

Hummingbird Resources plc
(“Hummingbird” or the “Company”)

2017 Audited Final Results

Hummingbird Resources (AIM: HUM), the African gold producer, is pleased to announce its final audited results for the period ended 31 December 2017.

Chairman’s Statement

In my statement in last year’s annual report, I focussed significant attention to the delivery of Yanfolila by the end of 2017. I am pleased to report that this goal was achieved by the Company on time and on budget. As everyone in the industry knows, this is an impressive accomplishment – even more so when you consider it is the first mine this team has built together.

2017 was a year of significant transition for the Company. Having re-capitalised and started construction in 2016, this past year centred on delivery. The Company completed construction, commissioning and first gold pour to schedule and budget. Post period end, the Company has also ramped-up through Q1, as previously stated, and entered into commercial production on 1 April 2018. Whilst delivery of Yanfolila is the Company’s most significant achievement, I would like to focus on the other areas of the Company that also had significant success.

Post period end we appointed two new Non-Executive Directors to our Board and also the Technical Advisory Committee (“TAC”). Attie Roux is the former COO of Endeavour Mining, who oversaw its growth from a single mine operation to the multi-mine mid-tier operator it is today. His breadth of relevant experience will be immensely important as we also look to follow a path of significant growth in the coming years. He will also chair our TAC, which plays an important role in overseeing our Operations team and ensuring Yanfolila continues to deliver. We have also welcomed Ernie Nutter to the Board. Ernie is a former Senior Banker at RBC and latterly Director of Capital International Asset Management, one of the largest money managers globally. He is a Geologist by training and will also sit on our TAC. His knowledge of capital markets, not to mention his North American presence, will be invaluable to us as we are now a cash flow positive company with significant growth plans, should the right opportunity present itself. I believe these hires reinforce our Board, whilst maintaining its high level of independence, which is crucial to good governance. The Company stands in a stronger position with them on the team.

The Company is pleased to report that Yanfolila has a 95% Malian work force. Our Supervisors and control room Operators, having been recruited from similar gold operations within Mali, particularly add important local experience. Furthermore, the plant operators have been hired from nearby villages, which is also in line with the Company’s objective to provide local employment. Through comprehensive onsite training and sound supervision, these teams are now operating the plant effectively and have validated our endeavours to hire locally. What is

more, we are very pleased to report that 25% of our plant operators are women, against an industry average of around 8%. We will continually look to maintain and expand this policy of local hires and, where possible, seek to reach as equal a gender balance as possible.

Safety remains an integral part of the business and through construction the Company achieved a Lost Time Injury Frequency Rate ('LTIFR') of 3.37 (per 1,000,000 hours), which is lower than the Australian construction industry average of 4.0 LTIFR – this is no mean feat given the location in which we were operating. Since reaching full operations there has been a further improvement on the LTIFR of 1.66 in Q1 2018.

2017 has seen the development of our Sustainability programme across five focus areas, including WASH (water, sanitation and hygiene); education; community health; food, security and agriculture; and local economic development. The 2018 plan aims to invest directly in these areas and maximise impact by partnering with organisations already active in these areas.

The Bougoudale water supply system, which aims to bring tapped water to 4,000 people, has now reached completion and work in the WASH is now focussed on rolling similar projects out to other communities near the mine. Construction of a new community health care centre started in March 2018 and construction will be completed in Q2 2018. This seeks to transform the medical service provision within the local community by expanding facilities and services available. Our medical team has also continued to assist in teaching and skills transfer for local medical professionals, while the soap-making organisations we helped to found in 2017 are now reporting record profits. We are excited to further support these groups as the year continues, with goals to upgrade their infrastructure and production capabilities.

I look forward to another stellar year for the Company and in next year's report I look forward to hopefully reporting that the Company has hit its guidance for the year by producing 105,000-115,000ozs of gold and continuing to deliver and improve health, safety, community engagement and good governance standards across the board.

