	(275)	(1,204)	-	(158,919)	(478,213)
Segment net assets	5,101,873	201,083	81,075	1,716,472	115,109	5,818,591	13,034,203
Other segment information							
Exploration expenditure	4,347,903	351,431	50,341	17,914	-	-	4,767,589
Goodwill	-	44,029	-	44,028	-	-	88,057

31 December 2015	Argentina £	Chile £	Peru £	Turkey £	Suriname £	Head Office Operations £	Group £
Segment assets	5,250,443	542,705	88,076	980,449	1,314,696	1,203,555	9,379,924
Segment liabilities	(132,447)	(153,210)	(7,972)	-	-	(163,057)	(456,686)
Segment net assets	5,117,996	389,495	80,104	980,449	1,314,696	1,040,498	8,923,238
Other segment information							
Exploration expenditure	4,328,997	118,189	48,414	229	1,314,696	-	5,810,525
Goodwill	-	44,029	-	44,028	-	-	88,057

NOTE 5 INVESTMENT IN ASSOCIATE

Artmin Madencilik is involved in mineral exploration at the Hot Maden project in north-eastern Turkey. Artmin Madencilik is a private entity that is not listed on any public exchange.

The Group's 30% interest in Artmin Madencilik is accounted for using the equity method in the consolidated financial statements. The Group maintains its interest in the associate through funding its share of the agreed budget of Artmin Madencilik. Artmin Madencilik budget for 2016 consists of expenditure on exploration of US$8 million. The Group funds its share (30%) as required.

(a) Equity accounted balances

The following tables illustrate the summarised financial information of the Group's investment in Artmin Madencilik at 30 June 2016.

	2016 **£**
Current assets	1,416,107
Non-current assets	4,517,944
Current liabilities	(449,545)
Non-current liabilities	-
Equity	5,484,506
Group's carrying amount	**1,645,352**

The Group recognised in the statement of profit or loss for the six months ended 30 June 2016 a gain on its equity investment in Artmin Madencilik of £195,781.

	2016 **£**
Revenue	5,041
Administrative expenses	(129,616)
Exploration expenditure	(252,992)
Other costs	(31,924)
Total net loss	(409,491)
Group's share of net loss	**(122,847)**

The Group recorded its share of net losses in Artmin Madencilik in the statement of profit or loss of £122,847 for the six months ending 30 June 2016.

Mariana Resources Limited and its controlled entities

Notes to the Interim Condensed Consolidated Financial Statements for the six-months ended 30 June 2016 (continued)

NOTE 6 ISSUED SHARE CAPITAL

Allotted, issued and fully paid	**2016 Shares**	**2015 Shares**	**2016 £**	**2015 £**
Ordinary shares of £0.0001 each	**1,199,318,272**	858,108,165	**119,931**	85,810

Following changes to the law in Guernsey, shareholders removed the limit on the number of shares in the Company which may be issued (Authorised capital) from the Company's Articles of Association at the annual general meeting on 29 May 2009.

	2016 £	**2015 £**
At beginning of year	85,810	45,600
Issue of ordinary shares	34,121	40,210
At end of year	**119,931**	**85,810**

During the year the following shares were issued, principally to provide funding for the Company's operations.

Date Issued	**No. of shares issued**	**Issue price £**	**Amount raised £**
10/05/2015	292,000,001	0.01	29,200
10/05/2015	38,000,000	0.01	3,800
12/05/2016	1,410,106	0.01	141
01/06/2016	9,800,000	0.01	980
			34,121

Subsequent to the period end the Company undertook a 1 for 10 shares consolidation exercise, effective 1st July 2016, resulting in a reduction in the number of shares on issue. Refer to Note 12 for further details.

