Ampella Mining Limited
ABN 59 121 152 001

Annual Report
31 December 2013

Corporate Directory

Principal Registered Office

Suite 22, 513 Hay Street
Subiaco WA 6008
Ph: 08 6142 0980
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Board

Josef El-Raghy	Executive Chairman
Mark Arnesen	Non-Executive Director
Heidi Brown	Executive Director and Joint Company Secretary
Peter Mansell	Independent Non-Executive Director
Ronnie Beevor	Independent Non-Executive Director
Neil Hackett	Joint Company Secretary

Share Registry

Perth

Computershare Investor Services Pty Limited
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45 St Georges Terrace
Perth WA 6000
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ABN: **59 121 152 001**

Email: **info@ampella.com.au**

Lawyers

Herbert Smith Freehills
Level 36 QV1 Building
250 St Georges Terrace
Perth WA 6000
Australia

Auditors

KPMG
Level 8
235 St Georges Terrace
Perth WA 6000
Australia

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The Directors present their report, together with the consolidated financial statements of the Group comprising of Ampella Mining Limited (the Company) and its subsidiaries for the financial year ended 31 December 2013, and the auditor's report thereon.

1. Directors and Chief Executive Officer

The Directors of the Company at any time during or since the end of the financial year are:

Name, qualifications and independence status	Experience, special responsibilities and other directorships
Josef El-Raghy (appointed Director on 25 February 2014) *B.Com* Executive Chairman (appointed Executive Chairman on 1 March 2014)	*Josef El-Raghy holds a Bachelor of Commerce Degree from the University of Western Australia and was previously a Director of CIBC Wood Gundy and Paterson Ord Minnett. Josef has been responsible for overseeing the transition of Centamin plc from a small explorer, through construction and into production.* *<u>Other current listed directorships</u>* • *Centamin Plc* *<u>Former listed directorships in the last 3 years</u>* • *Nil*
Mark Arnesen (appointed 25 February 2014) B.Com, B Acc Independent Non-Executive Director	*Mark Arnesen has extensive expertise in the structuring and negotiation of finance for major resource projects. He is a Chartered Accountant with over 20 years experience in the international resources industry, including senior roles with the Billiton/Gencor group of companies, Ashanti Goldfields Company Limited, Equinox Minerals Limited and Moto Goldmines Limited. He was a non-executive Director of Natasa Mining Limited (2006/2010) and now sits on their Advisory Board. He was a non-executive Director of Asian Mineral Resources during 2010. He is currently the sole director of ARM Advisors Proprietary Limited and was also on the board of Gulf Industrials Limited as CEO from February 2012 to March 2014. Mark holds a Bachelor of Commerce and Bachelor of Accounting degrees from the University of the Witwatersrand.* *<u>Other current listed directorships</u>* • *Centamin plc (from 30 December 2011)* *<u>Former listed directorships in the last 3 years</u>* • *Gulf Industrials Limited* *Mr Arnesen was appointed as a member of the Audit Committee on 19 March 2014.*

Heidi Brown (appointed Director on 25 February 2014)
FCIS, FCSA
Executive Director (appointed as Joint Company Secretary on 1 March 2014)

Heidi Brown is a Fellow Chartered Secretary (FCIS, FCSA) with over 16 years experience in the finance and securities industries. She holds a Graduate Certificate of Applied Finance and Investment and a Diploma of Financial Advising through the Financial Services Institute of Australasia. Heidi was the Company Secretary of Centamin from 2004 until 2012, and remains the Company Secretary of Centamin's Australian subsidiaries and Centamin Limited.

Other current listed directorships

- *Nil*

Former listed directorships in the last 3 years

- *Nil*

Peter Mansell (resigned as Chairman on 1 March 2014)
B.Com, LLB and Higher Diploma in Tax Law.
Independent Non-Executive Director

Mr Mansell was a corporate and resources lawyer with over 35 years experience.

Other current listed Directorships:

- *Bullabulling Gold Limited*

Mr Mansell is a former chairman of ASX100 listed companies, West Australian Newspapers Ltd, and Zinifex Ltd as well as the chairman of Western Power.

Former listed directorships in the last 3 years

- *OZ Minerals Limited*
- *ThinkSmart Limited*
- *BWP Management Limited, the responsible entity for BWP Trust*
- *Moly Mines Limited*
- *the Euronext listed international smelting and mining company, Nyrstar NV*

Mr Mansell chairs the Nomination and Remuneration Committee and is a member of the Audit Committee and the Health, Safety, Environment and Community Committee.

1. Directors (continued)

Ronnie Beevor
B.A (Hons) Oxford
Independent Non-Executive Director

Mr Beevor is an Investment Banker and a Senior Advisor to Standard Chartered Gryphon Partners, having been previously Head of Investment Banking at NM Rothschild & Sons (Australia) Limited. He has had extensive involvement in the natural resources industry, both in Australia and internationally.

He was formerly a non-executive director of ASX-listed Oxiana Limited and is currently Chairman of EMED Mining Public Limited and Bannerman Resources Limited, and a non-executive Director of Bullabulling Gold Limited, Unity Mining Limited and Wolf Minerals Ltd.

Mr Beevor chairs the Audit Committee and is a member of the Nomination and Remuneration Committee.

Other current listed directorships

- *Bullabulling Gold Limited*
- *Bannerman Resources Limited*
- *EMED Mining Public Limited*
- *Unity Mining Limited*
- *Wolf Minerals Ltd*

Former listed directorships in the last 3 years

- *Rey Resources Limited*
- *Talison Lithium Limited*

Michael Anderson (resigned 25 February 2014)
B.Sc. (Hons) PhD
Non-Executive Director

Dr Anderson has more than 20 years industry experience, largely in southern Africa and Australia. Mr Anderson is currently a Director of Taurus Resource Funds Management Pty Ltd which was the major shareholder of Ampella.

His career commenced as a geologist with Anglo American, followed by roles in the metallurgical and engineering industries with Mintek, Bateman and Kellogg Brown & Root. Mr Anderson subsequently held senior management positions including Corporate Development Manager at Gallery Gold Limited and, most recently, as Managing Director at Exco Resources Limited, where he oversaw the successful development of the White Dam Gold Project, and the sale of the Company's Cloncurry Copper Project to Xstrata.

Dr Anderson was a member of the Nomination and Remuneration Committee and the Technical Committee, and Chaired the Health, Safety, Environment and Community Committee.

Other current listed directorships

1. Directors (continued)

- *Hot Chili Limited*
- *Base Resources Ltd*
- *Alliance Mining Commodities Ltd*

Former listed directorships in the last 3 years

- *Exco Resources Limited*
- *PMI Gold Corporation*

Relevant interests in shares and options

- *All held via a related party: 500,000 ordinary shares in Ampella Mining Limited pursuant to the Ampella Employee Share Acquisition Plan.*

Ronald Renton (resigned 25 February 2014)
B.E (Hons)
Independent Non-Executive Director

Mr Renton has over forty years experience in open pit mining internationally working for companies such as Alcoa, Rio Tinto, BHP, Inco and AngloGold Ashanti. Over ten years of this time has been spent working in francophone West Africa where Mr Renton's ability to operate in both French and English has been invaluable. He has been involved in line management in operations up to Chief Executive Level and Greenfield project development up to Project Director Level.

Mr Renton chaired the Technical Committee and was a member of the Audit Committee and the Health, Safety, Environment and Community Committee.

Paul Kitto Managing Director (until 25 February 2014)
Chief Executive Officer BSc (Hons), Dip Ed, PhD

Dr Kitto has more than 20 years of experience with a range of major mining companies which have included Gold Fields Limited, Renison Goldfields Consolidated and Aurion Gold. More recently he was Africa Exploration Manager for Gold Fields Limited, and then Exploration Director in Russia and CIS for Sun Mining Limited.

Dr Kitto holds a doctorate in geochemistry and structural geology from the Centre for Ore Deposit Research at the University of Tasmania where he was also employed as a Research Fellow.

Dr Kitto was a member of the Health, Safety, Environment and Community Committee, and Technical Committee.

Other current listed directorships

Nil

Former listed directorships in the last 3 years

- *Carbine Resources Limited*

2. Company secretaries

Neil Hackett
B.Econ GDAFI GDFP FFin GAICD (Merit)
Joint Company secretary

Mr Hackett has over 20 years corporate governance and compliance experience with ASX 200 mining entities, diversified industrials, financial services and ASIC. Mr Hackett is a Director of ASX listed entities Azonto Petroleum Ltd, Stratos Resources Ltd, African Chrome Fields Ltd, Modun Resources Ltd and company secretary of Steel Blue Footwear Pty Ltd.

Heidi Brown
FCIS, FCSA
Joint Company Secretary (appointed 1 March 2014)

Heidi Brown is a Fellow Chartered Secretary (FCIS, FCSA) with over 16 years experience in the finance and securities industries. She holds a Graduate Certificate of Applied Finance and Investment and a Diploma of Financial Advising through the Financial Services Institute of Australasia. Heidi was the Company Secretary of Centamin from 2004 until 2012, and remains the Company Secretary of Centamin's Australian subsidiaries and Centamin Limited.

3. Directors' meetings

The number of Directors' meetings (including meetings of committees of Directors) and number of meetings attended by each of the Directors of the Company during the 2013 financial year were:

Director	Board Meetings		Audit Committee Meetings		Nomination & Remuneration Committee Meetings		HSEC Committee Meetings		Technical Committee Meetings	
	A	**B**	**A**	**B**	**A**	**B**	**A**	**B**	**A**	**B**
Peter Mansell	9	9	6	6	6	6	N/A	N/A	N/A	N/A
Paul Kitto	8	9	N/A	N/A	N/A	N/A	3	3	4	4
Michael Anderson	8	9	N/A	N/A	6	6	3	3	4	4
Ronnie Beevor	8	9	6	6	6	6	N/A	N/A	N/A	N/A
Ronald Renton	8	9	6	6	N/A	N/A	3	3	4	4

A - Number of meetings attended

B - Number of meetings held during the time the director held office during the year

4. Principal activities

The principal activity of the Group during the 2013 financial year was mineral exploration in Burkina Faso, West Africa. The Group continued to explore for minerals on its Batie West Project in Burkina Faso. The Company made the strategic decision to joint venture its two other properties in Burkina Faso, being the Doulnia Project and the Madougou Project with Vital Metals Ltd and Carbine Resources Limited, respectively. These joint ventures enable the Company to concentrate on exploration and development work at Batie West.

In December 2013, the Group received a takeover offer from Centamin West Africa Holdings Limited for all of the shares in Ampella Mining Limited on a ratio of 1 Centamin plc share for every 5 Ampella shares. The takeover offer was unanimously recommended by the Board in the absence of a superior offer in December 2013. Further information subsequent to reporting date is detailed in Section 6.

Objectives

The Company's objectives were to develop the Konkera Resource and explore a pipeline of high quality gold prospects across the Batie West Project Area in Burkina Faso and across into adjacent Cote d'Ivoire.

5. Operating and financial review

Shareholder returns

	31 Dec 2013	31 Dec 2012	31 Dec 2011	30 Jun 2011	30 Jun 2010	30 Jun 2009
Loss attributable to owners of the company(s)	(17,953,237)	(38,151,651)	(14,283,611)	(24,000,650)	(15,718,377)	(5,116,407)
Basic EPS (cents)	(7.27)	(16.08)	(6.96)	(12.25)	(10.79)	(6.37)
Change in share price ($)	(0.16)	(1.19)	(0.38)	0.34	1.23	0.25
Return on capital employed	(117%)	(122%)	(73%)	(72%)	(129%)	(196%)

Loss attributable to owners of the Company. Amounts have been calculated in accordance with Australian Accounting Standards (AASBs).

Review of principal business

The consolidated entity had a loss after income tax for the full year of $17,953,237 (31 December 2012: $38,151,651). Cash at bank and term deposits at the end of the full year was $13,338,250 (31 December 2012: $30,182,835).

Exploration and resource update

The drilling program for the 2013 Financial Year was predominantly focused on the infill drilling of the Konkera Resource at Ampella's 100% owned Batie West Gold Project (Batie West) in Burkina Faso to upgrade the majority of the resource category from Inferred to Indicated. This drilling campaign was successfully completed and resulted in a significant upgrade to the nature of the resource base which was announced to the Australian Stock Exchange (ASX) in March 2013. The new independently verified JORC (2004) Compliant Mineral Resource for Konkera comprises an Indicated Resource of 34.2 million tonnes at 1.8 g/t gold for 1.92 million ounces gold and an Inferred Resource of 25.0 million tonnes at 1.7 g/t gold for 1.33 million ounces gold.

The global resource now stands at 59.2 million tonnes at 1.7 g/t gold for approximately 3,253,000 ounces of gold (at the 0.5 g/t gold cut-off) and represents a 10% increase in grade and an approximate increase of 180,000 ounces of gold or 6% when compared to the previously released resource estimate from November 2011. The significant increase in both gold grade and gold ounces could potentially enhance the economics of the Konkera Project by increasing the total in-pit inventory and subsequent pit optimisations. The resource estimate utilised 1,001 reverse circulation (RC) and 452 diamond drill holes for 204,000 metres of drilling and over 175,000 gold assays. The revised JORC (2004) Compliant Resource is an estimation of gold for Konkera which incorporates the five contiguous prospects of Konkera East, Konkera Main, Konkera North, The Gap and Kouglaga which collectively cover a total strike length of 4.9 kilometres. Additional infill drilling on the Konkera Resource was also completed during the first half of 2013 to convert the remaining Inferred Resources contained within the proposed 2013 pit shells into higher resource categories. The resource model is currently being updated with these new results.

5. Operating and financial review (continued)

The first six months of 2013 saw the Company direct its exploration focus to the identification of 300,000 – 400,000 gold ounces of free-milling material as part of the current pre-feasibility study (PFS). This was a targeted campaign as Ampella was very mindful of the current market conditions and the importance of preserving cash. The targets were identified during the 2012 wet season and were selected following significant preparatory work on those areas that Ampella believed provided the most likelihood of success in identifying the targeted gold ounces. Of the areas identified, three target areas, Torkera, Napelapera and Wadaradoo were delivering encouraging economic gold intercepts that have warranted follow-up infill drill programs to allow initial resource estimations to be undertaken. All other regional exploration drilling that was not targeted on the identification of the 300,000 – 400,000 free milling gold ounces was halted during the period. At the Napelapera Prospect an Exploration Target was identified and consisted of between 6.5 to 11.5 Mt having a gold grade ranging from 1.25 to 1.50 g/t Au for a total of between 350,000 to 500,000 oz Au. The potential tonnes and grades are conceptual in nature and there is insufficient exploration to estimate a Mineral Resource at this stage and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Environmental impact assessment

On 4 March 2013 Ampella, through its environmental consultant Genivar, submitted a draft Environmental Impact Assessment (EIA) and Relocation Action Plan ("RAP") to the Minister of Environment and Sustainable Development (MEDD) and the National Bureau of Environmental Assessments (BUNEE). A validation meeting was held with the Technical Committee for Environmental Assessment (COTEVE) on 11 and 12 April 2013 to review the draft EIA and RAP. Following receipt of comments from COTEVE the EIA and RAP were updated and final copies submitted to BUNEE on 21 June 2013 for acceptance. A 60 day public review process was initiated. This was the final step in the environmental approvals process following which a Certification of Environmental Approval was issued at the end of January 2014 for the Konkera Project. The receipt of the environmental approvals is a significant step towards obtaining a mining license for the Konkera Project.

The Environmental Impact Notice (EIN) for the border bypass road relocation was finalised and submitted to the Ministry of Environment and approved during the year 2013. A draft EIN has been prepared and submitted for the site access road which will bypass the town of Batie.

Health, safety & environment

Ampella was also pleased to advise that the Company had achieved another 12 months of no Lost Time Incidents (LTI's). The Company invested considerable time into the importance of health and safety in the work place, which extended to the communities in which we operated. Our large local workforce was provided with up to date and regular training on best practice safety and health education, which was customised for the environment in which we operated. This included snake bite and malaria prevention and treatment which are two big issues in the local community.

Ampella continued to strongly support the local community with the aim of establishing a range of sustainability programs. During the period Ampella contributed to a number of training, educational, medical, cultural and sporting programs some of which included:

- Donation of education supplies to thirty-four local schools;
- Donation of medical supplies to the local hospital (beds, I.V. stands, pillows etc.);
- Supply of clean drinking water facilities to a number of communities;
- Local school activities, including sponsoring a regional soccer competition and local cultural and athletic activities for school aged children; and
- Donation of sporting equipment to the local primary schools.

5. Operating and financial review (continued)

Results of extraordinary general meeting and annual general meeting

During the period, the Company conducted two shareholders meetings being the Extraordinary General Meeting (EGM) held on 30 January 2013 and Annual General Meeting (AGM) held on 30 May 2013.

The EGM passed seven resolutions being the issue of options and performance rights to Dr Paul Kitto and Ms Ruth Shepherd, approval of issue of loan plan shares to Dr Michael Anderson, the approval of execution of Deed of Indemnity, Access and Insurance for Dr Michael Anderson and the approval of a performance rights plan for management.

The AGM passed six resolutions including the re-election of three of the Directors, Dr Michael Anderson, Mr Ronnie Beevor and Mr Ron Renton, in addition to the adopting of the Remuneration Report and capacity to grant new performance rights to Dr Paul Kitto and Ms Ruth Shepherd.

Redundancies and pay reductions

During the year, following a sustained period of market downturn and low gold price, a decision was taken by the Board to make a series of cost-cutting measures including staff redundancies, non-renewals of contracts and pay reductions for the Board and Senior Executives. In doing so, the Board recognised the need to conserve cash, but, at the same time, to make sure that endeavours which enhanced shareholder value were continued. That is the difficult balance that the Ampella Board had sought to achieve. The Board wishes to express its thanks to the Ampella management and staff who, despite the hardship to them personally, co-operated fully through the austerity journey.