As ever, we are extremely grateful to our shareholders and all stakeholders for their support of Hummingbird as we look to deliver on our goals.

Russell King

Non-Executive Chairman

CEO's Statement

2017 financial year saw the Company deliver on what it set out to achieve, primarily to build the Yanfolila Gold Mine in Mali on budget and on time. Having publicly stated the aim to pour gold at the end of the year, and by the end of Q1 2018 to have ramped up to full scale operations, we are very pleased to have accomplished our objectives.

Fast forward to today and we actually poured first gold on 19th December, which is an excellent achievement and it goes without saying that huge credit must go to every member of the project team for their herculean efforts sustained over a long period of time that made these achievements possible. Furthermore, as I write this, we have successfully ramped up the plant and mine to full capacity on time, and once again shown an ability to meet our targets. This has all been achieved against a backdrop of a robust and slightly rising gold price, and yet sentiment in the market towards gold mining stocks remains damp. Today, Hummingbird trades on under three times its first full year's projected free cash flow to 31 March 2019 and that valuation takes no account of the upside at Yanfolila, with 1.5Moz outside of the current Reserves, the value of our Dugbe Gold Project in Liberia, or the calibre of the skills now embedded in our proven team and what we may be able to do with that skillset.

Our share price may have risen by over 50% from the placing price of 22p, but we don't see this as the achievement that others might. We see our value as more than just a price on a screen, whilst we recognise that that is the ultimate arbiter of value at any point in time. Our challenge now is to release that latent value for all to see and we will do this in three ways: firstly, we will continue to develop Yanfolila into a well operated, low cost, best in class gold producer and we will build on the reputation that Hummingbird is rightfully earning as a company that delivers on its commitments. Secondly, we will aggressively seek to develop the Reserves and Resources around the Yanfolila mine to extend the mine life and prove longer-term value in this business, but in a responsible and financially disciplined manner. Thirdly, we will pursue other opportunities, including those within our own projects, where we can bring the skills of our project team to bare by unlocking value in project execution, but again in a strict and highly disciplined environment. Crucially though, if we do not find projects that meet our strict return criteria, then we will not seek growth for growth's sake and we will examine all options to best use our cash flow from Yanfolila, including the possibilities of dividends or share buybacks.

Our aim is to create shareholder 'value'. Value is a complicated word, but I firmly believe that we have the skills, ambition and now the platform to create considerable value for our business and all its stakeholders. We have the ability to remain flexible in our capacity to unlock this value for the long term, although it may present itself in a complicated world with an increasingly short-term horizon.

Financial performance

Funding

During 2017 the Company raised no equity and completed the Yanfolila Gold Project on budget. During the year we replaced our bridge loan finance with a senior debt facility of US\$60m from Coris Bank International. Coris is a large retail bank based in Burkina Faso and this loan represents the single largest African led debt financing of an African mining project to our knowledge. Coris has been an excellent partner in the development of the Project and affords us a profile in the region which is to the benefit of us all. The bank holds a refreshing understanding of operating in Africa and the resource sector and we look forward to a long and happy relationship with the team there. The terms of our debt facility are that we will pay back the loan on a straight line basis over three years from June 2018 and we have ample cash flows and cash on our balance sheet to comfortably meet these repayments.

Balance Sheet

The company poured first gold on 19th December 2017 and still had US\$41m of cash on the balance sheet at 31st December 2017. This was in excess of our projections, largely owing to the delay in settlement of some construction costs. Excluding liabilities, the cash balance stood at approximately US\$15m on completion of construction and I am pleased to be able to report that the Company became operationally cash flow positive in February 2018.

Cash Flow

The Yanfolila mine has always been attractive from a cash flow perspective, anticipated to generate strong cash flows from the first year. Based on a \$1,300 gold price and our forecast production target in our first full year of production (1st April 2018 – 31st March 2019) of 120,000 oz – 135,000 oz of gold at an AISC of \$750-800 per ounce, this would generate free cash flow of at least \$60m. We believe that these cash flows are sustainable for longer than the current mine plan represents and we will look to extend and improve these forecasts through vigorous exploration in 2018.

