ANNUAL REPORT 2016

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COMPANY INFORMATION

Directors	Peter Moss (Non-Executive Chairman) Allen Wang (Non-Executive Director)
Registered office	Intertrust Group 190 Elgin Avenue George Town Grand Cayman KY1-9005 Cayman Islands
Registered number	WK-143629
Company Secretary	Stanhill Operations Limited 32 St James' Street London SW1A 1HD
Nominated advisor	finnCap Limited 60 New Broad Street London EC2M 1JJ
Broker	Peterhouse Corporate Finance Limited 31 Lombard Street London EC3V 9BQ
Auditors	Lubbock Fine Chartered Accountants Paternoster House 65 St Paul's Churchyard London EC4M 8AB
UK registrars	Capita Registrars The Registry 34 Beckenham Road Beckenham Kent BR3 4TU
Solicitors	Fladgate LLP 16 Great Queen Street London WC2B 5DG
Bankers	HSBC 69 Pall Mall London SW1Y 5EY

CHAIRMAN'S STATEMENT

Dear Shareholder,

I am pleased to present you with Tengri Resources' final results for the year ended 31 December 2015.

2015 commenced with the taking of the strategic decision to concentrate on the exploration of the Taldybuluk gold project and the discontinuance of the farm-in arrangement with KGL resources relating to the Bashkol project. This decision was based on the results of the 13 hole 2014 drilling programme.

The strategy with regards to the Taldybuluk project encompassed two phases, phase one would involve the development of a medium scale open pit mine processing higher grade near surface gold deposits, whilst phase two would involve the development of a larger scope mining project taking in the Andash deposit as a satellite mine. The purpose of the 2015 drilling programme was therefore to complete a Scoping Study for the phase one open pit mine.

With this in mind, in April 2015 a facility of up to US$5.000 million was raised via convertible notes to be issued to Robust Resources Limited, and to funds managed by Argyle Street Management Limited and TIH Investment Management Limited.

In December 2015, the Scoping Study for Taldybuluk and Andash projects were completed and concluded that under all studied development scenario's the projects did not meet the Company's investment criteria and the Board decided not to proceed with development of the phase 1 Taldybuluk project in the prevailing commodity price environment. Accordingly, the Board decided that the Company would not be applying for development licenses over either project but maintained its exploration licenses in the near-term while it considers what options may be available for both projects.

In April 2016, the Company announced that it had signed a conditional agreement with Socagest SA pursuant to which Socagest would acquire from Tengri the entire issued share capital of Kami Associates Limited and Tatianna Limited, being the subsidiaries of Tengri, that held the Company's mineral exploration and development operations in Talas, Kyrgyz Republic including the Taldybuluk and Andash projects, for a total consideration of US$6.000 million. The sales agreement was completed on 31 May 2016 and following on from the disposal of the Kyrgyz Republic interests Tengri became an "AIM Rule 15 cash shell" for the purpose of the AIM Rules and has until 1 December 2016 to make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules or otherwise seek readmission as an "investing company" with the attendant requirement to raise at least £6.000 million on or immediately before such readmission.

In May 2016, Tengri also reached agreement with Gold Fields Oregon Holdings BVI Limited (**Goldfields**) whereby Tengri and its major shareholder Robust Resources would be released from all ongoing and future obligations owed to Goldfields relating to its formers operations in the Kyrgyz Republic thus effecting a clean break from the region.

During the course of 2015, there had been extensive revisions to the composition of the Tengri Board. Following Gary Lewis's resignation as Executive Chairman in October 2015, I resumed the role of Non-Executive Chairman. In December 2015, our Non-Executive Directors, Idris Khan and Joshua Crumb, both resigned from the Board in order to pursue their other business interests and I was joined on the board by Allen Wang, a representative of TIH Investment Management Limited and Argyle Street Management Limited. I would like to place on record my thanks to all my co-Directors who served on the Tengri Board and particularly Allen who has assisted me in guiding the Company through its exit from the Kyrgyz Republic.

I would like to express my sincere thanks to the Company's shareholders for their support and patience during a difficult year for Tengri. However, after reviewing the results of the Scoping Study your Board has acted decisively to curtail further exploration expense and to make a clean withdrawal from the Kyrgyz Republic by disposing of the assets for total consideration of US$6.000 million (net consideration US$4.447 million) leaving the Company as a clean cash shell that can now explore other opportunities that could restore shareholder value.