Mariana Resources Limited and its controlled entities

Notes to the Interim Condensed Consolidated Financial Statements for the six-months ended 30 June 2016 (continued)

NOTE 7 OTHER COMPONENTS OF EQUITY

The following table shows the movements on other components of equity:

	Share based payments reserve £	Foreign currency translation reserve £	Treasury Shares £	Total £
Balance at 1 January 2016	**3,282,233**	**4,696,408**	**(21,873)**	**7,956,768**
Share-based payment - options	613,671	-	-	613,671
Share based payments - warrants	13,778	-	-	13,778
Transactions with owners	627,449	-	-	627,449
Other comprehensive income:				
Exchange differences on translating foreign operations	-	(139,741)	-	(139,741)
Non-controlling interest	-	5,618	-	5,618
Total comprehensive (loss) for the year	-	(134,123)	-	(134,123)
Balance at 30 June 2016	**3,909,682**	**4,562,285**	**(21,873)**	**8,450,094**
Balance at 1 January 2015	**2,877,094**	**2,015,230**	**-**	**4,892,324**
Acquisition of subsidiary*	-	-	(21,873)	(21,873)
Share-based payment options	358,437	-	-	358,437
Transactions with owners	358,437	-	(21,873)	336,564
Other comprehensive income/(loss):				
Exchange differences on translating foreign operations	-	460,471	-	460,471
Total comprehensive (loss) for the year	-	460,471	-	460,471
Balance at 30 June 2015	**3,235,531**	**2,475,701**	**(21,873)**	**5,689,359**

NOTE 8 SHARE OPTIONS AND WARRANTS

a) Share options

At 30 June 2016 the Company had 58,728,500 options on issue (31 December 2015: 40,478,500), each of which entitles the holder to receive on exercise, one ordinary share in the company.

i. Number of Options

At 30 June 2016, the following options over ordinary shares of the Company had been granted and not exercised:

Expiry Date	***Exercise Price £***	***Number of Options***
Employees		
31/07/2017	0.02	1,450,000
31/03/2018	0.06	2,500,000
01/03/2019	0.03	8,200,000
01/06/2019	0.0425	7,150,000
		19,300,000
Directors' Options		
16/01/2017	0.0434	380,400
31/07/2017	0.02	950,000
31/03/2018	0.06	1,000,000
31/03/2018	0.08	1,400,000
31/03/2018	0.12	1,800,000
01/03/2019	0.03	7,100,000
01/03/2019	0.05	3,250,000
01/03/2019	0.07	3,250,000
01/06/2019	0.0425	6,800,000
01/06/2019	0.0450	4,000,000
01/06/2019	0.0475	2,700,000
		32,630,400
Other		
16/01/2017	0.0434	2,948,100
31/07/2017	0.02	1,000,000
31/03/2018	0.06	650,000
01/03/2019	0.03	1,700,000
01/06/2019	0.0425	500,000
		6,798,100
Total		**58,728,500 ***

*Subsequent to the period end the Company announced a 1 for 10 consolidation of shares resulting in a reduction in the number of options outstanding. Refer to Note 12 for further details.

NOTE 8 SHARE OPTIONS AND WARRANTS (continued)

ii. Movements in options during the period:

Outstanding at 1 January 2015	**16,400,000**
Issued during the half year	26,828,500
Exercised, expired or cancelled during the half year	(2,750,000)
Outstanding at 30 June 2015	**40,478,500**
Issued during the half year	-
Exercised, expired or cancelled during the half year	-
Outstanding at 31 December 2015	**40,478,500**
Issued during the half year	21,150,000
Exercised, expired or cancelled during the half year	(2,900,000)
Outstanding at 30 June 2016	**58,728,500**

iii. Fair value of options granted

The fair value of options granted during the six months as calculated using a Black-Scholes based model was £ 613,671 (2015: £ 302,430) and has been recognised in the statement of profit or loss for the six months ending 30 June 2016.

The inputs in to the Black-Scholes based model are as follows:

	2016
Weighted average share price at date of grant (in pence)	3.82
Weighted average exercise price (in pence)	4.36
Weighted average expected volatility	1.4
Weighted average expected life (in years)	2.98
Risk free rates	0.6%

The underlying expected volatility was determined by reference to historical data of the Company's shares over the last year on the AIM exchange. No special features inherent to the options granted were incorporated into measurement of fair value.

b) Warrants

i. Movements in warrants during the period:

Outstanding at 1 January 2015	**23,276,800**
Issued during the half year	17,952,970
Exercised, expired or cancelled during the half year	(74,999)
Outstanding at 30 June 2015	**41,154,771**
Issued during the half year	49,825,437
Exercised, expired or cancelled during the half year	(25,639,261
Outstanding at 31 December 2015	**65,340,947**
Issued during the half year	165,000,000
Exercised, expired or cancelled during the half year	(11,210,106)
Outstanding at 30 June 2016	**219,130,841***

*Subsequent to the period end the Company announced a 1 for 10 consolidation of shares resulting in a reduction in the number of warrants outstanding. Refer to Note 12 for further details.