Cote D'Ivoire tenements granted

Whilst diligent in the use of Ampella's cash reserves, the Company continued to carefully identify growth opportunities for the Group. In the June 2013 quarter, Ampella announced the granting of three highly prospective permits covering almost 1,200 sq kms in northern Cote d'Ivoire, immediately adjacent to Batie West. A further four permits have also been applied for but at the time of writing had not been granted. A preliminary assessment on the ground of the granted permits has commenced. A total of 99 rockchips (average 3.6 g/t gold) were collected over six artisanal sites. Thirty-five samples returned assays above 2.0 g/t gold (average 9.3 g/t gold) and a total of nineteen samples showed gold values above 5.0 g/t gold, with the maximum value being returned of 52.9 g/t gold.

Centamin West Africa Holdings Limited takeover for Ampella Mining Limited

The Company was subject to takeover by Centamin West Africa Holdings Limited and the future direction will be determined following an outcome of the process.

Competent persons statement

The information in this report that relates to exploration results was based on information compiled by Dr Paul Kitto, who is a member of the Australian Institute of Geoscientists. Dr Kitto was employed by Ampella Mining Ltd. Dr Kitto has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he was undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Kitto consented to the inclusion of the matters based on information in the form and context in which it appears.

5. Operating and financial review (continued)

The Information that relates to mineral resources for the Konkera Gold Prospect was based on information compiled by Mr Don Maclean. Mr Don Maclean is a consultant from Ravensgate Mineral Industry Consultants, an independent consultancy group specialising in mineral resource estimation, evaluation and exploration. Mr Don Maclean is a Member of the Australian Institute of Geoscientists. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he has undertaken to qualify as a Competent Person as defined in the JORC Code. Mr Don Maclean consented to the inclusion in this report of the matters based on information in the form and context in which it appears.

This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

The Group's future strategy and future prospects will be subject to a review carried out by Centamin Plc on obtaining 100% ownership of the Company.

6. Events subsequent to reporting date

In December 2013, the Group received a takeover offer from Centamin West Africa Holdings Limited for all of the shares in Ampella Mining Limited on a ratio of 1 Centamin plc share for every 5 Ampella shares. The takeover offer was unanimously recommended by the Ampella Directors on 10 December 2013 in the absence of a superior offer. The offer opened on 13 January 2014 and was extended on 6 February 2014 to a close date of 28 February 2014 and extended again to 24 March 2014. As at 20 February 2014 Centamin West Africa Holdings Limited had declared the takeover offer unconditional. Three new Directors Josef El-Raghy, Mark Arnesen and Heidi Brown were appointed to the Ampella Board on 25 February 2014 following the takeover offer being declared unconditional and the 50.1% shareholding level being attained by Centamin West Africa Holdings Limited. On 25 February 2014, Directors Michael Anderson, Ron Renton and Paul Kitto stood down from the board pursuant to the terms of the Takeover Bid Implementation Deed between Ampella and Centamin West Africa Holdings Limited. On 25 February 2014 Centamin acquired a relevant interest in more than 50% of the Ampella shares, meaning Centamin will, upon completion of the offer, be in a position to control Ampella. Upon achievement of a relevant interest in more than 50% of the Ampella shares, and declaration of the offer being unconditional, all Ampella Performance Rights automatically converted into fully paid ordinary Ampella shares.

On 11 March 2014 all unlisted options in Ampella Mining Limited were cancelled in exchange for cash consideration of $49,533 as per the Takeover Bid Implementation Deed. On 11 March 2014, 2,250,000 Employee Share Acquisition Plan Loan Plan Shares were cancelled for no consideration as per the Takeover Bid Implementation Deed. On 10 March 2014, Centamin announced an extension of the takeover offer to 24 March 2014.

As at 19 March 2014 Centamin West Africa Holdings Limited had a relevant interest of 90.1% of the issued capital of Ampella Mining Limited giving rights to proceed to compulsory acquisition of the remaining shares in Ampella Mining Limited.

7. Likely developments

The Group anticipates it will be under the full control of Centamin plc during 2014 and subject to any regulatory approvals it is likely that Ampella will be delisted from the Australian Stock Exchange. Full details of Centamin's intentions are included in Section 12 of the Bidder Statement dated 7 January 2014.

8. Environmental regulation

The Group's operations were subject to significant environmental regulation under Burkina Faso legislation in relation to is exploration activities.

The Group was committed to achieving a high standard of environmental performance. It had established a Health, Safety, Environmental and Community (HSEC) committee to focus on this area of operating performance. The committee was responsible for the regular monitoring of environmental exposures and compliance with environmental regulations.

To enable it to meet its responsibilities, the committee established a regular internal reporting process. Environmental performance was reported from each site up through management to the committee on a regular basis. On a monthly basis the Managing Director & CEO reported to the Board on the Group's environmental performance. Compliance with the requirements of environmental regulations and with specific requirements of site environmental licences was substantially achieved across all operations with no instances of non-compliance in relation to licence requirements noted.

Based on the results of enquiries made, the Board was not aware of any significant breaches during the period covered by this report.

9. Directors' interests

The relevant interest of each Director in the shares, debentures, interests in registered schemes and rights or options over such instruments issued by the companies within the Group and other related bodies corporate, as notified by the Directors to the ASX in accordance with S205G(1) of the Corporations Act 2001, at the date of this report was as follows:

	Ampella Mining Limited		
	Ordinary shares	**Options over ordinary shares**	**Rights over ordinary shares**
Josef El-Raghy	-	-	-
Mark Arnesen	-	-	-
Heidi Brown	-	-	-
Peter Mansell	-	-	-
Ronnie Beevor	-	-	-

All Ampella Directors accepted the offer for their shares on 10 December 2013 when the takeover was first announced.

10. Share options

Unissued shares under options

As at the date of the report there were no unlisted options, performance rights or employee share acquisition loan plan shares on issue.

11. Indemnification and insurance of officers and auditors

Indemnification

The Company has agreed to indemnify the current and former Directors of the Company against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith. The agreement stipulates that the Company will meet the full amount of any such liabilities, including costs and expenses.

During the financial period, Ampella Mining Limited incurred premiums to insure the Directors and Officers of the Group and its Australian-based controlled entities. A premium of $29,353 was paid to cover the period 1 July 2013 to 30 June 2014. A further premium of $71,547 was paid on 7 February 2014 to provide 84 months of run-off cover under the existing Director's and Officer's Insurance Policy from the date of Centamin West Africa Holdings Limited taking control of Ampella Mining Limted.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Group and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving wilful breach of duty by the officers or improper use by the officers of their position, or of information to gain advantage for themselves or someone else, or to cause detriment to the Group. It is not possible to apportion the premium between amounts relating to insurance against legal costs and those relating to other liabilities.

12. Proceedings on behalf of the Company

The Company is currently involved in labour relations proceedings with a former employee in Burkina Faso. The Company is confident of successfully defending the proceedings for which the consideration is considered below the materiality thresholds for audit purposes.

13. Lead auditor's independence declaration

The Lead auditor's independence declaration is set out on page 79 and forms part of the Directors' report for the financial year ended 31 December 2013.

14. Rounding off

Amounts in the financial report and Directors' Report have been rounded off to the nearest dollars, unless otherwise stated.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest dollar unless otherwise stated.

15. Remuneration report for the year ended 31 December 2013 – audited

15.1. Principles of compensation – audited

Remuneration is referred to as compensation throughout this report.

Key Management Personnel had authority and responsibility for planning, directing and controlling the activities of the Company, including Directors of the Company and other Executives. Key Management Personnel comprised the Directors and Senior Executives for the Company.

Compensation levels for Key Management Personnel of the Company were competitively set to attract and retain appropriately qualified and experienced Directors and Executives. The Nomination and Remuneration Committee obtained independent advice from time to time, on the appropriateness of compensation packages of the Company given trends in comparative companies both locally and internationally, and the objectives of the Company's compensation strategy.

The compensation structures explained below were designed to attract and retain suitably qualified candidates, reward the achievement of strategic objectives, and achieve the broader outcome of creation of value for shareholders. The compensation structures took into account:

- the capability and experience of the Key Management Personnel;
- the Key Management Personnel's ability to control the relevant segment/s' performance;
- the Company's performance including:
  - the growth in share price and delivering constant returns on shareholder wealth; and
  - the amount of incentives within each Key Management Person's compensation.

Compensation packages included a mix of fixed and variable compensation, variable compensation being short-term, long-term and retention performance-based incentives.

In addition to their salaries, the Company also provided non-cash benefits to certain Key Management Personnel, and contributed to a post-employment superannuation plan on their behalf. There is no defined retirement age for Directors and Senior Executives.

Fixed compensation

Fixed compensation consisted of base compensation (which was calculated on a total cost basis and excluded any FBT charges related to employee benefits), as well as leave entitlements and employer contributions to superannuation funds.

In August 2013, the Ampella Board resolved to reduce Board and Key Executive Management salaries by 18-20%. The measures were introduced as part of an overall regime of reducing costs during the uncertain times in the sector that Ampella operated. In lieu of the reduction and adjustment to roster requirements, a one-off rights issue was made to affected management (excluding the CEO). These rights were earned over a 2-year period or triggered under a change of control event. Refer to Note 10 for further information.

Compensation levels were reviewed annually, usually in December, by the Nomination and Remuneration Committee through a process that considered individual, segment and overall performance of the Company. In addition, as required external consultants provided analysis and advice to ensure the Directors' and Senior Executives' compensation was competitive in the market place. A Senior Executive's compensation was also reviewed on promotion.

15. Remuneration report for the year ended 31 December 2013 – audited (continued)

Performance linked compensation

Performance linked compensation included both short-term and long-term incentives, and was designed to reward Senior Executives for meeting or exceeding their financial and personal objectives. The short-term incentive (STI) was an 'at risk' bonus provided in the form of cash, while the long-term incentive (LTI) was provided as performance rights over ordinary shares of the Company under the rules of the Management Performance Rights Plan (MPRP). The Board exercised discretion on the payment of bonuses and Performance Rights as the plans provided such discretion.

Short-term incentive bonus

Each year the Nomination and Remuneration Committee set the key performance indicators (KPIs) for the Senior Executives. The KPIs generally included measures relating to the Company, and the individual and included:

- safety;
- financial;
- leadership; and management;
- resource growth;
- market interface;
- feasibility; and
- country compliance measures.

The measures were chosen as they directly aligned the individual's reward to the KPIs of the Company and to its strategy and performance.

The financial performance objectives were compared against budgeted amounts. The non-financial objectives varied with position and responsibility and included measures such as achieving resource growth, safety performance, feasibility development and leadership and management. Financial and non-financial objectives each accounted for between 20 and 50 percent of the maximum STI.

At the end of the financial year the Nomination and Remuneration Committee assessed the actual performance of the Company, the relevant segment and individual against the KPIs set at the beginning of the financial year. A percentage of the pre-determined maximum amount was awarded depending on results. No bonus was awarded where performance falls below the minimum. The performance evaluation in respect of the year ended 31 December 2013 took place in accordance with this process.

The Nomination and Remuneration Committee recommended the annual cash incentive to be paid to the individuals for approval by the Board. The method of assessment was chosen as it provided the Committee with an objective assessment of the individual's performance. The Board retained the discretion to vary the final cash incentive if performance was considered to be deserving of either a greater or lesser amount.

In 2013, STI's were not paid to any staff other than for a payment for completion on the pre-feasibility study which was made to the Study Manager.

15. Remuneration report for the year ended 31 December 2013 – audited (continued)

15.1. Principles of compensation – audited (continued)

Long-term incentive

On 30 January 2013 shareholders approved the introduction of a Management Performance Rights Plan (MPRP) to enable performance and retention linked long term incentives (LTI's) to be offered to Key Management Personnel, Employees and Directors so as to link achievement of the Company's long term operational and safety targets with the remuneration received by the Key Management Personnel and Employees charged with meeting those targets. The Management Performance Rights were issued with 3 year relative Total Shareholder Return (TSR) conditions against a peer group of companies and/or minimum retention requirements.

The Management Performance Rights operated similar to a zero exercise price option which vested only upon achievement of the requisite performance and retention conditions. At vesting each Management Performance Right could convert into a fully paid ordinary share in the issued capital of the Company.

Consequences of performance on shareholder wealth

Table 1 – Consequences of performance on shareholder wealth

	31-Dec 2013	31-Dec 2012	31-Dec 2011	30-Jun 2011	30-Jun 2010
Net profit/(loss) after tax	(17,953,237)	(38,151,651)	(14,283,611)	(24,000,650)	(15,718,377)
Basic earnings/(loss) per share (cents)	(7.27)	(16.08)	(6.96)	(12.25)	(10.79)
Diluted earnings/(loss) per share (cents)	(7.27)	(16.08)	(6.96)	(12.25)	(10.79)
Net assets	14,466,824	31,239,090	19,657,952	33,112,956	12,147,276
Change in share prices ($)	(0.16)	(1.19)	(0.38)	0.34	1.23

The Company was still in the exploration and feasibility stage and revenue streams only related to interest earned on investing surplus funds from capital raisings. The net losses after tax primarily reflects the ongoing costs of the Company's exploration programmes and feasibility studies in Burkina Faso because the Group expenses its evaluation exploration expenditure. The financial performance of the Company was linked with its success in finding additional mineable resources and general market conditions. Company performance was measured against a comparable list of companies operating in the same market segment.

The overall level of compensation took into account the performance of the Company over a number of years and the economic and industry conditions affecting the Company.

Other benefits

The MD & CEO had his life insurance premiums paid for by the Company totaling A$21,982 per annum.

The Chief Operating Officer had his health insurance premiums paid for by the Company totaling US$6,877 per annum.

15. Remuneration report for the year ended 31 December 2013 – audited (continued)

15.1. Principles of compensation – audited (continued)

Service contracts

It was the Company's policy that service contracts for Key Management Personnel, including the Managing Director & CEO, were unlimited in term but capable of termination on 3 to 12 months' notice and that the Company retained the right to terminate the contract immediately, by making payment equal to 3 to 12 months' pay in lieu of notice. The Key Management Personnel were also entitled to receive on termination of employment their statutory entitlements of accrued annual and long service leave, together with any superannuation benefits.

The service contract outlined the components of compensation but did not prescribe how compensation levels are modified year to year. The Nomination and Remuneration Committee reviewed compensation levels each year to take into account cost-of-living changes, any change in the scope of the role performed by the Key Management Personnel and any changes required to meet the principles of the compensation policy.

Table 2 – Service Contract Termination conditions

Name	Position	Contract Duration	Notice Period Company	Notice Period Employee	Termination provision
Paul Kitto	Managing Director & CEO	No fixed term	6 months	3 months	3 -12 months
Drew Totterdell	General Manager Finance & Corporate Development	No fixed term	6 months	3 months	6 or 12 months
Anthony Rudd*	Exploration Manager	2 years Fixed Term	Fixed Term Contract	Fixed Term Contract ^	Fixed Term Contract
Jean Luc Roy	Chief Operating Officer	No fixed term	3 months	3 months	3 or 12 months
Simon Ford	Study Manager	No fixed term	3 months	3 months	3 or 12 months

*Fixed Term Contract entered into on 1 September 2013 – expires 31 August 2015.

^ The fixed term notice period for the employee is by joint negotiation with the Company.

In the event of Redundancy or Material Diminution of the Role the Managing Director & CEO, General Manager Finance & Corporate Development, Chief Operating Officer and Study Manager were entitled to a redundancy payment of 12 months.

The Managing Director & CEO's employment commenced on 19 May 2008 with the Company. The new contract executed August 2013 specified the duties and obligations to be fulfilled by the Managing Director & CEO and provided that the Board and Managing Director & CEO would, early in each financial year, consult and agree objectives for achievement during that year.

The service agreement did not automatically terminate once the Managing Director & CEO reached retirement age. At any time the service agreement could be terminated either by the Company or the Managing Director & CEO by the employee providing 3 months' notice or by the Company providing 6 months' notice. The Company could make a payment in lieu of notice of 3 or 6 months depending upon who triggered the termination, equal to 100 per cent of base salary. This payment represents market practice at the time the terms were agreed. The Managing Director & CEO had no entitlement to termination payment in the event of removal for misconduct. Pursuant to the terms of the Takeover Bid Implementation Deed executed on 10 December 2013 between Ampella and Centamin, the Managing Director & CEO stepped down from the Board once Centamin achieved 50.1% acceptances and declared the takeover offer unconditional on 24 February 2014.

15. Remuneration report for the year ended 31 December 2013 – audited (continued)

15.1. Principles of compensation – audited (continued)

Services from remuneration consultants

The Nomination and Remuneration Committee sought and considered advice from independent remuneration advisers when appropriate. When remuneration consultants were engaged by the Nomination and Remuneration Committee Chairperson, they reported directly to the Chairperson. Potential conflicts of interest were taken into account when remuneration consultants were selected to ensure their independence from Ampella and Key Management Personnel.

The advice and recommendations of external advisers were used as a guide, but did not serve as a substitute for thorough consideration of the issues by the Committee. During the Financial Year 2013, no external remuneration advisers were utilised by the Committee.

Non-Executive Directors

Total compensation for all Non-Executive Directors, last voted upon by shareholders on 25 June 2007, was not to exceed $500,000 per annum and was set based on advice from external advisors with reference to fees paid to other Non-Executive Directors of comparable companies. Non-Executive Directors' base fees were presently up to $292,836 per annum.

The Chairperson received $110,894 as the base fee. Non-Executive Directors did not receive performance-related compensation. Directors' fees covered all main Board activities and Chair of one committee. Non-Executive Director members who sat on more than one committee did not receive an additional payment for meetings attended.