Regards,

Peter Moss
Non-Executive Chairman
London, dated this 28th day of July 2016

STRATEGIC REPORT

HIGHLIGHTS

- Agreed strategy for a two phase development of the Taldybulak project and to discontinue of the farm-in of the Bashkol project;
- Completed US$5.000 million fundraise in the form of convertible notes issued to Robust Resources Limited, and to funds managed by Argyle Street Management Limited and TIH Limited; and
- Completion of Scoping Study at Taldybuluk leading to the decision to discontinue operations in the Kyrgyz Republic.

POST-PERIOD HIGHLIGHTS

- Completed disposal of Kyrgyz mining assets for total consideration of US$6.000 million; and
- Became AIM Rule 15 cash shell.

During 2015, the Company concentrated on its strategy of completing a Scoping Study for its Phase 1 project to develop a medium-scale open pit mining and processing of higher-grade, near-surface, gold-rich sheeted vein domain at Taldybuluk. The report was completed in December 2015 and concluded that the Taldybulak and Andash projects, under all studied development scenarios, did not meet the Company's investment criteria at the time. At the same time as the completion of the Scoping Study, Tengri extradited its employees from the Kyrgyz Republic due to ongoing disputes with local management.

Whilst the Company believe that Taldybulak and Andash host large resources with significant upside exploration potential, the Board decided not to proceed with the development of Taldybulak in the prevailing commodity price environment. The Company decided not to apply for development licenses over either project but agreed to maintain its exploration licenses in the near-term while it considers what options may be available for both projects.

In order to preserve shareholder capital, and due to the loss of operational control when Tengri employees were extradited. The Board of Tengri decided to suspend all material operational activities in the Kyrgyz Republic. Subsequently in May 2016, Tengri completed the disposal of its Kyrgyz mining assets by selling the entire issued share capital of Kami Associates Limited and Tatianna Limited, subsidiaries of Tengri which hold the Company's mineral exploration and development operations in Talas, Kyrgyz Republic for a total consideration of US$6.000 million (net consideration US$4.447 million) to Socagest SA.

The completion of the disposal represented a fundamental change of business under AIM Rule 15 and as such, the Company is now an "AIM Rule 15 cash shell" for the purpose of the AIM Rules and has until 1 December 2016 to make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules or otherwise seek readmission as an "investing company" with the attendant requirement to raise at least £6.000 million on or immediately before such readmission.

The Board is now seeking potential reverse takeover opportunities that could restore shareholder value in the Company. We look forward to keeping you updated as we progress in the coming weeks and months.

BUSINESS REVIEW

The Company was in a net liability position at 31 December 2015 totalling US$171,756 (2014: US$25,375,812 net assets). The net liability per ordinary share as at 31 December 2015 was US$0.0016 (2014: US$0.2358 net assets). A more detailed review of the activity and progress of the business is contained in the Chairman's Statement on page 4.

KEY PERFORMANCE INDICATORS

The key performance indicators are set out below:

Company Statistics	31 December 2015	31 December 2014	Change %
Net asset/(liability) value	($131,420)	$25,375,812	(100.52)
Net asset/(liability) value – fully diluted per share	($0.0012)	$0.2358	(100.52)
Closing share price	3.00p	5.38p	(44.24)
Current liabilities	$4,709,483	$132,894	34.44
Cash and cash equivalents	$7,012	$795,463	(99.12)

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's policy in respect of financial instruments and its risk profile is set out in Note 19 in the financial statements.

PRINCIPAL BUSINESS RISKS AND UNCERTAINTIES

The management of the business and the nature of the Company's strategy are subject to a number of risks. The Directors have set out below the principal risks facing the business. Where possible, processes are in place to monitor and mitigate such risks. The Company operates a system of internal control and risk management in order to provide assurance that the Board is managing risk whilst achieving its business objectives. No system can fully eliminate risk and, therefore, the understanding of operational risk is central to the management process.