Dividend Policy

Now that we have become cash flow positive, many of the conversations I have with investors and commentators are regarding what we intend to do with the cash, so now seems an appropriate time to address this issue head on. First and foremost, Hummingbird is still a new company, having only declared commercial production in the last few weeks. It needs time to become strong and stable and it is too soon to make grand promises about dividend policies. That said, I will say that this is an issue that is constantly addressed by the Board and it is our intention to deliver shareholder value. If that denotes returning all the cash to shareholders, then so be it, however, I would say that mining is unique. We manage a finite and depleting Resource (our

orebody) and if we are going to achieve our aim of building a world class mining business then we must constantly re-invest in our business through a combination of prudent exploration and disciplined corporate activity, providing those options present real opportunities to create value. As ever, we will continue to pursue our quest in the best interest of all shareholders, maintaining the standards and flexibility we have always had.

Government of Mali

Much has been made in the media of late regarding the potential risk of the Government of Mali (and African governments in general) changing the terms of mining conventions and therefore disrupting the basis on which investors choose to invest in the continent. As with any country, the countries in which we operate have their own unique risks and challenges, which we are constantly evaluating, but it would seem evidential from our strong and close relationship with the Government of Mali that we are dealing with an authority that both understands and supports the mining sector and would not intentionally damage the single largest contributor to its GDP.

Government of Liberia

The Government of Liberia recently completed its first transition of power through a democratic election process in nearly three decades. This is a monumental achievement for the country and we are enthused by the potential to grow on our strong foundations in the republic. We are engaged with the new administration, and recently hosted a party of nine officials at our mine in Mali where we held comprehensive presentations on our operations and discussed what Hummingbird hopes to bring to Liberia. The Dugbe Gold Project is of significant importance to the new government and we look forward to working closely with them to unlock the value of this venture.

Yanfolila Gold Mine Status

Construction Summary

At the risk of repeating myself, the Yanfolila Gold Mine was a construction success, for which I would like to thank the dedicated work of all Hummingbird's staff and the hard and disciplined work of our contractors. Special mention should go to our EPCM contractors, SENET, our civil and SMPP contractors, Imagri, and our mining contractors, AMS, for the delivery of their project responsibilities. Building this mine has taken over 1.5 million man hours, we have used over 5,000 tons of concrete and over 20km of piping in and around the plant. At its peak construction, Hummingbird employed over 750 people to make this happen.

Not only am I delighted that the team has worked together to build the Project on time and on budget, but I am also proud of the meticulous attention paid to all elements of SHEC (Safety, Health, Environment & Community), which we will look to build upon as a fundamental part of our operational business. To name but a few key figures, the LTIFR (Lost Time Injury Frequency Rate) through construction was 3.37 (per 1,000,000 hours), which is lower than the Australian construction industry average of 4.0 LTIFR. In Q1 of 2018 we have achieved an LTIFR of 1.66, and this is a key target against which we will monitor performance throughout the rest of the year.

In addition, it is worth mentioning a few of the community initiatives already accomplished by the Company in 2017, which further highlights our commitment to all of the stakeholders and communities within our areas of operation. I would particularly like to thank our partners CCI (Critical Care International) for their assistance in the roll-out of our healthcare initiatives.

We have conducted over 1,000 hours of healthcare teaching, with 12 healthcare workers reporting to use their newborn resuscitation skills on a weekly basis on infants who would otherwise have died.