In August 2013 the Non-Executive Directors and Managing Director accepted 20% reductions in their Directors' fees commensurate with the cost reductions imposed across all Senior Executives.

15. Remuneration report for the year ended 31 December 2013 – audited (continued)

15.2. Directors' and Executive Officers' remuneration – audited

Details of the nature and amount of each major element of remuneration of each Director of the Company, and other Key Management Personnel of the consolidated entity were:

		Short-term				Post-employment		Share-based payments			
in dollars		Salary & fees $	STI cash bonus $	Non-monetary benefits $	Total $	Super-annuation benefits $	Termination benefits $	Options and rights $	Total $	Proportion of remuneration performance related %	Value of options as proportion of remuneration %
Directors											
Non-executive directors											
Peter Mansell (Chairperson)	2013	101,630	-	-	101,630	9,264	-	-	110,894	0.00%	0.00%
	2012	120,000	-	-	120,000	10,800		511,814	642,614	0.00%	79.65%
*Michael Anderson**	2013	61,750	-	-	61,750	-	-	87,000	148,750	0.00%	58.49%
	2012	34,815	-	-	34,815	-	-	-	34,815	0.00%	0.00%
Ronnie Beevor	2013	60,125	-	-	60,125	-	-	-	60,125	0.00%	0.00%
	2012	65,000	-	-	65,000	-	-	149,317	214,317	0.00%	69.67%
*Ron Renton**	2013	55,049	-	-	55,049	5,018	-	-	60,067	0.00%	0.00%
	2012	69,633	-	-	69,633	6,267	-	149,317	225,217	0.00%	66.30%
Charles Soh (retired 14 May 2012)	2013	-	-	-	-	-	-	-	-	0.00%	0.00%
	2012	22,603	-	-	22,603	19,637	-	-	42,240	0.00%	0.00%
Sub-total non-executive directors' remuneration	2013	278,554	-	-	278,554	14,282	-	87,000	379,836	0.00%	22.90%
	2012	312,051	-	-	312,051	36,704	-	810,448	1,159,203	0.00%	69.91%
Executive Directors											
Paul Kitto, Managing Director & CEO until 25 Feb 2014	2013	476,459	-	21,982	498,441	43,433	-	239,251	781,125	3.86%	30.63%
	2012	533,203	102,438	-	635,641	54,118	-	69,600	759,359	13.49%	9.17%
Total directors' remuneration	2013	755,013	-	21,982	776,995	57,715	-	326,251	1,160,961	2.60%	28.10%
	2012	845,254	102,438	-	947,692	90,822	-	880,048	1,918,562	5.34%	45.87%

* Resigned 25 February 2014.

15. Remuneration report for the year ended 31 December 2013 – audited (continued)

15.2. Directors' and Executive Officers' remuneration – audited (continued)

Details of the nature and amount of each major element of remuneration of each Director of the Company, and other Key Management Personnel of the consolidated entity were:

		Short-term					Post Employment		Share Based Payments			
in dollars		Salary & fees $	STI cash bonus $	Retention/ Other bonus $	Non-monetary benefits $	Total $	Super-annuation benefits $	Termination benefits $	Options and rights $	Total $	Proportion of remuneration performance related %	Value of options as proportion of remuneration %
Executives												
Drew Totterdell, General Manager Finance & Corporate Development (redundancy 28/2/2014)	2013	298,065	-	-	-	298,065	27,174	-	108,543	433,782	1.97%	25.02%
	2012	86,154	-	-	-	86,154	7,200	-	258,300	351,654	0.00%	73.45%
Jean-Luc Roy, Chief Operating Officer	2013	369,530	-	-	8,385	377,915	-	-	102,702	480,617	1.55%	21.37%
	2012	313,210	64,437	90,678	-	468,325	-	-	570,517	1,038,842	6.20%	54.92%
Anthony Rudd, General Manager Exploration	2013	358,795	-	-	-	358,795	32,711	-	118,567	510,073	1.64%	23.25%
	2012	372,600	58,370	108,000	-	538,970	48,507	-	527,087	1,114,564	5.24%	47.29%
Simon Ford, Study Manager	2013	274,313	-	25,000	-	299,313	25,009	-	90,649	414,971	7.57%	21.84%
	2012	295,059	27,161	82,569	-	404,789	35,514	-	255,998	696,301	3.90%	36.77%
Former												
Philippe Blackburn, Finance Manager resigned 28 March 2013)	2013	53,092	-	-	-	53,092	4,778	-	-	57,870	0.00%	0.00%
	2012	168,805	31,644	48,000	-	248,449	21,928	-	354,889	625,266	5.06%	56.76%
Evan Cranston, Corporate Director, (resigned 2 April 2012)	2013	-	-	-	-	-	-	-	-	-	0.00%	0.00%
	2012	69,899	-	-	-	69,899	34,740	250,000	-	354,639	0.00%	0.00%
Total executives' remuneration	2013	1,353,795	-	25,000	8,385	1,387,180	89,672	-	420,461	1,897,313	2.94%	22.16%
	2012	1,305,727	181,612	329,247	-	1,816,586	147,889	250,000	1,966,791	4,181,266	4.34%	47.04%
Total directors' and executive officers' remuneration	2013	2,108,808	-	25,000	30,367	2,164,175	147,387	-	746,712	3,058,274	2.81%	13.75%
	2012	2,150,981	284,050	329,247	-	2,764,278	238,711	250,000	2,846,839	6,099,828	4.66%	63.70%

The General Manager Finance & Corporate Development was made redundant on 28 February 2014 following the takeover by Centamin West Africa Holdings Limited and received a termination benefit equivalent to 12 month's salary. All KMP's had performance and retention rights vest when the Centamin West Africa Holdings Limited takeover offer was declared unconditional on 20 February 2014 and the 50.1% hurdle rate achieved on 24 February 2014.

15. Remuneration report for the year ended 31 December 2013 – audited (continued)

15.2. Directors' and Executive Officers' remuneration – audited (continued)

Notes in relation to the table of directors' and executive officers' remuneration – audited

The short-term incentive bonus was for performance during the respective financial year using the criteria set out on page 16. The amount was finally determined on 11 December 2013 after share price performance of the Company for the year was considered by the Nomination and Remuneration Committee.

Details of performance related remuneration – audited

Details of the Company's policy in relation to the proportion of remuneration that was performance related is discussed in section 15.1.

15.3 Analysis of bonuses included in remuneration – audited

Details of the vesting profile of the short-term incentive cash bonuses awarded as remuneration to each Director of the Company and other Key Management Personnel are detailed below.

	Short term incentive bonus		
	Included in remuneration $ (A)	% vested in year	% forfeited in year (B)
Directors			
Peter Mansell	-	0%	N/A
Michael Anderson	-	0%	N/A
Ronnie Beevor	-	0%	N/A
Ron Renton	-	0%	N/A
Executives			
Paul Kitto	-	0%	100%
Drew Totterdell	-	0%	100%
Jean-Luc Roy	-	0%	100%
Anthony Rudd	-	0%	100%
Simon Ford (C)	25,000	34%	66%

(A) Amounts included in remuneration for the financial year represent the amount related to the financial year based on achievement of personal goals and satisfaction of specified performance criteria.

(B) The amounts forfeited are due to the performance or service criteria not being met in relation to the current financial year and due to the fiscal savings measures that were introduced in August 2013.

(C) Payment for completion of the pre-feasibility study was made to the Study Manager. No amount was awarded in relation to the other STI schemes.

15 Remuneration report for the year ended 31 December 2013 - audited (continued)

15.4. Equity instruments – audited

All options refer to options over ordinary shares of the Company, which are exercisable on a one-for-one basis under the Employee Share Option Plan (ESOP).

All performance rights refer to rights over ordinary shares of the Company, which were exercisable on a one-for-one basis under the Management Performance Rights Plan.

15.4.1. Options and rights over equity instruments granted as compensation – audited

There were no new unlisted options issued during the reporting period, as the Employee Share Option Plan (ESOP) was replaced with the Management Performance Rights Incentive Scheme. There was one issue of options under Ampella's Employee Share Acquisition Scheme (ESAS) [refer to Note 10] during the period. Details on options over ordinary shares in the Company that were previously granted as compensation to Key Management Persons that vested or expired during the reporting period and details on the ESAS scheme during the reporting period are as follows:

	Number of options granted during 2013	Grant date	Fair value per option at grant date ($)	Exercise price per option ($)	Expiry date	Number of options vested/expired during 2013	
Directors							
Peter Mansell	-	N/A	N/A	N/A	N/A	N/A	
Michael Anderson	500,000	18/02/2013	0.174	0.34	17/02/2016	-	
Ronnie Beevor	-	N/A	N/A	N/A	N/A	500,000	(expired)
Ron Renton	-	N/A	N/A	N/A	N/A	500,000	(expired)
Executives							
Paul Kitto	-	N/A	N/A	N/A	N/A	N/A	
Drew Totterdell	-	N/A	N/A	N/A	N/A	N/A	
Jean-Luc Roy	-	N/A	N/A	N/A	N/A	N/A	
Anthony Rudd	-	N/A	N/A	N/A	N/A	300,000	(expired)
Simon Ford	-	N/A	N/A	N/A	N/A	N/A	
Philippe Blackburn (departed 28/3/13)	-	N/A	N/A	N/A	N/A	250,000	(expired)

No options were forfeited during the year.

The Management Performance Rights Plan was introduced to replace the ESOP. Due to the transition and the timing of the shareholder approval, both the 2012 and 2013 Performance Rights were issued during the reporting period. The 2012 and 2013 Performance Rights were issued under the Long Term Incentive Plan Scheme approved by Shareholders at the Extraordinary General Meeting of 30 January 2013. In addition, Retention Rights were granted to certain staff in August 2013 as part of a series of pay reductions of 18-20% to those staff.

15.4. Remuneration report for the year ended 31 December 2013 - audited (continued)

15.4. Equity instruments – audited (continued)

Details on the 2012 Performance Rights over ordinary shares in the Company that were granted to Key Management Persons during the reporting period were as follows:

	Number of performance rights granted during 2013	Grant date	Fair value per Rights at grant date (cents)	Exercise price per option ($)	Vesting date	Number of options vested during 2013
Directors						
Peter Mansell	-	N/A	N/A	-	-	-
Michael Anderson	-	N/A	N/A	-	-	-
Ronnie Beevor	-	N/A	N/A	-	-	-
Ron Renton	-	N/A	N/A	-	-	-
Executives						
Paul Kitto	257,870	22/02/2013	15.5	-	30/06/2015	-
Drew Totterdell	51,610	01/07/2013	5.9	-	30/06/2015	-
Jean-Luc Roy	82,540	01/07/2013	5.9	-	30/06/2015	-
Anthony Rudd	93,190	01/07/2013	5.9	-	30/06/2015	-
Simon Ford	71,250	01/07/2013	5.9	-	30/06/2015	-

No Performance Rights vested or were forfeited during the year.

Details on the 2013 Performance Rights over ordinary shares in the Company that were granted to Key Management Persons during the reporting period were as follows:

	Number of performance rights granted during 2013	Grant date	Fair value per Rights at grant date (cents)	Exercise price per option ($)	Vesting date	Number of options vested during 2013
Directors						
Peter Mansell	-	N/A	N/A	-	-	-
Michael Anderson	-	N/A	N/A	-	-	-
Ronnie Beevor	-	N/A	N/A	-	-	-
Ron Renton	-	N/A	N/A	-	-	-
Executives						
Paul Kitto	2,094,500	06/08/2013	7.7	-	31/12/2015	-
Drew Totterdell	600,940	06/08/2013	7.7	-	31/12/2015	-
Jean-Luc Roy	480,540	06/08/2013	7.7	-	31/12/2015	-
Anthony Rudd	542,540	06/08/2013	7.7	-	31/12/2015	-
Simon Ford	414,790	06/08/2013	7.7	-	31/12/2015	-

No Performance Rights vested or were forfeited during the year.

15.4. Remuneration report for the year ended 31 December 2013 - audited (continued)

15.4. Equity instruments – audited (continued)

Details on the 2013 Retention Rights over ordinary shares in the Company that were granted to key management person during the reporting period were as follows:

Tranche 1	Number of retention rights granted during 2013	Grant date	Fair value per Rights at grant date (cents)	Exercise price per option ($)	Vesting date	Number of options vested during 2013
Directors						
Peter Mansell	-	N/A	N/A	-	-	-
Michael Anderson	-	N/A	N/A	-	-	-
Ronnie Beevor	-	N/A	N/A	-	-	-
Ron Renton	-	N/A	N/A	-	-	-
Executives						
Paul Kitto	-	N/A	N/A	-	-	-
Drew Totterdell	246,775	06/08/2013	12.0	-	31/08/2014	-
Jean-Luc Roy	253,460	06/08/2013	12.0	-	31/08/2014	-
Anthony Rudd	297,055	06/08/2013	12.0	-	31/08/2014	-
Simon Ford	227,110	06/08/2013	12.0	-	31/08/2014	-

No Retention Rights vested or were forfeited during the year.

Tranche 2	Number of retention rights granted during 2013	Grant date	Fair value per Rights at grant date (cents)	Exercise price per option ($)	Vesting date	Number of options vested during 2013
Directors						
Peter Mansell	-	N/A	N/A	-	-	-
Michael Anderson	-	N/A	N/A	-	-	-
Ronnie Beevor	-	N/A	N/A	-	-	-
Ron Renton	-	N/A	N/A	-	-	-
Executives						
Paul Kitto	-	N/A	N/A	-	-	-
Drew Totterdell	246,775	06/08/2013	12.0	-	31/08/2015	-
Jean-Luc Roy	253,460	06/08/2013	12.0	-	31/08/2015	-
Anthony Rudd	297,055	06/08/2013	12.0	-	31/08/2015	-
Simon Ford	227,110	06/08/2013	12.0	-	31/08/2015	-

No Retention Rights vested or were forfeited during the year. The Retention Rights were provided at no cost to the recipients and were provided in two tranches vesting over 2 years. The rights vest in two tranches with 50% vesting after 12 months and 50% vesting after 24 months from issue. The Board had discretion on vesting the Retention Rights should the employee leave prior to the vesting period. For valuation purposes, it was assumed the rights are converted to shares immediately on vesting.

15.4.2. Modification of terms of equity-settled share-based payment transactions – audited

No terms of equity-settled share-based payment transactions (including options and rights granted as compensation to a Key Management Persons) were altered or modified by the issuing entity during the reporting period or the prior period.

15. Remuneration report for the year ended 31 December 2013 – audited (continued)

15.4. Equity instruments – audited (continued)

15.4.3. Exercise of options granted as compensation – audited

During the reporting period, no shares were issued on the exercise of options previously granted as compensation.

15.4.4. Analysis of options over equity instruments granted as compensation – audited

Details of vesting profiles of the options granted as remuneration to each Key Management Persons of the Company are detailed below.

	Options granted				
Directors	**Number**	**Date**	**% vested in year**	**% forfeited in year (A)**	**Financial years in which grant vests**
Peter Mansell	-	N/A	N/A	N/A	N/A
Paul Kitto	1,200,000	31/12/2012	0%	0%	2015
Michael Anderson	-	N/A	N/A	N/A	N/A
Ronnie Beevor	-	N/A	N/A	N/A	N/A
Ron Renton	-	N/A	N/A	N/A	N/A
Executives					
Drew Totterdell	900,000	2/10/2012	0%	0%	2015
Jean-Luc Roy	300,000	7/05/2012	0%	0%	2015
Jean-Luc Roy	900,000	23/08/2012	0%	0%	2015
Anthony Rudd	300,000	7/05/2012	0%	0%	2015
Anthony Rudd	900,000	23/08/2012	0%	0%	2015
Simon Ford	100,000	7/05/2012	0%	0%	2015
Simon Ford	900,000	23/08/2012	0%	0%	2015
Philippe Blackburn	250,000	7/05/2012	0%	100%	N/A
Philippe Blackburn	400,000	23/08/2012	0%	100%	N/A

(A) The percentage forfeited in the year represents the reduction from the maximum number of options available to vest due to performance criteria not being achieved.

15.4.5. Analysis of movements in options – audited

The movement during the reporting period, by value, of options over ordinary shares in the Company held by each Key Management Person are detailed below.

	Granted in year $ (A)	**Value of options exercised in year $ (B)**	**Lapsed in year $ (C)**
Directors			
Peter Mansell	-	-	-
Michael Anderson	87,000	-	-
Ronnie Beevor	-	-	324,000
Ron Renton	-	-	324,000
Executives			
Paul Kitto	-	-	-
Drew Totterdell	-	-	-
Jean-Luc Roy	-	-	-
Anthony Rudd	-	-	385,257
Simon Ford	-	-	-
Philippe Blackburn	-	-	321,047

15. Remuneration report for the year ended 31 December 2013 – audited (continued)

15.4.5. Analysis of movements in options – audited (continued)

(A) The value of options granted in the year was the fair value of the options calculated at grant date using the Black Scholes option-pricing model. The total value of the options granted was included in the table above. This amount was allocated to remuneration over the vesting period.

(B) The value of options exercised during the year was calculated as the market price of shares of the Company as at close of trading on the date the options were exercised after deducting the price paid to exercise the option.

(C) The value of the options that lapsed during the year represented the benefit forgone and was calculated at the date the option lapsed using the Black Scholes option-pricing model assuming the performance criteria had been achieved.

This Directors' report is made out in accordance with a resolution of the Directors:

Heidi Brown
Executive Director

Dated at 20 March 2014

This statement outlines the main corporate governance practices in place throughout the 2013 financial year, which complied with the ASX Corporate Governance Council recommendations, unless otherwise stated. As at the date of the Annual Report, the Company is in the process of being taken over by Centamin West Africa Holdings Limited. Centamin's future intentions for Ampella are disclosed in Section 12 of the Bidder Statement dated 7 January 2014.