ASSESSMENT OF BUSINESS RISK

Risk Factor	Nature
Regulatory risks	The Company is now a AIM Rule 15 cash shell. Accordingly it has until 1 December 2016 to make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules or otherwise seek readmission as an "investing company" with the attendant requirement to raise at least £6.000 million on or immediately before such readmission. Failure to meet these regulatory requirements will result in the Company's shares being suspended from trading on AIM. Should a further six months elapse without the Company meeting the requirement to complete a reverse takeover or seek readmission as an investing company the shares will be delisted from trading on AIM.
Commercial risks	There can be no guarantee that the Company will be able to make an acquisition of another business that will constitute a reverse takeover in accordance with the AIM rules or any acquisition that it makes will be commercially successful for shareholders.
Liquidity risk	Having disposed of its exploration assets, the Company is a cash shell and there is the possibility that it will need to seek additional funds from existing investors or new investors or a combination of both in order to effect a reverse takeover. The Company will also need to solvently restructure its existing loan with major shareholder and creditor Robust Resources Ltd.
Foreign currency risk	The Company had operations in Kyrgyz Republic where its operating expenses are incurred in US dollars and accordingly the majority of its cash was held in US dollars. Now the Company is a cash shell the majority of its operating expenditure will be incurred in GBP therefore the fluctuation of the US dollar in relation to GBP will have an impact upon the operations of the Company and will also affect the value of the Company's cash balances. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks.

The Board regularly reviews operating and strategic risks. The Company's operating procedures include a system for reporting financial and non-financial information to the Board including:

- Reports from management with a review of the business at each Board meeting, focusing on any new decisions/risks arising;
- Reports on the performance of investments; reports on selection criteria of new investments; and
- Discussion with senior personnel; and consideration of reports prepared by third parties.

Kindest regards,

Peter Moss
Non-Executive Chairman

Sydney, dated this 28th day of July 2016

DIRECTORS' REPORT

THE PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

The principal activity of the Company during the 2015 financial year was that of an investment company. Through its investments it acted as a Central Asian focused mineral developer and explorer, with a primary focus on the large-scale Taldybulak deposit in the Kyrgyz Republic. The Company's investments adopted a phased development strategy within their project portfolio, seeking low operating cost projects with a clear near-term path to production. The primary aim for 2015 was to produce a Feasibility and Scoping Study in relation to the establishment of a medium-scale open pit mining and processing of higher-grade, near-surface, gold-rich sheeted vein domain.

The review of the business is outlined within the Strategic Report on page 5.

RESULTS AND DIVIDENDS

The results for the period are shown in the statement of comprehensive income on page 17. The loss for the year was US$25,507,798 (2014 loss: US$4,460,625). The Directors do not recommend the payment of a dividend.

EVENTS AFTER THE REPORTING PERIOD

The Company published the results of its Scoping Study in to the Stage 1 development of the Taldybulak deposit on 16 December 2015 and it was concluded that the Taldybulak and Andash projects, under all studied development scenarios, did not meet the Company's investment criteria at the time.

On 12 April 2016, the Company entered into a conditional agreement with Socagest SA to sell its Kyrgyz assets relating to the Taldybuluk and Andash projects for US$6.000 million. The sale provided that Tengri use US$0.553 million of the sales proceeds to repay trade creditor balances relating to its subsidiaries that formed part of the sale. The sale was completed on 31 May 2016. At the same time the Company and its majority shareholder Robust Resources Limited entered into an agreement with Gold Fields Orogen Holdings BVI Limited (**Goldfields**) to settle all ongoing and future obligations owed to Goldfields in respect of the Kyrgyz projects for a consideration of US$1.000 million allowing it to complete a full and clean exit from its activities in the Kyrgyz Republic.

The completion of the disposal represented a fundamental change of business under AIM Rule 15 and as such, the Company is now an "AIM Rule 15 cash shell" for the purpose of the AIM Rules and has until 1 December 2016 to make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules or otherwise seek readmission as an "investing company" with the attendant requirement to raise at least £6.000 million on or immediately before such readmission.

In June 2016, the Company repaid in full the principal amounts outstanding to funds managed by TIH Limited and Argyle Street Management Limited of US$1.000 million. The Company also partly repaid US$2.250 million of the outstanding principal owing to Robust Resources Limited.

POLITICAL AND CHARITABLE DONATIONS

No political or charitable donations were made during the period.

DIRECTORS

The Directors who served during the year are set out below.

