

Mila Resources Plc / Index: LSE / Epic: MILA / Sector: Natural Resources

29 March 2019

Mila Resources Plc
("Mila" or "the Company")
Interim Results

Mila Resources Plc, a London listed natural resources company, is pleased to present its interim results for the six-month period ended 31 December 2018.

Highlights:

- Ongoing appraisal of investment targets in regions and commodities with strong valuation or cash-flow growth potential
- Suspension of trading ahead of a potential reverse take-over while a due diligence process was conducted on a high-grade minerals sand project in Southern Asia.
- Strong balance sheet position with cash balance at the end of the period £573,200 due to continuous prudent financial management. Mila has also negotiated a contribution of £37,500 towards Mila's cost from Capital Metals Limited (CML) subject to them completing a successful listing.

Chairman Statement

I am pleased to present the interim financial statements to shareholders for the six months ended 31 December 2018.

We formed the Company to undertake an acquisition of a controlling interest in a company or business (an "Acquisition"). Any Acquisition is expected to constitute a reverse takeover transaction and consideration for the Acquisition may be in part or in whole in the form of share-based consideration or funded from the Company's existing cash resources or the raising of additional funds.

Following completion of an Acquisition, the objective of the Company will be to add value to the acquired business or asset through the deployment of capital with a view to generating value for its shareholders.

The last year has seen Mila focus on a strategy focused on investments and acquisition targets in certain specific commodities and projects within a particular stage of the development cycle. This strategy has proven challenging to identify explicit targets at valuations that were justifiable.

We recently mutually terminated a proposed reverse takeover of Capital Metals Limited, however we continue to see a strong flow of potential Acquisition opportunities. The Board of Directors, together with the Company's advisers, are constantly evaluating these opportunities to ensure that we secure and

execute the right transaction.

I look forward to reporting our progress to you over the coming months.

Financial Review

For the half year to 31 December 2018, the Company reports a net loss of £104,650 (2017: £124,732). During the six-month period to 31 December 2018, the Company continued its strict financial discipline, incurring a net operating cash outflow of £128,350 (2017: £120,645). The Company held cash at 31 December 2018 of £573,200 (2017: £811,389)

Directors

The following directors have held office during the period:

George Donne

Anthony Eastman

Mark Stephenson

Corporate Governance

The UK Corporate Governance Code (September 2014) ("the Code"), as appended to the Listing Rules, sets out the Principles of Good Corporate Governance and Code Provisions which are applicable to listed companies incorporated in the United Kingdom. As a standard listed company, the Company is not subject to the Code, but the Board recognises the value of applying the principles of the Code where appropriate and proportionate and has endeavoured to do so where practicable.

Responsibility Statement

The Directors are responsible for preparing the Unaudited Interim Condensed Consolidated Financial Statements in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority ("DTR") and with International Accounting Standard 34 on Interim Reporting ("IAS 34"). The directors confirm that, to the best of their knowledge, this condensed consolidated interim report has been prepared in accordance with IAS 34 as adopted by the European Union. The interim management report includes a fair review of the information required by DTR 4.2.7 and DTR 4.2.8, namely:

- an indication of important events that have occurred during the six months ended 31 December 2018 and their impact on the condensed consolidated financial statements for the period, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- related party transactions that have taken place in the six months ended 31 December 2018

and that have materially affected the financial position of the performance of the business during that period.

Outlook

The appetite for listing on the London Standard List is currently appealing to many domestic and international private companies. Mila's current existing investment strategy is to broaden its horizons. Evaluating opportunities across a range of sectors, the company believes will lead to a more efficient process of identifying suitable candidates.

On behalf of the board

Mark Stephenson

Director

29 March 2019

MILA RESOURCES PLC

Interim Statement of Comprehensive Income (Unaudited)

For the six months ended 31 December 2018

	Notes	Six months ended 31 December 2018 Unaudited £	Six months ended 31 December 2017 Unaudited £	Year ended 30 June 2018 Audited £
Revenue		-	-	-
Administrative expenses		(104,650)	(124,732)	(235,264)
Loss before taxation		(104,650)	(124,732)	(235,264)
Income tax expense	3	-	-	-
Loss for the year		(104,650)	(124,732)	(235,264)
Other comprehensive income / (loss)		-	-	-
Total comprehensive loss for				

the year attributable to equity holders

Loss per share (basic and diluted) attributable to equity holders (p)

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(104,650)	(124,732)	(235,264)
(0.45)p	(0.54)p	(1.01)p

The income statement has been prepared on the basis that all operations are continuing operations.

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Interim Statement of Financial Position (Unaudited)

As at 31 December 2018

		At 31 December 2018 Unaudited £	At 31 December 2017 Unaudited £	At 30 June 2018 Audited £
	Note s			
Current assets				
Trade and other receivables		11,651	4,664	8,791
Cash at bank and in hand		573,200	811,389	701,550
		584,851	816,053	710,341
Current liabilities				
Trade and other payables		1,537	17,557	22,377
		1,537	17,557	22,377
Net current assets		583,314	798,496	687,964
Net assets		583,314	798,496	687,964
Equity				
Share capital	5	232,000	232,000	232,000
Share premium	5	849,300	849,300	849,300
Share based payment reserve		4,720	4,720	4,720
Retained losses		(502,706)	(287,524)	(398,056)
Equity attributable to the owners of the parent		583,314	798,496	687,964