1. Board of directors

Role of the board

The Board's primary role was the protection and enhancement of long-term shareholder value.

To fulfil this role, the Board was responsible for the overall corporate governance of the Group including formulating its strategic direction, approving and monitoring capital expenditure, setting remuneration, appointing, removing and creating succession policies for Directors and Senior Executives, establishing and monitoring the achievement of management's goals and ensuring the integrity of risk management, internal control, legal compliance and management information systems.

It was also responsible for approving and monitoring financial and other reporting. Details of the Board's Charter are located on the Company's website (www.ampella.com.au).

The Board had delegated responsibility for operation and administration of the Group to the Managing Director & Chief Executive Officer (CEO) and Executive Management. Responsibilities were delineated by formal authority delegations.

Board processes

To assist in the execution of its responsibilities, the Board had established a number of Board committees including a Nomination and Remuneration Committee, an Audit Committee, a Technical Committee and a Health, Safety, Environment and Community (HSEC) Committee. These committees had written mandates and operating procedures, which were reviewed on a regular basis. The Board had also established a framework for the management of the Group including a system of internal control, a business risk management process and the establishment of appropriate ethical standards.

The full Board historically held ten scheduled meetings each year, plus a strategy meeting and an extraordinary meeting to address specific significant matters that arose.

The agenda for meetings was prepared in conjunction with the Chairperson, Managing Director & CEO and Company Secretary. Standing items included the Managing Director & CEO's report, financial reports, strategic matters, governance and compliance. Executives were regularly involved in Board discussions and Directors had other opportunities, including visits to business operations, for contact with a wider Group of employees.

Director and executive education

The Group had a formal process to educate new Directors about the nature of the business, current issues, the corporate strategy, the culture and values of the Group, and the expectations of the Group concerning performance of Directors. In addition, Directors were also educated regarding meeting arrangements and Director interaction with each other, Senior Executives and other stakeholders. Directors also had the opportunity to visit Group facilities and meet with management to gain a better understanding of business operations. Directors were given access to continuing education opportunities to update and enhance their skills and knowledge. No new Directors were appointed during the reporting period, however three new Directors Josef El-Raghy, Mark Arnesen and Heidi Brown were appointed to the Ampella Board on 25 February 2014 following the takeover offer being declared unconditional and the 50.1% shareholding level being attained by Centamin West Africa Holdings Limited.

1. Board of directors (continued)

Independent professional advice and access to company information

Each Director had the right of access to all relevant Company information and Company's Executives and, subject to prior consultation with the Chairperson, could seek independent professional advice from a suitably qualified adviser at the Group's expense. The Director needed to consult with an adviser suitably qualified in the relevant field, and obtain the Chairperson's approval of the fee payable for the advice before proceeding with the consultation.

Composition of the board

The names of the Directors of the Company in office at the date of this report, specifying which are independent, are set out in the Directors' report on page 4 of this report. The composition of the Board was determined using the following principles:

- a majority of Independent Non-Executive Directors;
- a majority of Directors having extensive knowledge of the Group's industries, and those which do not have extensive expertise in significant aspects of auditing and financial reporting, or risk management of large companies;
- a Independent Non-Executive Director as Chairperson;
- enough Directors to serve on various committees without overburdening the Directors or making it difficult for them to fully discharge their responsibilities;

The Board considered the mix of skills and the diversity of Board members when assessing the composition of the Board. The Board assessed existing and potential Directors' skills to ensure they have appropriate industry expertise in the Group's operating segments.

The Board considered the diversity of existing and potential Directors to ensure they were in line with the geographical and operational segments of the Group. The Board's policy was to seek a diverse range of Directors who had a range of expertise and experience which mirrored the environment in which the Group operates.

An Independent Director is a Director who is not a member of management (a Non-Executive Director) and who:

- holds less than five per cent of the voting shares of the Company and is not an officer of, or otherwise associated, directly or indirectly, with a shareholder of more than five per cent of the voting shares of the Company;
- has not within the last three years been employed in an executive capacity by the Company or another Group member, or been a Director after ceasing to hold any such employment;
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of the Company.

2. Nomination and remuneration committee

The Board had established a Nomination and Remuneration Committee consisting of Independent Non-Executive Directors for the purposes of making recommendations to Ampella's Board of Directors on remuneration packages and policies.

The Nomination and Remuneration Committee also consulted independent experts when necessary. The Nomination and Remuneration Committee reported a summary of the findings of each committee meeting to the Board of Directors. The Board received a copy of the minutes of the Nomination and Remuneration Committee meetings.

2. Nomination and remuneration committee (continued)

Ampella had established policies for the remuneration of Executive and Non-Executive Directors as well as the process for evaluation of the Board and Senior Executives. The Chairman oversaw the evaluation of Non-Executive Directors while the Independent Directors carried out the evaluation of the Chairman with the assistance of an unrelated third party if required.

During 2013 a new Long Term Incentive (LTI) and Short Term Incentive (STI) Schemes were adopted on the back of previous independent external advice and subsequent shareholder approvals. The LTI and STI Schemes form part of the remuneration for Senior Managers and Employees.

In relation to Non-Executive Directors, there were no schemes for retirement benefits, other than statutory superannuation.

3. Audit committee

Ampella had established an Audit Committee consisting of Independent Non-Executive Directors with an established Charter and financial control processes to ensure that the information that was presented to Senior Management and the Board was both accurate and timely. The control processes included, amongst other things:

- annual audit and half year review by the external auditor;
- monthly review of financial performance compared to budget and forecast; and
- analysis of financial performance and significant balance sheet items to comparative periods.

The Audit Committee was responsible for the appointment of the external auditors of the Company and reviewed the scope, performance and fees of the external auditors. Ampella appointed, with their consent and following shareholder approval in 2012, KPMG as its external auditors. The Audit Committee was satisfied that the external auditors were not engaged for non-audit services during the financial year ended 31 December 2013.

4. Technical committee

Ampella had established a Technical Committee which consisted of the Managing Director and two Independent Non-Executive Directors. The purpose of the Committee was to assist the Board in the effective discharge of its responsibilities for the development of the Batie West Project and associated projects in Burkina Faso, and to provide expert support to the management team and advice to the Ampella Board. In appointing members to the Committee, the Board had regard to the following composition requirements:

- members having project development and delivery experience; and
- members having experience of the industry and the country in which the Company operates.

The Technical Committee provided direction and guidance to the management team to ensure that the Project objectives were always aligned with the strategic objectives of the Company. Invitations to attend the Technical Committee meetings were extended to all Directors.

5. Health, safety, environment and community committee (HSEC)

Ampella endeavoured to honour and exceed its social and corporate responsibilities and to this end had established a Health, Safety, Environment and Community Committee which consisted of the Managing Director and two Independent Non-Executive Directors. The purpose of the Committee was to assist the Board in the effective discharge of its responsibilities for the development of the Batie West Project and associated projects in Burkina Faso. In appointing members to the Committee, the Board had regard to the following compositional requirements:

- members having personnel and safety management experience; and
- members having experience of the industry and the country in which the Company operates.

The Health, Safety, Environment and Community Committee provided direction and guidance to the Management Team to empower all of our employees with the individual responsibility for health, safety, the environment and the communities in which we operated, in line with the strategic objectives of the Company. Invitations to attend the Health, Safety, Environment and Community Committee meetings were extended to all Directors.

6. Board and committee meetings during the 2013 financial year

The numbers of meetings of the Board of Directors and of each Board Committee held during the year ended 31 December 2013 and the numbers of meetings attended by each Director were:

Director	Board		Audit Committee		Health, Safety, Environment and Community Committee		Nomination and Remuneration Committee		Technical Committee	
	No. Attended	No. Held while in Office	No. Attended	No. Held while in Office	No. Attended	No. Held while in Office	No. Attended	No. Held while in Office	No. Attended	No. Held While in Office
P. Mansell	9	9	6	6	N/A	N/A	6	6	N/A	N/A
P. Kitto	8	9	N/A	N/A	3	3	N/A	N/A	4	4
M. Anderson	8	9	N/A	N/A	3	3	6	6	4	4
R. Beevor	8	9	6	6	N/A	N/A	6	6	N/A	N/A
R. Renton	8	9	6	6	3	3	N/A	N/A	4	4

n/a = not applicable as not a committee member

*All directors are entitled to attend each Committee Meeting

7. Risk management

Oversight of the risk management system

The Board oversaw the establishment, implementation, and annual review of the Group's Risk Management System. Management had established and implemented the Risk Management System for assessing, monitoring and managing all risks, including material business risks, for the Group (including sustainability risk). The Managing Director & CEO and the Chief Financial Officer have provided assurance, in writing to the Board, that the financial reporting risk management and associated compliance and controls have been assessed and found to be operating effectively. The operational and other risk management compliance and controls have also been assessed and found to be operating effectively.

Risk profile

Management provided the risk profile on a regular basis to the Audit Committee that outlined the material business risks to the Group. Risk reporting included the status of risks through integrated risk management programs aimed at ensuring risks were identified, assessed and appropriately managed.

The Audit Committee reported the status of material business risks to the Board at each meeting. Further details of the Group's risk management policy were available on the Company's website.

Material business risks for the Group could arise from such matters as actions by competitors, government policy changes, the impact of exchange rate movements on the price of commodities, environment, occupational health and safety, property, financial reporting, and the costs of exploration programs.

Risk management and compliance and control

Comprehensive practices were established to ensure:

- capital expenditure and revenue commitments above a certain size obtained prior Board approval;
- financial exposures were controlled, including the use of derivatives. Further details of the Group's policies relating to interest rate management, forward exchange rate management and credit risk management were included in Note 18 to the consolidated financial statements;
- occupational health and safety standards and management systems were monitored and reviewed to achieve high standards of performance and compliance with regulations;
- financial reporting accuracy and compliance with the financial reporting regulatory framework (see below); and
- environmental regulation compliance (see page 13).

Financial reporting

The current CEO and the current Group Financial Controller had provided assurance in writing to the Board that the Group's financial reports were founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.

Monthly actual results were reported against budgets approved by the Directors and revised forecasts for the year were prepared regularly.

8. Ethical standards

All Directors, Managers and Employees were expected to act with the utmost integrity and objectivity, striving at all times to enhance the reputation and performance of the Group.

Conflict of interest

Directors kept the Board advised, on an ongoing basis, of any interest that could potentially conflict with those of the Group. The Board developed procedures to assist Directors to disclose potential conflicts of interest.

Where the Board believed that a significant conflict existed for a Director on a Board matter, the Director concerned did not receive the relevant Board papers and was not present at the meeting whilst the item was considered. Details of Director related party arrangements within the Group are set out at Note 21 to the consolidated financial statements.

Code of conduct

The Group advised each Director, Manager and Employee that they must comply with the Group's Code of Conduct. The code covered the following:

- aligning the behaviour of the Board and Management with the code of conduct by maintaining appropriate core Group values and objectives;
- fulfilling responsibilities to shareholders by delivering shareholder value;
- usefulness of financial information by maintaining appropriate accounting policies, practices and disclosure;
- employment practices such as occupational health and safety, employment opportunity, training and education support, community activities, sponsorships and donations;
- responsibilities to the individual, such as privacy, use of privileged or confidential information, and conflict resolution;
- compliance with legislation including policies on legal compliance in countries where the legal systems and protocols are significantly lower than Australia's;
- managing actual or potential conflicts of interest;
- corporate opportunities such as preventing Directors and Key Executives from taking improper advantage of property, information or position for personal gain;
- reporting of unlawful or unethical behaviour including protection of those who report violations in good faith; and
- the processes for monitoring and ensuring compliance with the code of conduct.

Trading in company securities by directors and employees

The key elements of the Trading in Company Securities by Directors and Employees Policy set out in the Securities Trading Policy were:

- identification of those restricted from trading – Directors and Senior Executives may acquire shares in the Company, but are prohibited from dealing in Company shares or exercising options:
  - except two days after the release of the Company's half-year and annual results to the ASX, the annual general meeting or any major announcement; and
  - whilst in possession of price sensitive information not yet released to the market.
- to raise the awareness of legal prohibitions, including transactions with colleagues and external advisers, and transactions that limit economic risks related to unvested share-based payments;

8. Ethical standards (Continued)

- to raise awareness that the Group prohibits those restricted from trading in Company shares as described above from entering into transactions such as margin loans that could trigger a trade during a prohibited period;
- to require details to be provided of intended trading in the Company's shares; and
- the identification of processes for unusual circumstances where discretions may be exercised in cases such as financial hardship.

The policy also detailed the insider trading provisions of the Corporations Act 2001 and was reproduced in full on the Company's website and in the Group's announcements provided to the ASX.

9. Diversity

Ampella recognised the value of a diverse workforce and believed that diversity supported all employees reaching their full potential, improved business decisions, business results, increased stakeholder satisfaction and promoted realisation of the company vision. Diversity also encompassed a large range of factors and was not restricted to issues of gender or race. The Company employed a cross section of people in various categories for the project development and operations.

Ampella was committed to ensuring that emphasis was maintained on developing the skills of our local workforce. All employees, whether part time, full time or temporary, were treated fairly and with equal consideration of their merits. Ampella actively managed diversity, finding ways of utilising the differences that exist, in order to improve our business. This required that we actively and flexibly sought to accommodate the unique requirements of a diverse workforce.

Selection for employment, promotion, training or any other benefit was on the basis of aptitude and ability. All employees were helped and encouraged to develop their full potential and the talents and resources of the workforce were fully utilised to maximise the efficiency of the organisation.

Above all, Ampella was committed to ensuring that all employees were treated with respect, dignity and equal opportunity in respect to employment and employment conditions.

The Company was committed to supporting employees and managers in the achievement of a diverse workplace. Due to the broad nature of diversity, and the geographical spread of operations between Australia and Burkina Faso, the company did not believe that prescribed diversity targets were appropriate for a company at this stage of its development.

The Group's gender representation as at the end of the 2013 Financial Year wa as follows:

	31 December 2013		31 December 2012	
Gender representation	**Female (%)**	**Male (%)**	**Female (%)**	**Male (%)**
Board representation	**0**	**100**	**0**	**100**
Key Management Personnel	**0**	**100**	**0**	**100**
Group representation	**18**	**82**	**20**	**80**
Expatriate employees	**16**	**84**	**22**	**78**
Burkina Faso nationals	**16**	**84**	**15**	**85**
Australian employees	**28**	**72**	**44**	**56**

10. Communication with shareholders

Ampella had established a Shareholder Communications Policy to ensure that shareholders were informed of all major developments affecting Ampella. Shareholders could nominate to receive Ampella's annual report and may also request copies of Ampella's half-yearly and quarterly reports. Ampella also encouraged full participation of shareholders at the annual general meeting (AGM) and any other general meetings of Ampella.

In addition, Ampella maintained a website at www.ampella.com.au on which Ampella made information available on a regular and up to date basis. The Company also provided a Newsletter which was emailed to shareholders and friends of the Company on a regular basis.

Summaries of the Company's Corporate Governance Policies including the Nomination and Remuneration Committee Charter and the Audit Committee Charter were available on Ampella's website.

11. ASX Corporate governance principles and recommendations compliance statement as at 31 December 2013

The Company had complied with each of the eight Corporate Governance Principles and Recommendations as published by ASX Corporate Governance Council as at 31 December 2013, other than where indicated below:

Principle No	Best Practice Principle	Commentary	Mechanism for Dealing with Non-Compliance
1	Lay Solid Foundations for Management and Oversight	Ampella complied with the recommendations as set out under this Principle. A Performance evaluation for Senior Executives took place during the reporting period which was in accordance with the Board and Senior Executives Evaluation Policy. A policy on matters reserved for the Board was outlined in this Report and is available on Ampella's website.	Not applicable
2	Structure the Board to Add Value	Ampella had partially complied with the recommendations as set out under this Principle being that The Board should establish a Nomination Committee. Given Ampella's size, it was not considered necessary to have a separate Nomination Committee. The skills, experience, expertise and period since appointment of each of Ampella's Directors are set out in Ampella's Annual Report. The Nomination process was addressed through the Remuneration and Nomination Committee.	Ampella had appointed a majority of Independent Non-Executive Directors to its Board. A separate policy for Selection and Appointment of New Directors had been adopted by the Board which provides for the proper assessment of prospective Directors and included, but was not limited to, their relevant experience and achievements, compatibility with other Board members, credibility within Ampella's scope of activities, and intellectual and physical ability to undertake Board duties and responsibilities.

11. ASX Corporate governance principles and recommendations compliance statement as at 31 December 2013 (continued)

3	Promote Ethical and Responsible Decision Making	Ampella complied with this Principle.	Not applicable
4	Safeguard Integrity in Financial Reporting	Ampella complied with this Principle.	Not applicable
5	Make Timely and Balanced Disclosure	Ampella complied with this Principle	Not applicable
6	Respect the Rights of Shareholders	Ampella complied with this Principle	Not applicable
7	Recognise and Manage Risk	Ampella complied with this Principle	Not applicable
8	Remunerate Fairly and Responsibly	Ampella complied with this Principle	Not applicable. During the period, the Board, implemented a new LTI and STI schemes to remunerate Senior Managers and Employees. Shareholders approved the LTI Management Performance Rights Scheme at the 30 January 2013 General Meeting of Members.

As at the Date of the Annual Report, the Company is in the process of being taken over by Centamin West Africa Holdings Limited and the future direction will be determined following an outcome of the process being known.