Peter Moss	
Idris Khan	(resigned 11 December 2015)
John Levings	(resigned 14 April 2015)
Gary Lewis	(appointed 14 April 2015, resigned 19 October 2015)
Joshua Crumb	(appointed 14 April 2015, resigned 11 December 2015)
Allen Wang	(appointed 11 December 2015)

SUBSTANTIAL SHAREHOLDINGS

The only interests in excess of 3% of the issued share capital of the Company which have been notified at 1 June 2016, were as follows:

	Ordinary Shares Number	Percentage of Capital %
Robust Resources Limited	93,831,153	87.19

GOING CONCERN

The financial statements have been prepared on the going concern basis because, as set out in detail in Note 2 (Going Concern), the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, with the support of its parent company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Company was incorporated in the Cayman Islands, which does not prescribe the adoption of any particular accounting framework. Accordingly, the Board has resolved that the Company will follow International Financial Reporting Standards, as adopted by the European Union, when preparing its annual financial statements. The Directors prepare financial statements for each financial period, which present fairly the state of affairs of the Company and of the profit or loss for the Company for that period. In preparing the financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and which disclose with reasonable accuracy at any time the financial position of the Company. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DISCLOSURE OF INFORMATION

The Directors confirm that:

- So far as each Director is aware there is no relevant audit information of which the Company's auditors are unaware; and
- The Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

PUBLICATION OF ACCOUNTS ON THE COMPANY WEBSITE

Financial statements are published on the Company's website. The maintenance and integrity of the website is the responsibility of the Directors. The Director's responsibility also extends to the financial statements contained therein.

INDEPENDENT AUDITORS

A resolution to re-appoint Lubbock Fine as auditors will be put to the members at the annual general meeting.

Signed on behalf of the board

Peter Moss
Non-Executive Chairman

Sydney, dated this 28th day of July 2016

CORPORATE GOVERNANCE STATEMENT

The Company's shares are traded on AIM and accordingly, compliance with the revised UK Corporate Governance Code is not mandatory. However, the Company has sought to comply with a number of the provisions of the Code in so far as it considers them to be appropriate for a company of this size and nature. The Board is accountable to the Company's shareholders for good corporate governance. This report and the Remuneration Report describe how the Company applies the provisions of good corporate governance.

DIRECTORS

The Company supports the concept of an effective Board leading and controlling the Company. The Board is responsible for approving Company policy and strategy. It meets on a regular basis and has a schedule of matters specifically reserved to it for decision. Consultants supply the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professional advice at the Company's expense.

The Board currently consists of the Non-Executive Chairman and one other Non-Executive Director. The Directors will review the composition of the Board on a regular basis and intend to appoint additional executive and/or independent Non-Executive Directors once a suitable acquisition has been identified.

RELATIONS WITH SHAREHOLDERS

The Company values the views of its shareholders and recognises their interest in the Company's strategy and performance. The Annual General Meeting is used to communicate with private investors and they are encouraged to participate. The Directors will be available to answer questions. Separate resolutions will be proposed on each issue so that they can be given proper consideration and there will be a resolution to approve the Annual Report and accounts.

AUDIT COMMITTEE

The Audit Committee once established, will meet at least twice a year and will comprise of Peter Moss (Chair of the Audit Committee) and Allen Wang. In summary, the Committee will be responsible for the functions recommended by the UK Corporate Governance Code including:

- Review of the annual financial statements and interim reports prior to approval, focusing on changes in the principal accounting policies and practices, major judgemental areas, significant audit adjustments, going concern and compliance with accounting standards, Stock Exchange and legal requirements;
- Receive and consider reports on internal financial controls, including reports from the auditors and report their findings to the Board;
- Consider the appointment of the auditors and their remuneration including the review and monitoring of independence and objectivity;
- Meet with the auditors to discuss the scope of their audit, issues arising from their work and any matters the auditors wish to raise;
- Develop and implement a policy on the engagement of the external auditor to supply non-audit services; and
- Review the Company's corporate review procedures and any settlement on internal control prior to endorsement by the Board.

REMUNERATION COMMITTEE

The Remuneration Committee comprises of Peter Moss and Allen Wang. The Committee has the following key duties:

- Reviewing and recommending the emoluments, pension entitlement and other benefits of any executive and, as appropriate, other senior executives; and
- Reviewing the operation of any share option schemes implemented by the Company and the granting of options under such schemes.