NOTE 8 SHARE OPTIONS AND WARRANTS (continued)

ii. Fair value of warrants granted

The fair value of warrants recognised during the six months ended 30 June 2016 as calculated using a Black-Scholes based model was £13,778 (2014: nil). This cost was recorded against equity as this expense related to the cost of issuing warrants to brokers for services provided in relation to the capital raise completed during the period.

The inputs into the Black Scholes based model are as follows:

	2016
Weighted average share price at date of grant (in pence)	1.82
Weighted average exercise price (in pence)	2.5
Weighted average expected volatility	1.4
Weighted average expected life (in years)	2.01
Risk free rates	0.37%

No other cost has been recorded in relation to warrants issued during the period.

NOTE 9 LOSS PER SHARE

The calculation of basic and diluted loss per ordinary share is based on the following losses and number of shares for the six months to 30 June 2016.

	2016 **£**	**2015** **£**
Loss for the year	(2,636,956)	(2,918,185)
Weighted average number of shares	958,668,045	677,771,378

Due to the loss incurred in the year, there is no dilutive effect from the issue of share options.

NOTE 10 FINANCIAL ASSETS AND LIABILITIES

(i) Summary of financial assets and liabilities by category

The carrying amount and fair value of the Group's financial assets and financial liabilities as recognised in the statement of financial position at 30 June 2016 and 31 December 2015.

	2016 **£**	**2015** **£**
Financial assets		
Other receivables	194,419	58,147
Financial instruments at fair value through profit and loss – unquoted equity shares	115,109	-
Cash and cash equivalents	5,766,350	1,520,374
	6,075,878	**1,578,521**
Total current	5,960,769	**1,578,521**
Total non-current	115,109	-

NOTE 10 FINANCIAL ASSETS AND LIABILITIES (continued)

	2016 £	2015 £
Financial liabilities		
Non-interest bearing liabilities	431,052	414,637
Interest bearing liabilities	1,226	1,453
	432,278	**416,090**
Total current	431,953	415,390
Total non-current	325	700

Financial instruments at fair value through profit and loss – relates to the Group's interest in Nassau Gold Limited, an unlisted company that has an ownership interest in the Nassau Gold project located in Suriname. The Group holds a 10.29% interest in this entity at 30 June 2016.

Non-interest bearing liabilities – consists of trade and other payables that are expected to be settled within 30 days.

Interest bearing liabilities - relates to obligations under a finance lease for office equipment purchased.

(iii) Fair values

The fair value of the financial instruments is included in the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 – Quoted (unadjusted) market prices in active market for identical assets and liabilities.
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurements is directly or indirectly observable.
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Group uses the adjusted net asset method to derive the fair value of the equity instruments held in the unlisted entity Nassau Gold Limited. This method derives the fair value of the equity instruments held by reference to the fair value of investee's assets and liabilities at 30 June 2016. This method is considered the most appropriate given the early stage of the project and the absence of other observable inputs. These inputs are classed as level 3 inputs in the fair value hierarchy – that is they are not based on observable market data (unobservable inputs).

The carrying values of all other financial assets and liabilities are considered to be a reasonable approximation of their fair value due to the short-term nature of these instruments.

NOTE 10 FINANCIAL ASSETS AND LIABILITIES (continued)

(v) Financial risk management objectives and policies

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

Risk Management

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders. The Board monitors operating and capital expenditure commitments to ensure sufficient capital is available.

The capital structure of the Group consists of equity attributable to equity holders of the Parent, comprising issued capital, reserves and accumulated loss..

There are no externally imposed capital requirements.

Financial risk management

Risk management is carried out by the Board of Directors. These risks include market risk (including currency risk and fair value interest risk), credit risk and liquidity risk. The Board reviews and agrees policies for managing each of these risks as summarised below.

- **Market risk management**

Market risk is the risk that changes in market prices, currency rates and interest rates, will affect the Company and Group’s results or the value of its holdings of financial instruments. The objective of market risk management is to manage and monitor market risk exposures within acceptable parameters, while optimising the return on risk.