We have assessed > 1,000 children for malnutrition, with 159 detected cases being successfully treated. We have made a significant contribution to the Malian blood bank and in February we proudly contributed 151 units of blood over 3 days. Nationally, the blood bank records an average of just 15 donors per day. Company doctors have assisted in several dozen community incidents, from road traffic accidents to complex medical problems and birthing issues. We have been involved in building the Bougoudale village clinic and are training the necessary staff to run it. This is a significant facility that we believe will have a major benefit for the community. In education, the Company has made donations to support salaries of 20 teachers in three communes. The Company has more than doubled the water supply to Bougoudale, with a sustainable solar powered water pump and distribution facility. The Company has built sustainable livelihoods for over 300 women across 10 villages working in the now cash flow positive soap factory and we will continue to support this further. Looking ahead, the Company has committed significant investment to the community development plan which will address the five pillars of:

- Water & sanitation
- Community health
- Education
- Food, security & agriculture
- Local economic development

Corporate

At a corporate level I would like to offer my sincere thanks to Mr Matthew Idiens (Co-Founder) and Mr David Pelham for their services to Hummingbird over the last decade, and for their guidance to me on a personal level. Both have been instrumental in the formation and development of the Company and we would not be where we are today without either one of them. Both will be stepping down from the Board at the AGM in June.

To replace them, I am also extremely pleased to welcome to the Board, Mr Ernie Nutter and Mr Attie Roux. Both individuals have a long and distinguished track record of experience and successful delivery across many aspects of the mining industry and I am looking forward to working with them both as we build the next chapter for Hummingbird.

Dan Betts

Chief Executive Officer

****ENDS****

For further information, please visit www.hummingbirdresources.co.uk or contact:

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About Hummingbird Resources Plc

Notes to Editors

Hummingbird Resources (AIM: HUM) is a leading gold production, development and exploration company. The Company has two core gold projects, the Yanfolila Gold Mine in Mali and the Dugbe Gold Project in Liberia.

Yanfolila produced its first gold pour on time and budget in December 2017 and is expected to produce approximately 107,000oz gold/year on average over the Life of Mine. Yanfolila holds Probable Reserves of 709,800oz @ 3.14g/t, total Resources of 1.8Moz of gold and an additional 390,700oz of non-compliant exploration potential.

The Dugbe Gold Project has Resources currently totalling 4.2Moz of gold and a completed NI 43-101 compliant PEA on the project showing a 29% IRR and US\$186m NPV at a US\$1,300 gold price.

In addition to Hummingbird's production and development assets, the Company also has an exploration footprint of ~4,000km² and a 34% interest in AIM listed Cora Gold, which is advancing a portfolio of prospects in Mali and Senegal.

Financial Statements

Consolidated Income Statement For the Year ended 31 December 2017

	2017	2016
	\$'000	\$'000
Continuing operations		
Revenue	-	-
Share based payments	(424)	(505)
Other administrative expenses	(6,351)	(7,114)
Administrative expenses	(6,775)	(7,619)
Finance income	6,514	668
Finance expense	(6,877)	(1,491)
Profit on disposal of subsidiaries	1,919	-
Share of associate loss	(117)	-
Loss before tax	(5,336)	(8,442)
Tax	-	-
Loss for the year attributable to equity holders of the parent	(5,336)	(8,442)
Loss per ordinary share		
Basic and diluted (\$ cents)	(1.55)	(3.60)

None of the above results were attributable to non-controlling interests (2016: \$nil).

Consolidated Income Statement of Comprehensive Income For the Year ended 31 December 2017

	2017	2016
	\$'000	\$'000

Loss for the year	(5,336)	(8,442)
Other comprehensive income		
Exchange translation differences on foreign operations	-	-
Total comprehensive loss for the year attributable to equity holders of the parent	(5,336)	(8,442)

None of the above results were attributable to non-controlling interests (2016: \$nil).