Ampella Mining Limited

Consolidated statement of financial position

For the year ended 31 December 2013

	Note	31 December 2013 $	31 December 2012 $
Assets			
Cash and cash equivalents	*14*	13,338,250	19,936,979
Term deposits		-	10,245,856
Other receivables	*13*	414,302	507,924
Inventories		34,553	31,731
Total current assets		13,787,105	30,722,490
Other receivables		30,965	532,006
Property, plant and equipment	*15*	1,585,786	2,323,455
Intangible assets - computer software	*15*	82,846	190,817
Total non-current assets		1,699,597	3,046,278
Total assets		15,486,702	33,768,768
Liabilities			
Trade and other payables	*17*	716,895	2,160,068
Provisions	*11*	302,983	369,610
Total current liabilities		1,019,878	2,529,678
Total non-current liabilities		-	-
Total liabilities		1,019,878	2,529,678
Net assets		14,466,824	31,239,090
Equity			
Share capital		125,819,471	125,819,471
Options reserve	*16*	8,979,839	8,884,826
Plan shares reserve	*16*	3,303,197	2,217,239
Accumulated losses		(123,635,683)	(105,682,446)
Total equity attributable to equity holders of the Company		14,466,824	31,239,090
Total equity		14,466,824	31,239,090

The Notes on pages 42 to 77 are an integral part of these consolidated financial statements.

Ampella Mining Limited

Consolidated statement of profit or loss and other comprehensive income

For the year ended 31 December 2013

	Note	2013 $	2012 $
Other income			
Sundry Income		12,585	21,721
Research and development grant		1,288,309	-
Net (loss) on sale of property, plant and equipment		(31,983)	(8,194)
Total other income		1,268,911	13,527
Exploration expenses		(14,358,651)	(21,470,782)
Pre-feasibility expenses		(1,050,664)	(8,351,520)
Depreciation and amortisation		(838,398)	(974,228)
Employee benefits		(962,668)	(1,382,856)
Non-executive directors fees		(292,836)	(348,755)
Share based payments		(1,180,970)	(3,972,021)
Rent and office expenses		(577,507)	(675,633)
Promotion, travel and other expenses		(566,742)	(1,002,502)
Professional fees		(1,019,688)	(688,764)
Operating profit		(19,579,213)	(38,853,534)
Finance Costs	*8*	(4,468)	(578,805)
Net Finance income	*8*	1,630,444	1,280,688
Net finance income	*8*	1,625,976	701,883
Loss before tax		(17,953,237)	(38,151,651)
Income tax expense		-	-
Loss after tax		(17,953,237)	(38,151,651)
Total comprehensive loss		(17,953,237)	(38,151,651)
Basic and diluted loss per share attributable to the ordinary equity holders of the parent entity (cents)		(7.27)	(16.08)

The Notes on pages 42 to 77 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

For the year ended 31 December 2013

	Attributable to equity holders of the Company				
	Contributed Equity	Accumulated Losses	Options Reserve	Share Plan Reserve	Total equity
Balance at 1 January 2013	125,819,471	(105,682,446)	8,884,826	2,217,239	31,239,090
Total comprehensive income					
Profit or loss	-	(17,953,237)	-	-	(17,953,237)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	(17,953,237)	-	-	(17,953,237)
Transactions with owners of the Company					
Contributions and distributions					
Issue of ordinary shares	-	-	-	-	-
Share issued costs	-	-	-	-	-
Options issued	-	-	95,013	-	95,013
Plan shares issued	-	-	-	1,085,958	1,085,958
Total contributions and distributions	-	-	95,013	1,085,958	1,180,971
Balance at 31 December 2013	125,819,471	(123,635,683)	8,979,839	3,303,197	14,466,824

The Notes on pages 42 to 77 are an integral part of these consolidated financial statements.

	Attributable to equity holders of the Company				
	Contributed Equity	Accumulated Losses	Options Reserve	Share Plan Reserve	Total equity
Balance as at 1 January 2012	80,058,703	(67,530,795)	6,205,484	924,560	19,657,952
Total comprehensive income					
Profit or loss	-	(38,151,651)	-	-	(38,151,651)
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	(38,151,651)	-	-	(38,151,651)
Transactions with owners of the Company					
Contributions and distributions					
Issue of ordinary shares	47,900,001	-	-	-	47,900,001
Share issued costs	(2,139,233)	-	-	-	(2,139,233)
Options issued	-	-	2,679,342	-	2,679,342
Plan shares issued	-	-	-	1,292,679	1,292,679
Total contributions and distributions	45,760,768	-	2,679,342	1,292,679	49,732,789
Balance at 31 December 2012	125,819,471	(105,682,446)	8,884,826	2,217,239	31,239,090

The Notes on pages 42 to 77 are an integral part of these consolidated financial statements.

Ampella Mining Limited

Consolidated statement of cash flows

For the year ended 31 December 2013

	Note	2013	2012
		$	$
Cash flows from operating activities			
Cash paid to suppliers and employees		(19,842,365)	(34,023,813)
Cash generated from operating activities		(19,842,365)	(34,023,813)
Interest paid		(4,468)	(776)
Interest received		652,762	1,323,113
Net cash used in operating activities	*26*	(19,194,071)	(32,701,476)
Cash flows from investing activities			
Research and development grant		1,299,737	-
Proceeds from sale of assets		-	29,238
Acquisition of property, plant and equipment		(24,978)	(532,423)
(Increase)/decrease in term deposits		10,245,856	(51,764)
Net cash from investing activities		11,520,615	(554,949)
Cash flows from financing activities			
Proceeds from issue of share capital		-	47,900,001
Share capital raising costs		-	(2,139,232)
Net cash from financing activities		-	45,760,769
Net (decrease)/increase in cash and cash equivalents		(7,673,456)	12,504,344
Cash and cash equivalents at 1 January		19,936,979	8,010,664
Effect of movements in exchange rates on cash held		1,074,727	(578,029)
Cash and cash equivalents at 31 December		13,338,250	19,936,979

The Notes on pages 42 to 77 are an integral part of these consolidated financial statements.

Index to notes to the consolidated financial statements

1. Reporting entity

Ampella Mining Limited (the "Company") is a company domiciled in Australia.

The Company's registered office is at Suite 22, 513 Hay Street, Subiaco, Western Australia. The consolidated financial statements comprise the Company and its subsidiaries (collectively the "Group" and individually "Group companies").

2. Basis of accounting

The consolidated financial statements are General Purpose Financial Statements which have been prepared in accordance with Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements comply with International Financial Reporting Standards (IFRS) adopted by the International Accounting Standards Board (IASB).

They were authorised for issue by the Board of Directors on 20 March 2014. Details of the Group's accounting policies, including changes during the year, are included in Notes 24.

3. Going concern

The consolidated financial statements have also been prepared on a going concern basis, which contemplates continuity of normal business activities and realisation of assets and settlement of liabilities in the ordinary course of business. The going concern of the Group is dependent upon it maintaining sufficient funds for its operations and commitments. The directors continue to monitor the ongoing funding requirements of the Group. The directors are confident that sufficient funding can be secured if required to enable the Group to continue as a going concern and as such are of the opinion that the consolidated financial statements have been appropriately prepared on a going concern basis.

4. Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

The Company is of a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, all financial information presented in Australian dollars has been rounded to the nearest dollar unless otherwise stated.

5. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(a) Judgements

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements relate to share based payments (Note 10), recoverability of loan(Note 28), VAT (Note 5(b)) and subsequent events. (Note 22)

5. Use of judgements and estimates (continued)

(b) Assumptions and estimation uncertainties

Provisions for non-recovery of intercompany loans to Ampella Mining Gold Pty Ltd, West African Gold Reserve Pty Ltd, Ampella Mining Gold SARL and Ampella Mining SARL and investments in Ampella Mining Gold Pty Ltd, West African Gold Reserve Pty Ltd, Ampella Mining Gold SARL and Ampella Mining SARL have been made as there is uncertainty as to whether the amounts will be recoverable.

VAT receivable of $0.78 million (31 December 2012: $0.5 million) relating to VAT paid on exploration expenditure incurred in Burkina Faso has been impaired.

The Burkina Faso government have acknowledged Ampella's right to receive the VAT, however recoupment of this is expected to be over an extended period. Due to the relative uncertainty of the timing of recovery, the total VAT receivable at 31 December 2013 has been impaired.

6. Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities.

The Group's policy in respect of share based payments is stated at note 10. The value of these share payments are based on reasonable estimates at the time of issue.

The fair value of Options, Loan Plan Shares, Performance Rights and Compensation Rights issued have been determined by using either a Black-Scholes model or Monte Carlo Simulation as determined appropriate by the Independent Expert. Key assumptions used in the inputs of the models are shown in note 10(c).

7. Operating segments

(a) Basis for segmentation

For management purposes the Group is organised into one main operating segment which involves the exploration and evaluation of gold resources. All of the Group's activities are interrelated and financial information is reported to the Managing Director & CEO (as the Chief Operating Decision Maker) as a single segment.

The financial results and financial performance from this segment are equivalent to the financial statements of the Group as a whole.

Geographical Segment Information	**2013 Revenue**	**2013 Non-current assets**	**2012 Revenue**	**2012 Non-current assets**
	$	**$**	**$**	**$**
Burkina Faso	-	1,313,690	-	2,456,639
Australia	-	385,907	13,527	589,639
Total	-	1,699,597	13,527	3,046,278

8. Net finance costs

See accounting policies in Notes 24(c).

	2013 $	2012 $
Finance income		
Total interest income arising from financial assets not measured at fair value through profit or loss		
Net foreign exchange gain	1,074,726	-
Term deposits	555,718	1,280,688
	1,630,444	1,280,688
Financial assets at fair value through profit or loss - net change in fair value:		
Finance costs	1,630,444	1,280,688
Financial liabilities at amortised cost - interest expense	(4,468)	(777)
Net foreign exchange loss	-	(578,028)
Finance costs	(4,468)	(578,805)
Net finance income recognised in profit or loss	1,625,976	701,883

9. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share has been based on the following loss attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

(i) Loss attributable to ordinary shareholders (basic)

	2013 Total $	2012 Total $
Loss for the year, attributable to the owners of the Company	(17,953,237)	(38,151,651)
Loss attributable to ordinary shareholders	(17,953,237)	(38,151,651)

(ii) Weighted-average number of ordinary shares (basic)

	Note	2013	2012
Issued ordinary shares at 1 January		247,500,493	205,985,108
Effect of capital raising		-	28,047,499
Effect of share options exercised		-	3,243,716
Effect of loan plan shares issued in February 2013		423,288	-
Effect of loan plan shares cancelled in 2013		(808,219)	-
Weighted average number of ordinary shares at 31 December		247,115,562	237,276,323

(b) Diluted earnings per share

Diluted earnings per share is the same as basic earnings per share as the options are not considered dilutive.

10. Share-based payment arrangements

See accounting policy in Note 24(e).

	2013 $	2012 $
Options and plan shares and rights expensed as remuneration	1,180,971	3,972,021
	1,180,971	**3,972,021**

Share-based payment arrangements
Reconciliation of outstanding share options

The number and weighted average exercise prices of share options under the share option scheme and plan share scheme is as follows:

	Number of options 2013	Weighted average exercise price 2013	Number of options 2012	Weighted average exercise price 2012
Outstanding at 1 January/1July	14,920,000	$1.18	12,120,000	$1.02
Forfeited during the year	(2,570,000)	$1.42	-	-
Exercised during the year			(6,900,000)	$0.42
Expired during the year	(3,500,000)	$1.57	-	-
Granted during the year			9,700,000	$0.85
Outstanding at 31 December	8,850,000	$0.96	14,920,000	$1.18

Share-based payment arrangements

Employee expenses	2013 $	2012 $
Expense arising from Share options granted in 2011	35,513	393,871
Expense arising from Share options granted in 2012	59,500	2,285,471
Expense arising from Share options granted in 2013	-	-
Expense arising from Plan Shares & Rights granted in 2011	876,208	-
Expense arising from Plan Shares & Rights granted in 2012	-	1,292,679
Expense arising from Plan Shares & Rights granted in 2013	209,750	-
Total expense recognised as employee cost	**1,180,971**	**3,972,021**

10. Share-based payment arrangements (continued)

(a) Employee share acquisition scheme

To ensure that the Company has appropriate mechanisms to attract and retain the services of Directors and Employees of high calibre and in order to provide an incentive to existing Employees to share in the performance of the group, the Company has established an Employee Share Acquisition Scheme (ESAS) under the following terms and conditions.

(b) Terms and conditions of the Ampella employee share acquisition scheme

(i) Outline of operation of the plan

The objective of the Plan is to provide an incentive to Directors and Employees to share in the performance of the Company by the Company assisting Employees to acquire Shares under the Scheme.

The Company has set up a Trust as the mechanism for acquiring, holding and selling Shares under the Plan on behalf of Employees participating in the Scheme. The Trustee is bound by the rules of the Scheme and a trust deed appointing and giving powers to the Trustee.

The Company allocates shares to employees in accordance with an invitation to participate. When an Employee accepts an Invitation and is allocated Shares he becomes a Participant. The acquisition of the Plan Shares is financed by a loan from the Company to a Participant.

The Company allocates Scheme Shares to employees, subject to specified restrictions.

Generally, it is intended that the Scheme Shares to be Allocated to Participants will be acquired by the Trustee on the ASX market. They may also be issued by the Company.

An offer of Scheme Shares may only be made under the Scheme if the number of Scheme Shares when aggregated with:

- the number of Scheme Shares which would be issued if an offer pursuant to the Scheme was to be accepted; and
- the number of Scheme Shares issued during the previous 5 years pursuant to the Scheme (or any other incentive scheme),
- but disregarding an offer made, or Scheme Shares issued by way of or as a result of:
- an offer to a person situated at the time of receipt of the offer outside Australia;
- an offer that did not need disclosure to investors because of section 708 of the Corporations Act; or
- an offer made under a disclosure documents,
- does not exceed 5% (or such other maximum permitted under any ASIC Class Order providing relief from the disclosure regime of the Corporations Act) of the total number of issued Shares as at the time of the offer. For the avoidance of doubt, where an offer of Scheme Shares lapses without being accepted, the Scheme Shares concerned shall be ignored in the above calculation.

10. Share-based payment arrangements (continued)

(b) Terms and conditions of the Ampella employee share acquisition scheme (continued)

(ii) Terms and conditions of the scheme and terms on which invitations may be made

Invitations are made to Participants on such terms and conditions as the Board in its absolute discretion determines. Invitations are generally made to Participants on terms and conditions including the following:

- An Invitation may specify that the Scheme Shares to be Allocated under the Scheme will be:
- acquired by the Trustee as a result of an issue of new Shares;
- acquired by the Trustee on market;
- Scheme Shares held by the Trustee but which have not been allocated to a Participant; or
- acquired by the Trustee off-market generally or from another Participant who is disposing of Shares in accordance with any restrictions.

The Trustee may acquire Scheme Shares in advance of making an Allocation using short term loans funds extended by the Company to the Trustee. Such loans will be repaid from the payment on Allocation of Scheme Shares to the Participant.

- If there are more acceptances than Scheme Shares available, the Board can scale back Allocations under the Invitation at its absolute discretion.
- It is the current intention of the Board that Scheme Shares will be Allocated at a $0.01 discount to the volume weighted average of the prices at which the Shares were traded on the ASX during the week leading up to and including the date of Allocation of the Scheme Shares unless otherwise determined by the Board, or another acceptable taxation valuation method for shares issued under an employee share scheme (as determined by the Board). The Board can determine to issue Scheme Shares at a greater discount.
- Participants must pay for the Plan Shares Allocated to them with the proceeds of the loan provided to them by the Company.
- A loan may be provided on such terms as determined by the Board. The Company currently proposes to loan funds to Participants on the terms in item 3 below.
- Participants have no right to or an interest in Scheme Shares under the Scheme until the Scheme Shares have been allocated to them. A Participant has no right against the Company if Scheme Shares under the Scheme are not allocated to them.
- Allocations of Scheme Shares under the Scheme may be made progressively at such times as and when such Scheme Shares become available.
- If, for whatever reason, there are insufficient Scheme Shares to satisfy the Allocations there is no requirement on the Company or the Trustee to Allocate the Plan Shares.
- No Allocation of Scheme Shares will be made to Participants to the extent that it would contravene the Constitution, listing Rules, the Corporations Act or any other applicable law.
- On Allocation Participants will be entitled to exercise all rights of a shareholder attaching to the Scheme Shares, subject to specified terms and restrictions.

10. Share-based payment arrangements (continued)

(b) Terms and conditions of the Ampella employee share acquisition scheme (continued)

- The Company may impose such restrictions on Scheme Shares under the Scheme as it sees fit for such period as it sees fit. Currently the Company is proposing a sales restriction of the earlier of 3 years or ceasing employment (or as otherwise determined by the Board). The Scheme provides for the release of restrictions in the event of a change of control event of the Company.
- Participants may request the Trustee to sell their Scheme Shares if there are no restrictions on the Scheme Shares and the value of the Scheme Shares is greater than the loan. In this event the Trustee must sell the Scheme Shares at a price per share specified in the Invitation and the net proceeds of sale will be used to repay the loan and the balance, if any, paid to the Participant. In such circumstances the Trustee may sell the Scheme Shares on market or off market or acquire the shares itself to be held pending their future Allocation under the Scheme.
- The Invitation is personal to a Participant and may only be accepted by the Participant. Scheme Shares may be issued to a nominee of the Participant.
- Subject to the Corporations Act and the Listing Rules, the Board will have the power to amend the Scheme as it sees fit.

If the Company provides a non-recourse loan to a Participant such Participant must accept the terms of the loan as part of the Invitation. The loan may only be used to pay for the Allocation of Plan Shares under the Scheme.

The terms and conditions of the loan will be determined by the Board in its discretion.

A Participant may, at any time, repay part all or part of the amount of the loan.