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Statements of changes in equity (Unaudited)

For the six months ended 31 December 2018

	Share Capital	Share Premium Account	Share Based Payment Reserve	Retained Loss	TOTAL
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	£	£	£	£	£
Balance at 30 June 2017	232,000	849,300	4,720	(162,792)	923,228
Total comprehensive loss for the period	-	-	-	(235,264)	(235,264)
Balance at 30 June 2018	232,000	849,300	4,720	(398,056)	687,964
Total comprehensive loss for the period	-	-	-	(104,650)	(104,650)
Balance at 31 December 2018	232,000	849,300	4,720	(502,706)	583,314

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Statement of cash flow (Unaudited)

For the six months ended 31 December 2018

	Six months to 31 December 2018 £	Six months to 31 December 2017 £	12 months to 30 June 2018 £
Cash flows from operating activities			
Loss for the period	(104,650)	(124,732)	(235,264)
<i>Adjustments for:</i>			
Costs settled by the payment of shares / warrants	-	-	-
Operating cashflow before working capital movements	(104,650)	(124,732)	(235,264)
(Increase) / decrease in trade and other receivables	(2,860)	(3,423)	(7,550)
Increase / (decrease) in trade and other payables	(20,840)	7,510	12,330
Net cash flow from operating activities	(128,350)	(120,645)	(230,484)
Net increase in cash and cash equivalents	(128,350)	(120,645)	(230,484)
Cash and cash equivalents at beginning of the period	701,550	932,034	932,034
Cash and cash equivalents at end of the period	573,200	811,389	701,550

MILA RESOURCES PLC

Notes to the financial statements

For the six months ended 31 December 2018

1 General information

Mila Resources Plc (the "Company") looks to identify potential companies, businesses or asset(s) that have operations in the natural resources exploration, development and production sector.

The Company is domiciled in the United Kingdom and incorporated and registered in England and Wales, with registration number 09620350.

The Company's registered office is Lockstrood Farm, Ditchling Common, Burgess Hill, West Sussex RH15 0SJ.

2 Accounting policies

The principal accounting policies applied in preparation of these consolidated financial statements are set out below. These policies have been consistently applied unless otherwise stated.

Basis of preparation

The interim unaudited financial statements for the period ended 31 December 2018 have been prepared in accordance with IAS 34 Interim Financial Reporting. This interim financial information is not the Company's statutory financial statements and should be read in conjunction with the annual financial statements for the period ended 30 June 2018, which have been prepared in accordance with International Financial Reporting Standards (IFRS) and have been delivered to the Registrars of Companies. The auditors have reported on those accounts; their report was unqualified, did not include references to any matters which the auditors drew attention by way of emphasis of matter without qualifying their report and did not contain statements under section 498 (2) or (3) of the Companies Act 2006.

The interim financial information for the six months ended 31 December 2018 is unaudited. In the opinion of the Directors, the interim consolidated financial information presents fairly the financial position, and results from operations and cash flows for the period.

The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company, therefore, continues to adopt the going concern basis in preparing its consolidated financial statements.

The financial information of the Company is presented in British Pounds Sterling (£).

Critical accounting estimates and judgements

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, the resulting accounting estimates will, by definition, seldom equal related actual results.

In preparing the interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2018.

3 Income tax expense

No tax is applicable to the Company for the six months ended 31 December 2018. No deferred income tax asset has been recognised in respect of the losses carried forward, due to the uncertainty as to whether the Company will generate sufficient future profits in the foreseeable future to prudently justify this.

For the six months ended 31 December 2018 (cont.)

4 Loss per share

Basic loss per ordinary share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period. Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

There are currently no dilutive potential ordinary shares.

	Earnings £	Weighted average number of shares unit	Per-share amount pence
Loss per share attributed to ordinary shareholders	(104,650)	23,200,000	(0.45)p

5 Share capital

	Number of shares in issue	Share capital £	Share premium £	Total £
Balance at 30 June 2018	23,200,000	232,000	849,300	1,081,300
Movements during the period	-	-	-	-
Balance at 31 December 2018	23,200,000	232,000	849,300	1,081,300

The Company has one class of ordinary share which carries no right to fixed income.

6 Related party disclosures

Remuneration of directors and key management personnel

The remuneration of the Directors during the six-month period to 31 December 2018 amounted to £36,000 (31 December 2017: £36,000).

Shareholdings in the Company

Shares and warrants held by the Directors of the Company which remained unchanged during the period.

	Shares	Warrants ¹
Mr George Donne	200,000	400,000
Mr Anthony Eastman	200,000	400,000
Mr Mark Stephenson	600,000	1,200,000
Balance at 31 December 2018	1,000,000	2,000,000

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¹ Exercisable at £0.05, on or before 31 December 2020.

7 Subsequent events

Termination of talks with Capital Management Limited ("CML")

On the 19th of March 2019, the Company announced an update on the negotiations regarding the acquisition of 100% of the share capital of CML. Unfortunately, the agreement between the two parties did not materialise, resulting in negotiations being terminated by mutual consent.

Resignation of Directors

On the 19th of March 2019, following the termination of talks with CML, Mr George Donne and Mr Anthony Eastman, both Executive Directors, resigned from the board.

New Board Appointment

On the 26th of March 2019, Mr Lee Daniels was appointed as a Non-executive Director.

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