Consolidated Balance Sheet As at December 2017

	2017	2016
	\$'000	\$'000
Assets		
Non-current assets		
Intangible exploration and evaluation assets	63,249	63,137
Intangible assets software	163	-
Property, plant and equipment	129,954	51,091
Investment in associates	3,704	-
	197,070	114,228
Current assets		
Inventory	1,392	-
Trade and other receivables	15,135	9,460
Unrestricted cash and cash equivalents	36,210	53,839
Restricted cash and cash equivalents	4,410	-
	57,147	63,299
Total assets	254,217	177,527
Liabilities		
Non-current liabilities		
Borrowings	53,404	-
Current liabilities		
Trade and other payables	28,422	10,856
Other financial liabilities	16,368	15,510
Borrowings	11,246	14,751
Total liabilities	109,440	41,117
Net assets	144,777	136,410
Equity		
Share capital	5,176	5,156
Share premium	148,930	148,516
Other reserves	2,000	-

Retained earnings	(15,500)	(17,262)
Equity attributable to equity holders of the parent	140,606	136,410
Non-controlling interest	4,171	-
Total equity	144,777	136,410

Consolidated Statement of Cash Flows

	2017	2016
	\$'000	\$'000
Net cash outflow from operating activities	(649)	(6,371)
Investing activities		
Purchases of intangible exploration and evaluation assets	(1,233)	(973)
Purchase of intangible assets software	(185)	-
Purchases of mine development assets	(55,858)	(9,610)
Purchases of property, plant and equipment	(510)	(108)
Purchase of shares in other companies	(741)	-
Interest received	320	160
Net cash used in investing activities	(58,207)	(10,531)
Financing activities		
Net proceeds from issue of shares	-	66,315
Exercise of warrants	434	-
Loan interest paid	(3,955)	(1,303)
Loans repaid	(15,000)	-
Loans received net of issue costs	57,980	-
Net cash from financing activities	39,459	65,012
Net (decrease) / increase in cash and cash equivalents	(19,397)	48,110
Effect of foreign exchange rate changes	6,178	(1,491)
Cash and cash equivalents at beginning of year	53,839	7,220
Cash and cash equivalents at end of year	40,620	53,839

Consolidated Statement of Changes in Equity

	Share capital \$'000	Share premium \$'000	Other Reserves \$'000	Retained earnings \$'000	Total equity attributable to the parent \$'000	Non-controlling interest \$'000	Total \$'000
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As at 31 December 2015	1,723	81,428	-	(9,499)	73,652	-	73,652
Comprehensive loss for the year:							
Loss for the year	-	-	-	(8,442)	(8,442)	-	(8,442)
Total comprehensive loss for the year	-	-	-	(8,442)	(8,442)	-	(8,442)
Transactions with owners in their capacity as owners							
Issue of shares net of costs	3,433	67,088	-	-	70,521	-	70,521
Total transactions with owners in their capacity as owners	3,433	67,088	-	-	70,521	-	70,521
Share based payments	-	-	-	679	679	-	679
As at 31 December 2016	5,156	148,516	-	(17,262)	136,410	-	136,410
Comprehensive loss for the year:							
Loss for the year	-	-	-	(5,336)	(5,336)	-	(5,336)
Total comprehensive loss for the year	-	-	-	(5,336)	(5,336)	-	(5,336)
Transactions with owners in their capacity as owners							
Acquisition of minority interests	-	-	2,000	(1,000)	2,000	-	1,000
Disposal of minority interest	-	-	-	6,678	6,678	4,171	10,849
Exercise of warrants	20	414	-	-	434	-	434
Total transactions with owners in their capacity as owners	20	414	2,000	5,678	8,112	4,171	12,283
Share based payments	-	-	-	1,420	1,420	-	1,420
As at 31 December 2017	5,176	148,930	2,000	(15,500)	140,606	4,171	144,777

Notes to the Consolidated Financial Statements

1 General information

Hummingbird Resources Plc is a public limited company with securities traded on the AIM market of the London Stock Exchange. It is incorporated and domiciled in the United Kingdom and has a registered office at 49-63 Spencer Street, Hockley, Birmingham, West Midlands, B18 6DE.

The nature of the Group's operations and its principal activities are the exploration, evaluation, development, and operating of mineral projects, principally gold, focused exclusively in West Africa.