Repayment of the loan does not operate to remove the sale restrictions which will continue to apply during the specified restriction period.

Until repayment of the loan in full, Participants have no right to have the Scheme Shares transferred to them.

In the event that the Participant leaves within 3 years (or any other period determined by the Board), the loan must be repaid and interest will be charged equal to the market rate of interest that would have accrued on the loan from the date of advance of the fund to the repayment date.

If, on the expiry date, the value of Scheme Shares Allocated to the Participant under the Scheme is greater than the loan, the Participant must immediately pay the Company the loan in full and the Trustee will transfer the Scheme Shares to the Participant.

If, on the expiry date, the value of Scheme Shares Allocated to the Participant under the Scheme is less than the loan, the Trustee will transfer the Plan Shares to the Company in full satisfaction of the loan.

Dividends declared on Scheme Shares will be used to repay the loan. A portion of the dividend, determined by the Company, will be paid to the Participant so that the Participant can pay any tax liability in respect of the dividend paid.

If the Participant does not repay the loan as required by the terms of the loan then the Trustee is authorised to sell the Participant's Scheme Shares on market or off-market or may acquire them himself as Trustee for the purposes of the Scheme. The net proceeds of sale will be used to repay the loan and the balance, if any, paid to the Participant.

10. Share-based payment arrangements (continued)

(b) Terms and conditions of the Ampella employee share acquisition scheme (continued)

The Company intends to make provisions in the loan in the event of a special circumstance, such as death or permanent incapacity of the Participant, occurring.

If a takeover is made or change of control event occurs then restrictions in respect of the Participants Scheme Shares all may be waived. In such circumstances the Participant shall be entitled to authorise the Trustee to sell the Participants' Scheme Shares and the net proceeds of sale will be used to repay the loan and the balance, if any, paid to the Participant. If the takeover is not successful or the change of control event does not occur and the Scheme Shares are not sold then the restrictions will continue to apply.

Whilst the loan remains outstanding a Participant is not entitled to participate in any dividend reinvestment plan of the Company.

Subject to the Corporations Act and the Listing Rules, the Board will have the power to amend the terms and conditions of any loan as it sees fit. In addition, the Board may in its absolute discretion forgive onerous liabilities of a Participant who leaves the Company on good terms.

Employee Share Acquisition Scheme

	Tranche 1	Tranche 2	Tranche 3	Tranche 4
	Scheme Shares	Scheme Shares	Scheme Shares	Scheme Shares
Grant Date	04/02/11	04/02/11	24/11/11	18/02/13
Exercise Price	-	-	-	$0.34
Allocation Price	$2.7342	$2.7342	$1.8800	$0.35
Vesting Date	04/02/2013	04/02/2014	24/11/2013	17/02/2016
Vesting Conditions	#1	#2	#1	#3
Expiry Date	04/02/2013	04/02/2014	24/11/2013	17/02/2016
Stock Price at Grant Date	$2.86	$2.86	$1.88	$0.35
Risk Free Rate	5.25%	5.25%	3.08%	2.90%
Volatility	75%	75%	75%	70%
Value per Scheme Share	$1.284	$1.533	$0.648	$0.174
Number of Options Scheme Shares	750,000	1,000,000	1,000,000	500,000
Total fair value	$963,143	$1,532,650	$648,000	$87,000
Total Cumulative fair value vested at 31 December 2013	-	-	-	-
Expected life	Expired	1 month	Expired	2.2 years

#1 These Scheme Shares vest two years after grant date being the retention years of service which must be achieved before the plan shares can be issued. These scheme shares are therefore being expensed over 731 days from grant date.

#2. Scheme shares vest three years after grant date being the retention years of service which must be achieved before the scheme shares can be issued. These scheme shares are therefore being expensed over 1,096 days from grant date. These expired during the period and are fully expensed.

#3. Scheme shares vest three years after grant date being the retention years of service which must be achieved before the scheme shares can be issued. These scheme shares are therefore being expensed over 1,095 days from grant date.

10. Share-based payment arrangements (continued)

(c) Employee Share Option Plan

In May 2010 the Company established an Employee Share Option Plan (ESOP) that entitles management personnel and employees (including directors) to purchase shares in the entity. All options issued under the ESOP scheme are subject to the Company's rules for incentive options.

The amounts expensed in relation to the ESOP options for the period 1 January 2013 to 31 December 2013 was $59,500.

During the period, no additional options under the ESOP have been issued as the ESOP has been made redundant by the introduction of a Management Performance Rights Plan approved by shareholders on 30 January 2013.

The options and plan shares were granted on the terms detailed below and valued using the Black-Scholes model using the assumptions detailed below:

Employee Share Option Plan

	Tranche 10	Tranche 11	Tranche 12	Tranche 13
	Unlisted Options	Unlisted Options	Unlisted Options	Unlisted Options
Grant Date	07/05/12	23/08/12	02/10/12	31/12/12
Exercise Price	$1.35	$0.74	$0.91	$0.74
Allocation Price	-	-	-	-
Vesting Date	07/05/12	23/08/12	02/10/12	31/12/12
Vesting Conditions	None	None	None	None
Expiry Date	07/05/15	31/07/15	31/12/15	31/07/15
Stock Price at Grant Date	$1.02	$0.62	$0.70	$0.30
Risk Free Rate	2.70%	2.68%	2.38%	2.67%
Volatility	67%	64%	68%	68%
Value per Option	$0.391	$0.241	$0.287	-
Value per Plan Share	-	-	-	$0.058
Number of Options Plan Shares	1,450,000	4,650,000	900,000	1,700,000
Total fair value	$566,921	$1,120,650	$258,300	$98,600
Total Cumulative fair value vested at 31 December 2013	-	-	-	-
Expected life	1.5 years	1.5 years	2 years	1.5 years

Tranche 13 relates to unlisted options granted to Paul Kitto and Ruth Shepherd (a related party) which were subject to shareholders approval. Following approval on 30 January 2013, these options were valued provisionally at 31 December 2012 and expensed.

Expected volatility is estimated considering historic average share price volatility.

10. Share-based payment arrangements (continued)

(d) Management Performance Rights Plan

On 30 January 2013 shareholders approved the introduction of a Management Performance Rights Plan (MPRP) to enable performance and retention linked Long Term Incentives (LTI's) to be offered to Key Management Personnel and Employees and directors so as to link achievement of the Company's long term operational and safety targets with the remuneration received by the Key Management Personnel and Employees charged with meeting those targets.

The Management Performance Rights are issued with 3 year relative Total Shareholder Return (TSR) conditions against a peer group of companies and/or minimum retention requirements. The Management Performance Rights operate similar to a zero exercise price option which vests only upon achievement of the requisite performance and retention conditions. At vesting each Management Performance Right can convert into a fully paid ordinary share in the issued capital of the Company.

Following shareholder approval on 30 January 2013 the Company issued 257,870 Management Performance Rights to Managing Director Dr Paul Kitto and 42,000 Management Performance Rights to Related Party/Spouse Ms Ruth Shepherd on 26 February 2013. The 2012 Management Performance Rights represented the LTI allocation for the period 1 July 2012 to 31 December 2012. The value attributed to these 2012 Management Performance Rights is $46,480.

The 2012 Performance Rights expensed in relation to the rights for Managing Director Dr Paul Kitto and Related Party/Spouse Ms Ruth Shepherd for the period 1 January 2013 to 31 December 2013 was $14,533 and $2,368 respectively.

Retention Rights were granted to certain staff in August 2013 as part of a series of pay reductions of 18-20% to those staff. The Retention Rights operate similar to zero exercise price option which vests only upon achievement of the requisite retention conditions. At vesting each Retention Right can convert into a fully paid ordinary share in the issued capital of the company.

2012 & 2013 Management Performance Rights and Retention Rights

	2012 Performance Rights	Kitto & Shepherd Performance Rights	2013 Performance Rights	2013 Retention/ Compensation Rights Tranche 1	2013 Retention/ Compensation Rights Tranche 2
Grant Date	01/07/2013	22/02/2013	06/08/2013	06/08/2013	06/08/2013
Exercise Price	-	-	-	-	-
Allocation Price	-	-	-	-	-
Vesting Date	30/06/2015	30/06/2015	31/12/2015	31/08/2014	31/08/2015
Vesting Conditions	Tenure (3-5 years) and TSR	Tenure (3-5 years) and TSR	Tenure (3-5 years) and TSR	Tenure (3-5 years)	Tenure (3-5 years)
Stock Price at Grant Date	$0.13	$0.29	$0.12	$0.12	$0.12
Risk Free Rate	2.59%	2.81%	2.4%	2.28%	2.31%
Volatility	70%	70%	70%	70%	70%
Dividend Yield	0%	0%	0%	0%	0%
Value per Right	$0.059	$0.155	$0.077	$0.12	$0.12
Number of MPR Plan Shares	422,400	299,870	5,408,740	1,335,690	1,335,690
Total fair value	$24,922	$46,480	$416,473	$160,283	$160,283
Total Cumulative fair value vested at 31 December 2013	$ nil	$ nil	$ nil	$ nil	$ nil
Expected life					

11. Provisions – Employee benefit expenses

See accounting policy in Note 24(e).

	2013	2012
	$	$
Employee provisions	228,860	232,559
End of employment allowances	74,123	137,051
	302,983	369,610

Employee provisions relate to annual leave and other leave entitlements not yet taken by employees as at 31 December.

A labour code in Burkina Faso requires a payment of an end of employment allowance to all employees in the country of a percentage of the last six months gross salary per year of employment. Employees are eligible for this payment when they have been with the company for a period of greater than 1 year and they leave the company due to resignation, retirement or death. The rate is as follows:

- 1 - 5 years 25%
- 6-10 years 35%
- 11 years and over 45%

12. Income taxes

See accounting policy in Note 24(f).

	2013	2012
	$	$
Loss from continuing operations before income tax	(17,953,237)	**(38,151,651)**
Prima facie tax benefit on operating loss calculated at the Australian tax rate of 30%	(5,385,970)	(11,445,495)
Capital raising costs (30%)	(337,412)	(357,157)
Other deductible items (30%)	(13,309)	(18,164)
Other non-deductible items (30%)	381,119	1,218,222
Provisions	(29,852)	3,741
Effect of tax rate differential in Burkina Faso (17.5%)	2,244,154	4,768,956
Income tax benefit not brought to account	3,141,268	5,829,897
Income tax expense	-	-
Deferred tax		
Deferred tax assets:		
Capital raising costs	-	329,780
Provisions and accruals	73,021	102,874
Tax losses	19,162,819	16,021,551
Net deferred tax asset not brought to account	**19,235,840**	**16,454,205**

The net deferred tax asset not brought to account has been calculated using an assumed income tax rate of 17.5% which is the current prevailing rate in Burkina Faso, applied to unrecognised deferred tax assets resulting from operations in Burkina Faso and 30%, which is the current prevailing rate in Australia to unrecognised deferred tax assets resulting from operations in Australia.

13. Other receivables

See accounting policies in Notes 24(j)(i).

	2013	2012
	$	$
Interest and other receivables	122,639	264,082
Prepayments	291,663	243,842
	414,302	507,924
Other receivables - current	414,302	507,924

14. Cash and cash equivalents

See accounting policy in Note 24(j).

	2013	2012
	$	**$**
Bank balances	13,338,250	19,936,979
Cash and cash equivalents in the statement of financial position	13,338,250	19,936,979
Cash and cash equivalents in the statement of cash flows	13,338,250	19,936,979

15. Property, plant and equipment

See accounting policies in Notes 24(h).

(a) Reconciliation of carrying amount

Cost	Land and buildings	Plant and equipment	Fixtures and fittings	Under con-struction	Total Property, Plant and Equipment	Intangible Software	Total
	$	$	$	$	$	$	$
Balance at 1 January 2012	772,861	989,242	312,721	826,540	**2,901,364**	92,146	**2,993,510**
Additions	26,309	287,607	44,286	143,343	**501,545**	30,878	**532,423**
Depreciation/Amortisation	(69,256)	(668,108)	(86,620)	-	**(823,984)**	(150,244)	**(974,228)**
Transfers	442,024	307,471	-	(967,532)	**(218,037)**	218,037	**-**
Disposals	-	(37,433)	-	-	**(37,433)**	-	**(37,433)**
At 31 December 2012 net of accumulated depreciation	1,171,938	878,779	270,387	2,351	**2,323,455**	190,817	**2,514,272**
Balance at 1 January 2013	**1,171,938**	**878,779**	**270,387**	**2,351**	**2,323,455**	**190,817**	**2,514,272**
Additions	-	20,237	3,475	-	**23,712**	595	**24,307**
Depreciation/Amortisation	(87,695)	(553,454)	(88,683)	-	**(729,832)**	(108,566)	**(838,398)**
Transfers	-	(32,220)	-	671	**(31,549)**	-	**(31,549)**
Disposals	-	-	-	-	**-**	-	**-**
At 31 December 2013 net of accumulated depreciation	**1,084,243**	**313,342**	**185,179**	**3,022**	**1,585,786**	**82,846**	**1,668,632**
As at 31 December 2013							
Cost	1,244,421	2,548,610	438,025	3,022	**4,234,078**	444,304	**4,678,382**
Accumulated Depreciation	(160,178)	(2,235,268)	(252,846)	-	**(2,648,292)**	(361,458)	**(3,009,750)**
Net carrying amount	1,084,243	313,342	185,179	3,022	**1,585,786**	**82,846**	**1,668,632**

16. Capital and reserves

See accounting policies in Notes 24(j).

(a) Share capital

	2013 No.	2012 No.
In issue at 1 January	247,500,493	205,985,108
Issued for cash	-	34,615,385
Exercise of share options	-	6,900,000
Cancelled loan plan shares	(1,000,000)	-
Issued as loan plan shares	500,000	-
In issue at 31 December	247,000,493	247,500,493

All ordinary shares rank equally with regard to the Company's residual assets.

(i) Ordinary shares

The Company does not have authorised capital or par value in respect of its issued shares. All issued shares are fully paid.

The holders of these shares are entitled to receive dividends and are entitled to one vote per share at general meetings of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

(ii) Loan plan shares

The Company has issued loan scheme shares to certain management and Directors. Michael Anderson was issued 500,000 loan scheme shares 18 February 2013. Loan scheme shares to Ronnie Beevor and Ronald Renton expired during the reporting period and were cancelled on 3 December 2013.

(b) Nature and purpose of reserves

Options and plan shares reserve

	2013 $	2012 $
Options Reserve		
Opening Balance	8,884,826	6,205,484
Options Expensed	95,013	2,679,342
	8,979,839	**8,884,826**

The options reserve is used to record the fair value of options issued to Directors and Employees over the vesting period, as part of their remuneration. As at 31 December 2013, there were 8,850,000 unlisted options outstanding exercisable at various prices ranging from $0.74 to $1.35 each with different expiry dates.

16. Capital and reserves (continued)

	2013 $	2012 $
Plan Shares Reserve		
Opening Balance	2,217,239	924,560
Plan Shares Expensed	1,085,958	1,292,679
	3,303,197	**2,217,239**

The plan shares reserve is used to record the value of plan shares issued to Directors and Employees over the vesting period, as part of their remuneration. At 31 December 2013 the amount remaining to be expensed for plan shares was $736,036 (2012: $1,172,813).

	2013 Number of plan shares	2012 Number of plan shares
Plan Shares Reserve		
Opening Balance	2,750,000	2,750,000
Plan Shares issued	500,000	-
Plan Shares cancelled	(1,000,000)	-
	2,250,000	**2,750,000**

17. Trade and other payables

	2013 $	2012 $
Trade payables and accruals	598,600	1,670,241
Payroll tax and other tax liabilities	118,295	489,827
Total	716,895	2,160,068

18. Financial instruments – Fair values and risk management

(a) Overview

The Group's activities expose it to a variety of financial risks; market risk, credit risk, foreign currency risk, liquidity risk and cash flow interest risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Group Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

18. Financial risk management (continued)

(b) Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through their training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(c) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- credit risk (see (c)(ii))
- capital management (see (c)(iii))
- liquidity risk (see (c)(iv))
- market risk (see (c)(v))
- foreign currency risk (see (c)(vi))
- cash flow and fair value interest risk(see (c)(viii))

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables and interest bearing deposits.

The Group limits its exposure to credit risk depositing cash only with counterparties that have a credit rating of at least AA from Standard & Poor's and AA from Moody's. Management actively monitors credit ratings and given that the Group only has invested in securities with high credit ratings, management does not expect any counterparty to fail to meet its obligations.

The Group has impaired the VAT receivable ($745,040 AUD equivalent) from the Government of Burkina Faso which is past due over 2 years. This has been impaired following consideration of the time taken to recover the VAT receivable, although it is noted that the Burkina Faso Government is historically late in payment by the tax authorities. Ampella still considers that these amounts outstanding are still due and payable by the Burkina Faso Government and will continue to be monitored and followed up with the tax authority. No other receivables are past due.

18. Financial risk management (continued)

(c) Risk management framework (continued)

At 31 December 2013, the maximum exposure to credit risk for cash and cash equivalents, term deposits, trade and other receivables by geographic region was as follows.

	Carrying amount	
	2013	**2012**
Australia	13,397,499	30,076,566
Burkina Faso	386,018	1,122,190
	13,783,517	31,198,756

At 31 December 2013, The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of the reporting period was as follows.

	Carrying amount	
	2013	**2012**
Cash and cash equivalents	13,338,250	19,936,979
Term deposits	-	10,245,856
Other receivables	122,639	264,082
VAT receiveable	-	507,997
	13,460,889	30,954,914

(ii) Capital management

The Board's policy is to maintain a strong capital base in order to maintain investor and market confidence and to sustain the future development of the business. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so as to maintain a capital base (comprising equity plus borrowings) sufficient to allow future exploration and development of the Group's current projects.