INTERNAL CONTROL

The Board is committed to the maintenance of effective internal controls. The Board recognises its responsibility for maintaining a strong system of internal control to safeguard shareholders' investment and the Company's assets and for reviewing its effectiveness. The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss.

The Board has determined that there is currently no requirement for an internal audit function. However, the Directors will continue to review the requirement for an internal audit function on a regular basis.

REPORT ON REMUNERATION

POLICY ON EXECUTIVE DIRECTORS' REMUNERATION

The policy of the Board is to provide executive remuneration packages designed to attract, motivate and retain Directors of the calibre necessary to maintain the Company's position and to reward them for enhancing shareholder value. It aims to provide sufficient levels of remuneration to do this, but to avoid paying more than is necessary. The remuneration will also reflect the Directors' responsibilities and contain incentives to deliver the Company's objectives.

Directors and key management personnel remuneration for the 2015 and 2014 financial years were as follows:

	Year Ended 31 December 2015 US$	**Year Ended 31 December 2014 US$**
Directors of Tengri Resources		
Shahed Mahmood	-	18,552
Charles Goodfellow	-	18,552
Peter Moss	43,047	29,939
Gary Lewis	92,020	17,086
(appointed 14/04/2015, resigned 19/10/2015)		
David King	-	29,286
Joshua Crumb	10,000	-
(appointed 14/04/2015, resigned 11/12/2015)		
Key Management Personnel of Tengri Resources		
Bruce Lumley	304,500	161,855
(Chief Executive Officer) (resigned 15/12/2015)		
Total	**449,567**	**275,270**

There were no payments to Directors for pensions, benefits in kind or bonuses other than the fees paid to Directors listed above.

At the balance sheet date and at date of this report, the following shares and options/warrants were held by Directors and their related entities.

	Number of Shares	**Number of Options**	**Number of Warrants**
Peter Moss	-	10,000	-
Idris Khan	-	30,000	80,000
(resigned 11/12/2015)			
Gary Lewis	265,000	-	-
(appointed 14/04/2015, resigned 19/10/2015)			
Joshua Crumb	-	-	-
(appointed 14/04/2015, resigned 11/12/2015)			
John Levings	100,000	40,000	-
(resigned 14/04/2015)			
Total	**365,000**	**80,000**	**80,000**

BONUSES

There were no contractual or discretionary bonuses paid to the Directors during the year ended 31 December 2015.

Peter Moss
Non-Executive Chairman

Sydney, dated this 28th day of July] 2016

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of Tengri Resources (the **Company**) on pages 17 to 38 which comprise the statement of financial position, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year ended 31 December 2015, and a summary of significant accounting policies and other explanatory notes.

This report is made solely to the Company's shareholders as a body. Our audit work has been undertaken so that we might state to the Company's shareholders those matters that we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report or for the opinion formed.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require us to comply with the UK Auditing Practices Board's Ethical Standards for Auditors.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements 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 management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2015, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union.

Emphasis of matter - control of investments

We draw attention to Note 2 to the financial statements which details management's conclusion that the entities operating in the Kyrgyz Republic which were wholly-owned investments throughout the year ended 31 December 2015 were not controlled by the company at 31 December 2015. These have ceased to be classified as investments in subsidiaries and these financial statements are the separate, non-consolidated financial statements of Tengri Resources. Our opinion is not qualified in respect of this matter.

Emphasis of matter - Going Concern

In forming our opinion on the financial statements, we have considered the adequacy of the disclosure made in Note 2 to the financial statements concerning the Company's ability to continue as a going concern. There is a material uncertainty as to whether support from the Company's parent company will continue to be provided which may cast a significant doubt over the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Lubbock Fine