2 Basis of preparation

In accordance with Section 435 of the Companies Act 2006, the Group confirms that this financial information for the years ended 31 December 2017 and 2016 is derived from the Group's audited financial statements and as such do not contain all the information required to be disclosed in financial statements prepared in accordance with International Financial Reporting Standards ("IFRS").

The Group's audited financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and as adopted by the EU and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Group's audited financial statements for the year ended 31 December 2017 received an unqualified audit opinion and the auditor's report contained no statement under section 498(2) or 498(3) of the Companies Act 2006.

The functional currency of all companies in the Group is United States Dollar ("\$"). The financial statements are presented in thousands of United States dollars ("'\$000"). For reference the year-end exchange rate from Sterling to \$ was \$1.3491 (2016: \$1.23016).

3 Loss per ordinary share

Basic loss per ordinary share is calculated by dividing the net loss for the year attributable to ordinary equity holders of the parent by the weighted average number of Ordinary shares outstanding during the year.

The calculation of the basic and diluted loss per share is based on the following data:

	2017	2016
	\$'000	\$'000
Losses		
Loss for the purposes of basic loss per share being net loss attributable to equity holders of the parent	(5,336)	(8,442)
Number of shares	2017	2016
	Number	Number
Weighted average number of ordinary shares for the purposes of basic loss per share	343,566,800	234,603,288
Loss per ordinary share	2017	2016
	\$ cents	\$ cents
Basic and diluted	(1.55)	(3.60)

At the balance sheet date there were 20,515,061 (2016: 23,446,146) potentially dilutive ordinary shares. At 31 December 2017 the potential ordinary shares are anti-dilutive and therefore there is no difference between basic and diluted loss per share.

4 Net debt reconciliation

	At 1 January 2017 \$'000	Cash flow \$'000	Foreign Exchange Movement \$'000	Amortisation of issue costs \$'000	At 31 December 2017 \$'000
Unrestricted cash	53,839	(23,512)	5,883	-	36,210
Restricted cash	-	4,115	295	-	4,410
Total cash and cash equivalents	53,839	(19,397)	6,178	-	40,620
Borrowings	(14,751)	(42,980)	(6,019)	(900)	(64,650)
Net debt	39,088	(62,377)	159	(900)	(24,030)

5 Events after the reporting date - Joint Venture

The Company has entered into a joint venture agreement (“JV Agreement”) with Stephen Betts and Sons Limited (“SBS”) and Betts Investments Limited (“BIL”). Daniel Betts and Stephen Betts who are both directors of the Company, are also directors of and shareholders in SBS. BIL is currently 50% owned by SBS.

BIL has been established for the marketing of gold and other precious metals investment products (including the Hummingbird 1oz gold coin), marketing coin manufacturing services to the mining industry and for the development of the Single Mine Origin (“SMO”) brand, concept and accreditation procedures.

Under the JV Agreement, the Company will invest £75,000 for a 19% interest in BIL, with the option to increase its stake to 49% for a further investment of £75,000. The Company has agreed to sell Hummingbird 1 oz gold coins to SBS to fulfil orders placed by customers via BIL. Additionally, the Company will provide marketing support and treasury services to BIL.

SBS shall be responsible for the fulfilment of all orders of gold and other precious metals investment products and BIL will receive a commission equal to 50% of the gross margin on all sales of gold and other precious metals investment products.

The JV Agreement constitutes a related party transaction pursuant to AIM Rule 13. Accordingly, the Company's Directors, other than Daniel Betts and Stephen Betts, consider, having consulted the Company's Nominated Adviser, that the terms of the JV Agreement are fair and reasonable insofar as Hummingbird’s shareholders are concerned.

6 Availability of Accounts

The audited Annual Report and Financial Statements for the year ended 31 December 2017 and notice of AGM will shortly be sent to shareholders and published at: www.hummingbirdresources.co.uk.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014.