When determining future funding mix of debt and equity, consideration is given to the ability of the Group to service loan interest and repayment schedules, lending facility compliance ratios and the amount of free cash flow desired to support the Group's activities.

(iii) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group manages its liquidity risk by monitoring cash reserves and forecast expenditure to ensure it will always have sufficient funds to meet liabilities as they fall due. The Group uses weekly, monthly and yearly cash forecasting to monitor cash flow requirements and ensures that it has sufficient cash available to meet expected expenditure.

The Group is exposed to trade payables in the following currencies, West African CFA Franc, the US Dollar, the Canadian Dollar and the Euro. All amounts are due and payable in 30 days. Deposits are held in USD, CFA and Euro currencies. Canadian Dollars are purchased at spot rate as required and are of minimal value. The future cashflows of foreign currency liabilities are included in the cash forecasting to ensure sufficient funds are held to meet commitments as they fall due. There are no contractual obligations in foreign currencies greater than 12 months.

18. Financial risk management (continued)

(c) Risk management framework (continued)

(iv) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising returns.

The Group is exposed to currency risk on purchases that are denominated in a currency other than the functional currency of the Group entities, currently Australian Dollars, (AUD). The currencies in which these transactions are denominated are the West African CFA Franc, the US Dollar, the Canadian Dollar and the Euro.

The Group is currently exposed to changes in the price of gold which may affect positively or negatively the outcome of the prefeasibility study currently undertaken on its Konkera Resource project.

(v) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are primarily the Australian dollar (AUD). The currencies in which these transactions are primarily denominated are AUD, Euro, US dollar (USD), Canadian dollar (CAD) and West African francs (CFA).

The Group does not hedge this risk. It does however maintain separate AUD, USD, CFA and Euro short term deposits.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The Group's investment in its Burkina Faso subsidiaries are not hedged.

(vi) Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows (in currency of exposure).

	31 December 2013				31 December 2012			
In currency of:	**CAD**	**USD**	**EUR**	**CFA**	**CAD**	**USD**	**EUR**	**CFA**
Trade creditors	-	-	-	59,914,399	(183,396)	(180,238)	(31,680)	(384,717,490)
Cash and cash equivalents	-	4,957,345	412,722	57,167,128	-	9,388,970	800,000	230,358,729
VAT receivable	-	-	-	-	-	-	-	263,048,379
	-	4,957,345	412,722	(2,747,271)	(183,396)	9,208,732	768,320	108,689,618

The following significant exchange rates have been applied during the year:

	Average rate		Year end spot rate	
AUD	**2013**	**2012**	**2013**	**2012**
CAD	0.9963	1.0351	0.9524	1.0332
USD	0.9682	1.0358	0.8948	1.0384
EUR	0.7295	0.8061	0.6485	0.7868
CFA	478.54	528.52	425.39	516.11

18. Financial instruments (continued)

(c) Risk management framework (continued)

(vii) Sensitivity analysis

A strengthening (weakening) of the USD, the Euro, CAD or CFA against the Australian Dollar would have affected the measurement of financial instruments denominated in a foreign currency and increased (decreased) equity by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Group considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss	
	Strengthening	**Weakening**
	$	**$**
31 December 2013		
CAD 10%	-	-
USD 10%	(503,652)	615,575
EUR 10%	(57,857)	70,714
CFA 10%	587	(718)
31 December 2012		
CAD 10%	16,137	(19,361)
USD 10%	806,199	(1,010,089)
EUR 10%	88,774	(82,524)

(viii) Interest rate risk

The Group has interest bearing assets in the form of cash and term deposits. Therefore the Group's income and operating cash flows are now materially exposed to changes in market interest rates. The assets are short term interest bearing deposits and no financial instruments are employed to manage risk. The cashflow sensitivity table for variable rate instruments details the Group's interest rate risk exposure as at 31 December.

18. Financial instruments (continued)

(c) Risk management framework (continued)

Cash flow sensitivity analysis for variable rate instruments

The fair value of financial assets held in variable interest rate deposits will vary with a change in the market interest rate. A change of 100 basis points in interest rates at the end of the reporting period would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Change in Profit or Loss	2013	2012
	$	$
Cash and cash equivalents - 100 bp increase	72,430	181,484
Cash and cash equivalents - 100 bp decrease	(72,430)	(181,484)

Fair values

The fair values of financial assets and liabilities equates to the carrying values shown in the statement of financial position.

30 June 2013	Weighted average interst rate risk	Fixed Interest $	Variable Interest $	Non-interest Bearing $	Total $
Financial Assets					
Cash and cash equivalents	1.83%	5,245,856	7,242,996	849,398	13,338,250
Term deposits		-	-	-	-
Other debtors	Interest free	-	-	122,639	122,639
		5,245,856	7,242,996	972,037	13,460,889
Financial Liabilities					
Trade and other payables	Interest free	-	-	616,895	616,895
		-	-	616,895	616,895

30 June 2012	Weighted average interst rate risk	Fixed Interest $	Variable Interest $	Non-interest Bearing $	Total $
Financial Assets					
Cash and cash equivalents	2.11%	-	18,148,363	1,788,616	19,936,979
Term deposits	4.55%	10,245,856	-	-	10,245,856
Other debtors	Interest free	-	-	264,082	264,082
		10,245,856	18,148,363	2,052,698	30,446,917
Financial Liabilities					
Trade and other payables	Interest free	-	-	2,160,068	2,160,068
		-	-	2,160,068	2,160,068

19. List of subsidiaries

See accounting policy in Note 24.

Set out below is a list of material subsidiaries of the Group.

		Ownership interest	
Name	**Principal place of business**	**2013**	**2012**
Ampella Mining SARL	Burkina Faso	100	100
Ampella Mining Gold SARL	Burkina Faso	100	100
Ampella Mining Gold Pty Ltd	Australia	100	100
West African Gold Reserve Pty Ltd	Australia	100	100
Ampella Share Plan Pty Ltd	Australia	100	100
Ampella Mining C.I. S.A.	Cote D'Ivoire	100	N/A

20. Leases and other commitments

	2013 $	2012 $
Commitments in relation to property leases contracted for in both Australia and Burkina Faso at the reporting date but not recognised as liabilities payable:		
Within 1 year	167,403	145,887
Later than 1 year but within 5 years	59,240	79,273
Later than 5 years	-	-
	226,643	**225,160**

The Australian property lease is a non-cancellable lease with a 3 year term as from 13/07/11, with rent payable monthly in advance. Contingent rental provisions within the lease agreement require that minimum rent payments shall be increased by 4% each year as from 13/07/12. An option exists to renew the lease at the end of the first term for another 3 year term as well as an option to renew the lease at the end of the second term for another 3 years. The lease allows for subletting of all lease areas subject to the prior written consent of the landlord.

There are two property leases in Burkina Faso. The Ouagadougou office lease expires in December 2015, an apartment leased for accommodation expires in December 2014.

	2013 $	2012 $
Commitments in relation to minimum expenditures on mining tenements at the reporting date but not recognised as liabilities payable:		
Within 1 year	2,551,550	1,070,241
Later than 1 year but within 5 years	3,964,631	551,880
Later than 5 years	-	-
	6,516,181	**1,622,121**

21. Related parties

(a) Key Management Personnel compensation

The names of and positions held by Directors and executives (Key Management Personnel (KMP)) in office at any time during the financial period were:

Directors	
Peter Mansell	Non-Executive Chairman
Paul Kitto	Managing Director & CEO
Michael Anderson	Non-Executive Director
Ronnie Beevor	Non-Executive Director
Ron Renton	Non-Executive Director
Executives	
Drew Totterdell	General Manager – Finance and Corporate Development (redundancy 28 February 2014 due to Centamin West Africa Holdings Limited takeover)
Jean Luc Roy	Chief Operations Officer
Anthony Rudd	Exploration Manager
Simon Ford	Study Manager
Philippe Blackburn	Group Finance Manager – (resigned 28 March 2013)

The key management personnel compensation comprised:

	2013 $	2012 $
Short term employee benefits	2,164,175	2,764,278
Post-employment benefits	147,387	238,711
Termination benefits	-	250,000
Share based payments	746,712	2,846,839
	3,058,274	**6,099,828**

(a) Individual directors and executives compensation disclosures

Information regarding individual Directors and Executives' compensation and some equity instruments disclosures as required by Corporations Regulations 2M.3.03 is provided in the Remuneration Report section of the Directors' report.

Apart from the details disclosed in this note, no Director has entered into a material contract with the Group since the end of the previous financial year and there were no material contracts involving Directors' interests existing at year-end.

21. Related parties (continued)

(c) Options over equity instruments

The movement during the reporting period in the number of options over ordinary shares in Ampella Mining Ltd held, directly, indirectly or beneficially, by each Key Management Person, including their related parties, is as follows:

	Held at 1 January 2013	Granted as compensation	Exercised	Expired	Held at 31 December 2013	Vested during the year	Vested and exercisable at 31 December 2013
Directors							
Peter Mansell	-	-	-	-	-	-	-
Paul Kitto	2,700,000	-	-	-	2,700,000	-	2,700,000
Michael Anderson	-	-	-	-	-	-	-
Ronnie Beevor	-	-	-	-	-	-	-
Ronald Renton	-	-	-	-	-	-	-
Executives							
Drew Totterdell	900,000	-	-	-	900,000	-	900,000
Jean-Luc Roy	2,500,000	-	-	-	2,500,000	-	2,500,000
Anthony Rudd	1,700,000	-	-	-	1,700,000	-	1,700,000
Simon Ford	1,000,000	-	-	-	1,000,000	-	1,000,000
Philippe Blackburn	650,000	-	-	(650,000)	-	-	-
Related Party							
Ruth Shepherd	1,000,000	-	-	(500,000)	500,000	-	500,000

	Held at 1 January 2012	Granted as compensation	Exercised	Held at 31 December 2012	Vested during the year	Vested and exercisable at 31 December 2012
Directors						
Peter Mansell						
Paul Kitto	3,500,000	1,200,000	2,000,000	2,700,000	1,200,000	2,700,000
Michael Anderson						
Ronnie Beevor						
Ronald Renton						
Evan Cranston *	5,000,000	-	4,000,000	1,000,000		1,000,000
Executives						
Drew Totterdell	-	900,000	-	900,000	900,000	900,000
Jean-Luc Roy	1,300,000	1,200,000	-	2,500,000	1,200,000	2,500,000
Anthony Rudd	1,200,000	1,200,000	700,000	1,700,000	1,200,000	1,700,000
Simon Ford	-	1,000,000	-	1,000,000	1,000,000	1,000,000
Philippe Blackburn	-	650,000	-	650,000	650,000	650,000
Related Party						
Ruth Shepherd	500,000	500,000	-	1,000,000	-	1,000,000

No options held by Key Management Personnel are vested but not exercisable at 31 December 2012 or 2013.

* Resigned 2 April 2012. Equity instruments held on date of resignation.

21. Related parties (continued)

(d) Rights over equity instruments

The movement during the reporting period in the number of Performance and Retention Rights over ordinary shares in Ampella Mining Ltd held, directly, indirectly or beneficially, by each Key Management Person, including their related parties, is as follows:

	Held at 1 January 2013	Granted as compensation	Exercised	Held at 31 December 2013	Vested during the year	Vested and exercisable at 31 December 2013
Directors						
Peter Mansell	-	-	-	-	-	-
Paul Kitto	-	2,352,370	-	2,352,370	-	-
Michael Anderson	-	-	-	-	-	-
Ronnie Beevor	-	-	-	-	-	-
Ronald Renton	-	-	-	-	-	-
Executives						
Drew Totterdell	-	1,146,100	-	1,146,100	-	-
Jean-Luc Roy	-	1,070,000	-	1,070,000	-	-
Anthony Rudd	-	1,229,840	-	1,229,840	-	-
Simon Ford	-	940,260	-	940,260	-	-
Philippe Blackburn	-	-	-	-	-	-
Related Party						
Ruth Shepherd	-	426,270	-	426,270	-	-

	Held at 1 January 2012	Granted as compensation	Exercised	Held at 31 December 2012	Vested during the year	Vested and exercisable at 31 December 2012
Directors						
Peter Mansell	-	-	-	-	-	-
Paul Kitto	-	-	-	-	-	-
Michael Anderson	-	-	-	-	-	-
Ronnie Beevor	-	-	-	-	-	-
Ronald Renton	-	-	-	-	-	-
Evan Cranston	-	-	-	-	-	-
Executives						
Drew Totterdell	-	-	-	-	-	-
Jean-Luc Roy	-	-	-	-	-	-
Anthony Rudd	-	-	-	-	-	-
Simon Ford	-	-	-	-	-	-
Philippe Blackburn	-	-	-	-	-	-
Related Party						
Ruth Shepherd	-	-	-	-	-	-

No Rights held by Key Management Personnel are vested at 31 December 2012 or 31 December 2013.

21. Related parties (continued)

(e) Movements in shares held directly and through ESAP scheme

The movement during the reporting period in the number of ordinary shares in Ampella Mining Limited held directly, indirectly or beneficially, by each Key Management Person, including their related parties, is as follows:

	Held at 1 January 2013	Purchases	Received on exercise of options	Sales or Expiry	Held at 31 December 2013
Directors					
Peter Mansell	1,000,000	-	-	-	1,000,000
Paul Kitto	4,290,691	209,309	-	-	4,500,000
Michael Anderson	-	500,000	-	-	500,000
Ronnie Beevor	500,000	-	-	(500,000)	-
Ronald Renton	500,000	-	-	(500,000)	-
Executives					
Drew Totterdell	-	50,000	-	-	50,000
Jean-Luc Roy	-	-	-	-	-
Anthony Rudd	100,000	-	-	-	100,000
Simon Ford	-	-	-	-	-
Philippe Blackburn*	250,000	-	-	(250,000)	-
Related Party					
Ruth Shepherd	200,000	-	-	-	200,000

* Held at time of resignation

	Held at 1 January 2012	Purchases	Received on exercise of options	Sales	Held at 31 December 2012
Directors					
Peter Mansell	1,000,000				1,000,000
Paul Kitto	3,115,691	-	2,000,000	(825,000)	4,290,691
Michael Anderson	-	-	-	-	-
Ronnie Beevor	500,000	-	-	-	500,000
Ronald Renton	500,000	-	-	-	500,000
Charles Soh*	1,450,000	-	-	(1,450,000)	-
Evan Cranston	-	-	-	-	-
Executives					
Drew Totterdell	-	-	-	-	-
Jean-Luc Roy	-	-	-	-	-
Anthony Rudd	-	-	700,000	(600,000)	100,000
Simon Ford	-	-	-	-	-
Philippe Blackburn	250,000	-	-	-	250,000
Related Party					
Ruth Shepherd	200,000	-	-	-	200,000

* Held at time of resignation

No shares were granted to Key Management Personnel during the reporting period as compensation in 2012 or 2013.

Peter Mansell, Anthony Rudd and Philippe Blackburn hold an indirect beneficial interest in shares acquired pursuant to Employee Share Acquisition Plan following shareholder approval date 3 February 2011. Shares are held by Ampella Share Plan Pty Ltd ATF the Ampella Employee Share Acquisition Plan Trust.

Ruth Shepherd is a related party to Paul Kitto.

21. Related parties (continued)

(f) Parent and ultimate controlling party

Loans are made by the Company to wholly owned subsidiaries to fund exploration and capital purchases. Loans between the Company and its subsidiaries are repayable on demand, are non-interest bearing and have no security. The value of the loan to Ampella Mining SARL as at 31 December 2013 totalled $24,126,273 (as at 31 December 2012: $23,337,528) and has been fully provided for. The value of the loan to Ampella Mining Gold SARL as at 31 December 2013 totalled $70,773,335 (as at 31 December 2012: $56,982,176) and has been fully provided for.

(g) Transaction with other related parties

Ruth Shepherd, a related party to Paul Kitto received a salary for the year ended 31 December 2013 of $279,965 plus superannuation of $25,441 (period ended 31 December 2012: $333,339). Rights and options are set out in prior tables in note 21.

22. Subsequent events

In December 2013, the Group received a takeover offer from Centamin West Africa Holdings Limited for all of the shares in Ampella Mining Limited on a ratio of 1 Centamin plc share for every 5 Ampella shares. The takeover offer was unanimously recommended by the Ampella Directors on 10 December 2013 in the absence of a superior offer. The offer opened on 13 January 2014 and was extended on 6 February 2014 to a close date of 28 February 2014 and extended again to 24 March 2014. As at 20 February 2014 Centamin West Africa Holdings Limited had declared the takeover offer unconditional. Three new Directors Josef El-Raghy, Mark Arnesen and Heidi Brown were appointed to the Ampella Board on 25 February 2014 following the takeover offer being declared unconditional and the 50.1% shareholding level being attained by Centamin West Africa Holdings Limited. On 25 February 2014 Directors Michael Anderson, Ron Renton and Paul Kitto were stood down from the board pursuant to the terms of the Takeover Bid Implementation Deed between Ampella and Centamin West Africa Holdings Limited. On 25 February 2014 Centamin acquired a relevant interest in more than 50% of the Ampella shares, meaning Centamin will, upon completion of the offer, be in a position to control Ampella. Upon achievement of a relevant interest in more than 50% of the Ampella shares, and declaration of the offer being unconditional, all Ampella Performance Rights automatically converted into fully paid ordinary Ampella shares.

On 11 March 2014, pursuant to the Takeover Bid Implementation Agreement, all unlisted options in Ampella Mining Limited were cancelled in exchange for cash consideration of $49,533 and all Employee Share Acquisition Loan Plan Shares (2.25m) were cancelled as full consideration for all outstanding loan agreements.