Lubbock Fine
Chartered Accountants
& Registered Auditor
Date: 28/07/2016

Paternoster House
65 St Paul's Churchyard
London EC4M 8AB

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2015

	Notes	Year Ended 31 December 2015 US $	Year Ended 31 December 2014 US $
Revenue			
Other income		-	12,515
Total income		**-**	**12,515**
Expense			
Depreciation expense		(25,378)	(6,980)
Employee benefits expense		(1,433,292)	(473,614)
Foreign exchange loss		(29,895)	(291,339)
Fair value movement of financial derivative		224,742	-
Impairment expense	4	(21,798,435)	(1,185,033)
Professional fees		(1,476,125)	(1,900,766)
Public relations		(213,009)	(140,347)
Telecommunications expense		(34,309)	(38,575)
Rent expense		(7,323)	(46,183)
Travel expense		(139,390)	(225,438)
Other expense		(386,359)	(164,865)
Finance cost		(189,025)	-
Total expense		**(25,507,798)**	**(4,473,140)**
Loss before tax		**(25,507,798)**	**(4,460,625)**
Income tax benefit		-	-
Loss for the year		**(25,507,798)**	**(4,460,625)**
Other comprehensive income		-	-
Total comprehensive loss for the year		**(25,507,798)**	**(4,460,625)**
Basic loss per share		(0.24)	(0.08)
Diluted loss per share		(0.24)	(0.08)
Weighted average number of shares		107,618,497	57,409,772

No dividends were proposed or declared in respect of any of the periods presented above.

The accompanying notes on pages 21 to 38 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2015

	Notes	As At 31 December 2015 US $	As At 31 December 2014 US $
Assets			
Cash and cash equivalent	5	7,012	795,463
Current trade and other receivables	6	-	324,318
Other receivables	7	-	7,790,442
Total current assets		**7,012**	**8,910,223**
Available for sale financial assets	9	4,571,051	39,379
Other investments	11	-	16,511,152
Property, plant and equipment	12	-	47,952
Total non-current assets		**4,571,051**	**16,598,483**
Total assets		**4,578,063**	**25,508,706**
Liabilities			
Trade and other payables	13	666,747	132,894
Interest bearing liabilities	14	3,395,232	-
Financial derivative liability	15	647,504	-
Total current liabilities		**4,709,483**	**132,894**
Total liabilities		**4,709,483**	**132,894**
Net assets/(liabilities)		**(131,420)**	**25,375,812**
Shareholders' equity			
Share capital	17	97,059,609	97,059,609
Share-based payments reserve		121,654	121,654
Capital redemption reserve		92,740	92,174
Accumulated losses		(97,405,423)	(71,897,625)
Total Shareholders' equity		**(131,420)**	**25,375,812**

The accompanying notes on pages 21 to 38 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2015

	Share Capital US$	Share-Based Payments Reserve US$	Capital Redemption Reserve US$	Accumulated Losses US$	Total US$
Balance at 31 December 2013	**67,562,979**	**113,000**	**96,174**	**(67,437,000)**	**335,153**
Issue of shares on acquisition of Kyrgyz Companies	28,830,904	-	-	-	28,830,904
Issue of shares	665,726	-		-	665,726
Share-based payments	-	8,654		-	8,654
Impairment of reserve	-	-	(4,000)	-	(4,000)
Total comprehensive loss for the year	-	-	-	(4,460,625)	(4,460,625)
Balance at 31 December 2014	**97,059,609**	**121,654**	**92,174**	**(71,897,625)**	**25,375,812**
Other movement	-	-	566	-	566
Total comprehensive loss for the year	-	-	-	(25,507,798)	(25,507,798)
Balance at 31 December 2015	**97,059,609**	**121,654**	**92,740**	**(97,405,423)**	**(131,420)**

The accompanying notes on pages 21 to 38 form part of these financial statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	Year Ended 31 December 2015 US $	Year Ended 31 December 2014 US $
Cash flows from operating activities			
Net cash flows used by operating activities	**18**	(3,165,077)	(2,632,062)
Cash flows from investing activities			
Payment for exploration expenditure in equity investments		(1,732,342)	(726,933)
Purchase of property, plant, and equipment		(37,575)	(63,456)
Net cash flows from investing activities		(1,769,917)	(790,389)
Cash flows from financing activities			
Proceeds from convertible notes		4,000,000	-
Proceeds from unsecured loan		193,612	-
Repayment of unsecured loan		-	(42,426)
Cash acquired in reverse acquisition		-	4,499,010
Net cash flows from financing activities		4,193,612	4,456,584
Net (decrease)/increase in cash and cash equivalents		(741,382)	1,034,133
Cash and cash equivalents at the beginning of the year		795,463	38,000
Effects of foreign exchange rate changes on the balance of cash held in foreign currencies		(47,069)	(276,670)
Cash and cash equivalents at the end of the year	**5**	7,012	795,463

The accompanying notes on pages 21 to 38 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL

The Company (Registration No. WK-143629) is incorporated and registered in the Cayman Islands, having been incorporated on 19 January 2005. The registered office of the Company is 190 Elgin Avenue, George Town Grand, Cayman KY1-9005, Cayman Island.