- **Interest rate risk**

The Group is exposed to interest rate risk as a consequence of its cash and deposits balances which attracts average variable interest rates. All other financial assets and liabilities are non-interest bearing.

NOTE 10 FINANCIAL ASSETS AND LIABILITIES (continued)

- **Foreign currency risk**

The Group's subsidiaries undertake their transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise.

The fair value of the Group's monetary items that have foreign currency exposure at 30 June 2016 and 31 December 2015 are shown below:

	Australian Dollar	Argentina Peso	Chile Peso	US Dollar	Peru Nuevo Sol	Canadian Dollar	Turkish Lira
2016							
Receivables	3,594	22,090	71,230	-	28,428	-	337,522
Cash & cash equivalents	90,899	7,657	107,717	3,380,621	1,290	-	3,150
Trade and other payables	(29,198)	(126,728)	(185,003)	(1,792)	(275)	(22,827)	(1,204)
Foreign currency exposure	**65,295**	**(96,981)**	**(6,056)**	**3,378,829**	**29,443**	**(22,827)**	**339,468**
2015							
Receivables	-	22,814	35,463	-	17,407	-	330,225
Cash & cash equivalents	30,590	9,071	167,333	233,504	313	-	41,769
Trade and other payables	(14,890)	(110,079)	(17,582)	(149,745)	(7,614)	(25,033)	(990)
Foreign currency exposure	15,700	(78,194)	185,214	83,759	10,106	(25,033)	371,004

The above amounts are not representative of the exposure to risk during the year, because the levels of monetary foreign currency exposure change significantly throughout the year. The Board monitors exposure to foreign exchange risk and the Group's exposure to material change in its ability to meet its operational commitments in foreign countries is mitigated by maintaining funds in various currencies. The Board's current policy is to not enter into hedging contracts.

Foreign currency sensitivity analysis

The Group is mainly exposed to the Australian Dollar, US Dollar, Argentina Peso, Chilean Peso, Turkish Lira and Peruvian Nuevo Sol as these are the functional currencies of the operating entities outside of Guernsey.

At 30 June 2016, the Group has an exposure to its foreign currency denominated net asset or net liability positions. The sensitivity analysis in the following table adjusts the net foreign currency position at the period end for a 10% strengthening of the GBP against the relevant foreign currency, with the exception of the Argentinean peso where a 20% movement has been used due to the recent devaluation of the peso.

NOTE 10 FINANCIAL ASSETS AND LIABILITIES (continued)

A positive number indicates a gain and a negative number indicates a loss on the net foreign currency denominated monetary position held at 30 June 2016 due to a strengthening of the Pound Sterling against the relevant foreign currency. The resultant gain or loss is dependent on whether the foreign currency denominated balance is in a net asset, or net liability position.

		2016 £	2015 £
Australian Dollar	Profit or loss	(6,529)	(1,570)
	Equity	(6,529)	(1,570)
US Dollar	Profit or loss	(337,883)	(8,376)
	Equity	(337,883)	(8,376)
Argentina Peso	Profit or loss	19,396	7,819
	Equity	19,396	7,819
Chile Peso	Profit or loss	606	(18,521)
	Equity	606	(18,521)
Peruvian Nuevo Sol	Profit or loss	(2,944)	(1,011)
	Equity	(2,944)	(1,011)
Canadian Dollar	Profit or loss	2,283	-
	Equity	2,283	-
Turkish Lira	Profit or loss	(33,947)	(37,100)
	Equity	(33,947)	(37,100)

For a weakening of the Pound Sterling against the relevant foreign currency there will be an equal and opposite impact on the profit or loss and other equity balance for the period to 30 June 2016.

Credit risk management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company and the Group. The Company and the Group have adopted a policy of only dealing with creditworthy counterparties and seek to deposit cash with reputable financial institutions with strong credit ratings as a means of mitigating risk of financial loss from defaults.

Trade receivables consist of minor amounts receivable from a small number of creditworthy counterparties.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit-rating agencies.