As at 19 March 2014 Centamin West Africa Holdings Limited had a relevant interest of 90.1% of the issued capital of Ampella Mining Limited giving rights to proceed to compulsory acquisition of the remaining shares in Ampella Mining Limited.

23. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following material items, which are measured on an alternative basis on each reporting date.

Items	Measurement basis
Calculation of share-based payment expense	Fair value

24. Significant accounting policies

Except for the changes explained in Note 25, the Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

(a) Basis of consolidation

The Consolidated Financial Statements comprise the financial statements of Ampella Mining Limited and its subsidiaries (as set out in note 19).

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(b) Revenue

Revenue is measured at the fair value of the consideration received or receivable.

(c) Finance income and finance costs

Finance income comprises interest income on funds invested and is recognised as it accrues in profit or loss, using the effective interest method.

Foreign currency gains and losses are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

(d) Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group Entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate at that date. Foreign currency differences arising on retranslation are recognised in profit and loss.

(e) Employee benefits

(i) Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect wages and salaries, annual leave when it is probable that settlement will be required and they are capable of being measured reliably.

End of employment benefits accruing to employees in Burkina Faso under the local labour laws are fully provided as explained in note 11.

Liabilities are recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

24. Significant accounting policies (continued)

(e) Employee benefits (continued)

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months, are measured as the present value of estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

(e) Employee benefits (continued)

(ii) Share-based payment transactions

To ensure that the Company has appropriate mechanisms to attract and retain the services of Directors and Employees of high calibre and in order to provide an incentive to existing employees to share in the performance of the group, the Company previously established an Employee Share Acquisition Plan (ESAP). The terms and conditions of this plan are detailed in note 9.

The value of the shares issued to participants under the above plan by way of a loan is recognised with a corresponding increase in equity when the Company receives funds from either the participant repaying the loan or upon the loan termination. All shares issued under the plan are considered, for accounting purposes, to be options.

Equity settled share based payments with employees and others providing similar services are measured at the fair value of the equity instrument or underlying service at the grant date. The fair value determined at the grant date of the equity settled share based payments is expensed on a straight line basis over the vesting period.

Unlisted options are also issued under the Company's Employee Share Options Plan (ESOP) scheme in order to attract and retain the services of key employees. The fair value of options (including Plan Shares under the ESAP scheme) issued is determined by using a Black-Scholes model.

Performance Rights are issued under the Company's Management Performance Rights Plan and was introduced to replace the ESOP. The fair value of Performance Rights is determined by using the Monte Carlo Simulation Model.

Retention Rights were issued to certain staff as part of a series of pay reductions. The fair value of Retention Rights is determined by using the Black Scholes Model.

No Performance or Retention Rights vested or were forfeited during the year.

24. Significant accounting policies (continued)

(e) Employee benefits (continued)

(iii) Other long-term employee benefits

Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months, are measured as the present value of estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

(f) Income tax

Tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent it relates to items recognised directly in equity, in which case it is recognised in equity.

(i) Current tax

Current tax is the expected tax payable on taxable income for the period, using tax rates enacted or substantially enacted at the report date, and any adjustment to tax payable in respect of previous periods.

(ii) Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. An exception is made for certain temporary differences arising from the initial recognition of an asset or liability. No deferred tax asset or liability is recognised in relation to those timing differences if they arose in a transaction, other than a business combination, that at the time did not affect either accounting profit or loss or taxable profit or loss.

A deferred tax asset is only recognised to the extent that it is probable that future tax profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost formula.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

24. Significant accounting policies (continued)

(h) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the following:

- The cost of materials and direct labour,
- any other costs directly attributable to bringing the assets to a working condition for their intended use,
- when the Group has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located, and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance is expensed as incurred.

(iv) Depreciation

Items of property, plant and equipment are depreciated on a straight line basis in profit and loss over the estimated useful lives of each component from the date that they are installed and ready for use, or in respect of constructed assets, from the date the asset is completed and ready for use.

The estimated useful lives for the current and comparative years of significant items of property, plant and equipment are as follows:

• Buildings	20 years
• Plant and equipment	3 - 5 years
• Fixtures and fittings	3 years
• Motor vehicle	3 years
• Office equipment	3-5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted as appropriate. All assets with a cost of less than $5,000 have been fully depreciated across the Group.

24. Significant accounting policies (continued)

(i) Intangible assets

(i) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Intangible assets are amortised on a straight line basis in profit or loss over the estimated useful lives, from the date that they are available for use. The estimated useful lives for the current and comparative years of significant items of intangible assets are as follows:

- Computer software 3 years

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it is probable that the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including internally generated goodwill, is recognised in profit and loss as incurred.

(j) Financial instruments

Non-derivative financial assets – measurement

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets (including assets designated at fair value through profit or loss) are recognised initially on the trade date at which the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The Group has the following non-derivative financial assets:

(i) Loans and receivables

Loans and receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less any impairment losses.

Loans and receivables comprise other receivables.

(ii) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments.

24. Significant accounting policies (continued)

(j) Financial instruments (continued)

(iii) Term deposits

Term deposits comprise fixed term bank deposits with maturities exceeding three months from their acquisition date.

(iv) Non-derivative financial liabilities – measurement

All financial liabilities are recognised initially on the trade date which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Group classifies non-derivative financial liabilities into the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

Other financial liabilities comprise trade and other payables.

(v) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity net of any tax effects.

(k) Impairment

Financial assets are assessed for indicators of impairment at each balance date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial assets is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

If, in a subsequent period, the amount of the impairment losses decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date of the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

24. Significant accounting policies (continued)

(l) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the balance sheet date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to be liability. The increase in the provision due to the passage of time is recognised as interest expense.

In accordance with the Group's applicable legal requirements in Burkina Faso, a provision for site restoration in respect of contaminated land, and the related expense, is recognised only when a mining licence is granted.

(m) Segment reporting

Ampella Mining Limited and its controlled entities have a single operating segment, being gold exploration and evaluation of its interests in Burkina Faso (West Africa). The Managing Director reviews internal monthly management reports on the consolidated results of the Group as a single reportable segment.

(n) Mineral exploration expenditure

Mineral exploration and evaluation costs are written off in the year they are incurred apart from acquisition costs which are carried forward where right of tenure of the area of interest is current, and they are expected to be recouped through sale or successful development and exploitation of the area of interest, or, where exploration and evaluation activities in the area of interest have not reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Where an area of interest is abandoned, or the directors decide that it is not commercial, any accumulated acquisition costs in respect of that area are written off in the financial period the decision is made. Each area of interest is also reviewed at the end of each accounting period and accumulated costs written off to the extent that they will not be recoverable in the future.

(o) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the taxation authority, is included with the operating cash flow.

(p) Changes in accounting policies

The Group has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2013.

1. AASB 10 Consolidated Financial Statements
2. AASB 13 Fair Value Measurement
3. AASB 119 Employee Benefits
4. Changes to other standards and pronouncements

24. Significant accounting policies (continued)

(p) Changes in accounting policies (continued)

1. Subsidiaries

As a result of AASB 10 (2011), the Group has changed its accounting policy for determining whether it has control over and consequently whether it consolidates its investees. AASB 10 (2011) introduces a new control model that focuses on whether the Group has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. This change in accounting policy had no impact on the current treatment of the consolidation of subsidiaries.

2. Fair value measurement

AASB 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements when such measurements are required or permitted by other IFRSs. It unifies the definition of fair value as 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. It replaces and expands the disclosure requirements about fair value measurements in other IFRSs, including IFRS 7. The adoption of this standard has had no material impact on the Group's consolidated financial statements.

3. Employee benefits

The changes to AASB 119 seek to clarify the definition of short-term employee benefits. Short-term employee benefits are now defined as those benefits expected to be settled wholly within one year after the end of the annual reporting period.

This has implications for the measurement of accrued annual leave liabilities. As accrued annual leave is generally not required (or "expected") to be wholly used (settled) within 12 months after the end of the period, annual leave benefits are no longer classified as short-term employee benefits, rather as "other long-term employee benefits".

"Other long-term employee benefit" measurement techniques specify an actuarial calculation per long service leave liability measurement, with allowances for expected future salary levels, applicable on-costs and actuarial assumptions related to staff turnover rates and leave drawdown rates.

The adoption of this standard has had no material impact on the Group's consolidated financial statements.

4. Changes to other standards and pronouncements

The impact of these has been assessed and is not considered material.

25. New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2013, and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below. The Group does not plan to adopt these standards early.

(a) AASB 9 *Financial Instruments* (2010), AASB 9 *Financial Instruments* (2009)

AASB 9 (2009) introduces new requirements for the classification and measurement of financial assets. Under AASB 9 (2009), financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. AASB 9 (2010) introduces additional changes relating to financial liabilities. The IASB currently has an active project to make limited amendments to the classification and measurement requirements of AASB 9 and add new requirements to address the impairment of financial assets and hedge accounting.

AASB 9 (2010) and (2009) are effective for annual periods beginning on or after 1 January 2015, with early adoption permitted. The adoption of these standards is expected to have an impact on the Group's financial assets, but no impact on the Group's financial liabilities.

26. Reconciliation of cash flows from operating activities

	2013	2012
Cash flows from operating activities		
Loss after tax	(17,953,237)	(38,151,651)
Adjustments for:		
Other income not attributable to operating activities	(1,299,737)	-
Depreciation	838,398	974,228
Loss/(profit) on sale of fixed assets	31,982	8,194
Non-cash - options expensed	95,013	2,679,342
Non cash - plan shares and rights expensed	1,085,958	1,292,679
Foreign exchange losses/(gains)	(1,074,489)	578,029
Decrease/(increase) in other receivables	93,622	29,162
Decrease/(increase) in inventories	(2,822)	(31,731)
Decrease/(increase) in other non-current assets	501,041	439,602
Increase/(decrease) in trade and other payables	(1,443,173)	(460,286)
Increase/(decrease) in employee benefits	(66,627)	(59,044)
Increase/(decrease) in accruals for tax liabilities	-	-
Net cash from operating activities	(19,194,071)	(32,701,476)

27. Auditors' remuneration

	2013	2012
Audit and review services	**$**	**$**
Auditors of the Company - KPMG		
Audit and review of financial statements	89,279	59,000
Other auditors	-	15,613
Audit and review of financial statements	89,279	74,613

28. Parent entity disclosures

As at, and throughout, the financial year ending 31 December 2013 the parent entity of the Group was Ampella Mining Limited.

	2013	2012
Result of parent entity	**$**	**$**
Profit for the year	(17,534,842)	(37,811,363)
Other comprehensive income	-	-
Total comprehensive income for the year	(17,534,842)	(37,811,363)
Financial position of parent entity at year end		
Current assets	13,364,582	30,385,187
Total assets	13,750,489	30,976,325
Current liabilities	459,770	1,331,733
Total liabilities	459,770	1,331,733
Total equity of parent entity comprising of:		
Share capital	125,819,471	125,819,471
Option and plan share reserve	12,283,036	11,102,065
Accumulated losses	(124,811,788)	(107,276,944)
Total equity	13,290,719	29,644,592

(a) In November 2009, the Group entered into a farm-in agreement with Vital Metals Ltd in respect to the Doulnia and Campala Permits. Under the agreement Vital Metals Ltd may elect to withdraw or earn equity in the Permits following completion of evaluation work. Vital Metals Ltd elected to continue and in August 2011 notified the Group that it has satisfied the first earn-in expenditure commitment of $1.5 million to earn a 60% interest. Pursuant to the agreement, Vital Metals Ltd has elected to increase its equity to 70% by sole funding the next $2 million expenditure and can then move to 80% equity by carrying the project to completion of a pre-feasibility study. On 18 July 2013, the Doulnia Joint Venture Agreement was renegotiated. Full ownership has been passed to Vital with Ampella being entitled to a Net Smelter Royalty of 2.25% on all gold produced at Doulnia. Ampella also maintains a claw-back right should certain milestones be achieved. Under the renegotiated agreement, Ampella retains upside in the Kampala Permits without the requirement for any current funding commitments.

(b) In December 2009, the Group entered into an earn-in and shareholders agreement with Carbine Resources Limited in respect to the Madougou Project. The agreement provides that Carbine Resources Limited may earn a 51% interest in the Madougou Project by sole contributing A$3 million on exploration and appraisal of the Project within a period of 3 years from the commencement date of the first earning period, with a binding commitment to spend $250,000 within a period of 12 months from the commencement of the first earning period. A further 19% interest was earned by sole contribution of a further A$2 million within a period of 2 years from the commencement of the second earning period. A further 10% interest could be obtained by completing and sole funding a pre-feasibility study within a period of 2 years from the commencement of the third earning period.

(c) Parent entity guarantees the debts of its subsidiaries. An impairment loss of $14,711,929 (31 December 2012: $27,205,910) was recognised during the current period relating to loans to subsidiaries. The ability of the subsidiaries to repay debts due to Ampella Mining Limited will be dependent on the commercialisation of mining assets owned by the subsidiaries.

Directors' declaration

1 In the opinion of the Directors of Ampella Mining Limited ('the Company'):

(a) the consolidated financial statements and notes that are set out on pages 37 to 77 and the Remuneration report in pages 15 to 27 in the Directors' report, are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2013 and of its performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2 The Directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the Chief Executive Officer and Financial Controller for the financial year ended 31 December 2013.

3. The Directors draw attention to Note 2 to the consolidated financial statements, which includes a statement of compliance with International Financial Reporting Standards.

Signed in accordance with a resolution of the directors:

Dated at Perth, Western Australia, 20th day of March 2014.

Heidi Brown
Executive Director

Independent auditor's report to the members of Ampella Mining Limited

Report on the financial report

We have audited the accompanying financial report of Ampella Mining Limited (the company), which comprises the consolidated statement of financial position as at 31 December 2013, and consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, notes 1 to 28 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement whether due to fraud or error. In note 2, the directors also state, in accordance with Australian Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements of the Group comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. These Auditing Standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We performed the procedures to assess whether in all material respects the financial report presents fairly, in accordance with the *Corporations Act 2001* and Australian Accounting Standards, a true and fair view which is consistent with our understanding of the Group's financial position and of its performance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

KPMG

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

Auditor's opinion

In our opinion:

(a) the financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2013 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards and the Corporations Regulations 2001.

(b) the financial report also complies with International Financial Reporting Standards as disclosed in note 2.

Report on the remuneration report

We have audited the Remuneration Report included in section 15 of the directors' report for the year ended 31 December 2013. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with Section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with auditing standards.

Auditor's opinion

In our opinion, the remuneration report of Ampella Mining Limited for the year ended 31 December 2013, complies with Section 300A of the *Corporations Act 2001*.

KPMG

KPMG

G-T H

Graham Hogg
Partner

Perth

20 March 2014

Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Ampella Mining Limited

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 31 December 2013 there have been:

(i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and

(ii) no contraventions of any applicable code of professional conduct in relation to the audit.

KPMG

KPMG

Graham Hogg
Partner

Perth

20 March 2014

ASX additional information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below.

Shareholdings (as at 14 March 2014)

Substantial shareholders

The number of shares held by substantial shareholders and their associates are set out below:

Shareholder	Number
Centamin West Africa Holdings Limited	223,086,764
Mitsubishi UFJ Financial Group	21,969,627
UBS AG	14,447,941

Voting rights

Ordinary shares

There are voting rights attached to the fully paid ordinary shares.

Options

There are no voting rights attached to the options.

Rights

There are no voting rights attached to the rights.

Distribution of equity security holders

	Number of equity security holders					
Category	Ordinary shares	Options	Rights	Convertible preference	Redeemable preference	Redeemable convertible notes
1 - 1,000	252	-	-	-	-	-
1,001 - 5,000	253	-	-	-	-	-
5,001 - 10,000	129	-	-	-	-	-
10,001 - 100,000	227	-	-	-	-	-
100,001 and over	42	-	-	-	-	-
	903	-	-	-	-	-

The number of shareholders holding less than a marketable parcel of ordinary shares is 363.

ASX additional information (continued)

Securities Exchange

The Company is listed on the Australian Securities Exchange. The Home exchange is Perth.

Other information

Ampella Mining Limited, incorporated and domiciled in Australia, is a publicly listed company limited by shares.

On-market buy-back

There is no current on-market buy-back.

Twenty largest shareholders

Name	Number of ordinary shares held	Percentage of capital held
Centamin West Africa Holdings Limited	172,151,187	67.9
Merrill Lynch (Australia) Nominees Pty Limited	21,108,309	8.33
Centamin West Africa Holdings Limited	18,606,536	7.34
CS Fourth Nominees Pty Ltd	5,000,000	1.97
JP Morgan Nominees Australia Limited <Cash Income A/C>	3,715,785	1.47
Morgan Stanley Australia Securities <Nominee>	3,512,593	1.39
ABN Amro Clearing Sydney Nominees Pty Ltd <Custodian A/C>	3,333,263	1.31
Patersons Securities Limited <Ampella T/Over - Crest A/C>	2,066,124	0.81
HSBC Custody Nominees <Australia>	1,908,618	0.75
Brispot Nominees Pty Ltd <House Head Nominee No 1 A/C>	1,712,664	0.68
HSBC Custody Nominees <Australia>	1,474,675	0.58
UBS Nominees Pty Limited <6002103 A/C>	1,287,142	0.51
Mr Jean Luc Roy	1,070,000	0.42
Mr Rommel Ainza Gan + Ms Shennie Chua Chua	828,125	0.33
Auralandia N L	750,000	0.3
Citicorp Nominees Pty Limited	741,895	0.29
HSBC Custody Nominees <Australia>	598,317	0.24
Mr John Arias + Mrs Carmen Arias <Arias Super Fund A/C>	576,583	0.23
Sinopax Pty Ltd	400,000	0.16