Notes to the Interim Condensed Consolidated Financial Statements for the six-months ended 30 June 2016 (continued)

NOTE 10 FINANCIAL ASSETS AND LIABILITIES (continued)

The carrying amount of financial assets recorded in the financial statements which represent Group's maximum exposure to credit risk, are summarised below:

	Maximum credit risk 2016 £	2015 £
Financial assets		
Other receivables	30,844	5,966
Cash and cash equivalents	5,766,350	1,520,374
	5,797,194	1,526,340

Liquidity risk management

Management of the risk
Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Group manages liquidity risks by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows.

Liquidity risk exposure
The contractual maturities of the financial liabilities at 30 June 2016 and 31 December 2015, based on the earliest date on which payment can be required were as follows:

	3 mths or less £	More than 3 mths £	Total £
2016			
Non interest bearing:			
Trade and other payables	431,052	-	431,052
	431,052	-	431,052
Interest bearing			
Finance lease liability	901	325	1,226
	901	325	1,226
2015			
Non interest bearing:			
Trade and other payables	414,637	-	414,637
	414,637	-	414,637
Interest bearing			
Finance lease liability	753	700	1,453
	753	700	1,453

Mariana Resources Limited and its controlled entities

Notes to the Interim Condensed Consolidated Financial Statements for the six-months ended 30 June 2016 (continued)

NOTE 11 RELATED PARTY TRANSACTIONS

Related party disclosures are shown below:

Balances with Related Parties as at 30 June 2016 and 31 December 2015 are as follows:

Related Party	**Relationship**	**Nature of Transaction**	**2016 £**	**2015 £**
Mariana Exploration Pty Ltd	Subsidiary	Intercompany loan	(499,715)	(517,081)
Minera Mariana Argentina S.A.	Subsidiary	Intercompany loan	13,248,222	11,718,557
Mariana Turkey Limited	Subsidiary	Intercompany loan	1,066,409	387,041
Mariana International Limited	Subsidiary	Intercompany loan	1,131,610	1,131,610
Minera Mariana Peru SAC	Indirect Subsidiary	Intercompany loan	3,875,909	3,314,876
Minera AMG Chile Limitada	Subsidiary	Intercompany loan	33,203	33,203

All of the above loans are interest free.

Management fees of £74,869 were paid by Mariana Resources Limited to Mariana Exploration Pty Limited for the period ended 30 June 2016 (2015: £128,326).

The following transactions were entered into with related parties during the half year:

- R Horsburgh – services related to publicity and investor relations £4,028 (2015: £4,365) (Rebecca Horsburgh is daughter-in-law to John Horsburgh, the services are arm's length and on a needs basis).
- Innerleithen Pty ltd – consulting services provide by John Horsburgh £nil (2015: £13,544).
- ER Global Consulting SpA – non-executive director fees: £nil (2015: £878) and executive director fees of £62,960, which have been included in the statement of profit or loss as an employee expense (2015: £72,102).

Purchases or services from related parties are made at arm's length at normal market rates and normal commercial terms.

There is no ultimate controlling party.

Mariana Resources Limited and its controlled entities

Notes to the Interim Condensed Consolidated Financial Statements for the six-months ended 30 June 2015 (continued)

NOTE 12 POST BALANCE SHEET DATE EVENTS

On 1st July 2016, the Company announced the results of the AGM including the passing of Resolution 8 which approved a 1 for 10 consolidation of shares, resulting in the total issued share capital being 119,931,820 ordinary shares in the company. This also resulted in total options outstanding reduced to 5,872,850 and total warrants outstanding reduced to 21,913,084.

On 6th July 2016, announced the appointment to the Board of two new non-executive directors Mustafa Aksoy and Ron Ho, effective 5 July 2016.

On 26th July 2016, the Company announced trading had commenced on the TSX Venture Exchange (TSXV) under the symbol: MRA.

On 27th July 2016, the Company announced that 25,000 warrants, relating to the October 2015 Private placement, were exercised at the consolidated figure of 30p each. The Company issued and allotted 25,000 new ordinary shares resulting in the total issued share capital being 119,956,827 ordinary shares in the company.

On 24th August 2016, the Company announced that it had taken the decision to discontinue at its Dona Ines Gold Silver and Exploradora Copper Gold projects located in Northern Chile due to the immaterial and disappointing scout drilling results. The company estimates project costs to be written off will total approximately £260,000.

For news releases go to the Company's web site at www.marianaresources.com

"G. Parsons"

Signed by authority of the Board.

G.W. Parsons *Director*
26th August 2016