The Group consists of the Company and its wholly-owned subsidiaries, Kami Associates Limited, Tatianna Limited, Kaldora Company Limited, ACN 149 425 712 Pty Ltd, Andash Mining Company LLC and Talas Copper Gold LLC (collectively, the **Kyrgyz Companies**), and Mentum Services Limited.

These financial statements represent the individual company financial statements for Tengri Resources, as detailed in Note 2.

The principal activity of the Company is that of an investment company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial information has been prepared on an accruals basis and is based on historical costs modified by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

The financial information is drawn in accordance with the provisions of the International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**) and adopted by the European Union

The financial information is presented in US dollars, rounded to the nearest dollar.

Consolidation

As at 31 December 2015 management concluded that the Company had lost operational control of the Kyrgyz Companies operating in the Kyrgyz Republic. Refer Critical Accounting Estimates and Judgments for further information.

A subsidiary of the Company is an entity for which the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. As the Company did not control the Kyrgyz Companies at 31 December 2015 these are not considered to be subsidiaries of the Company at that date.

Due to the Kyrgyz Companies ceasing to be treated as subsidiaries in the year, the Company has prepared individual company financial statements for the year ended 31 December 2015,

As these are the separate financial statements of Tengri Resources, the 31 December 2014 comparatives provides information on the financial position and performance for Tengri Resources only.

In these financial statements the investments in the Kyrgyz Companies were treated as Investments in Subsidiaries until the point that control was lost, at which point these were held as Available For Sale investments.

Going Concern

Subsequent to year end the Company divested its shareholdings in the Kyrgyz Companies for total consideration of US$6.000 million (net consideration of US$4.447 million).

These funds have been utilised by the Company to finalise a settlement with Goldfields and to repay the TIH Limited and Argyle Street Management Limited loan notes. The Company partly repaid the Robust Resources Limited loan note.

Further funds will be required to fund existing levels of corporate overheads and to repay the outstanding principal owing to Robust Resources Limited.

These factors indicate that the Company's ability to continue as a going concern is dependent upon the financial support received from its shareholders both in the form of additional funding and deferring the repayment of the outstanding loan balance.

Notwithstanding the above, the Directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis having regard to the following factors:

- Tengri has significantly reduced expenses as a result of divesting the Kyrgyz Companies;
- Tengri has sufficient cash at the date of signing the financial statements to pay its trade creditors on normal commercial terms; and
- Tengri and Robust Resources Limited intend to use their best efforts to negotiate and effect a solvent restructuring of the outstanding loan note balance.

Should the Company not be able to manage the inherent uncertainties referred to above, there would be significant uncertainty as to whether the Company would be able to meet its debts as and when they fall due and thus continue as a going concern. The Directors believe that there is a reasonable prospect of a solvent restructuring being agreed and implemented with Robust Resources Limited and therefore it is appropriate to prepare the financial statements on a going concern basis.

If the Company is unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the values of the assets to their recoverable amounts, provide for further liabilities that might arise and reclassify non-current assets as current assets.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of 3 months or less.

Trade and Other Receivables

Trade receivables are recognised and carried at original invoice amount less an impairment for any uncollectible debts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off as incurred.

Receivables from related parties are recognised and carried at the nominal amount due and are interest free.

Investments in subsidiaries

Investments in subsidiaries are held at the lower of cost and net realisable value.

Farm-in Interests

Payments towards farm-in interests are accumulated in respect of each farm-in interest. These amounts are only carried forward to the extent that they are expected to be recouped through the successful development of the interest area or where activities in the interest have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated contributions in relation to an abandoned interest are written off in full against profit in the year in which the decision to abandon the interest is made. When production commences, the accumulated costs for the relevant interest are amortised over the life of the interest according to the rate of depletion of the economically recoverable reserves. A regular review is undertaken of each interest to determine the appropriateness of continuing to carry forward costs in relation to that farm-in interest.

Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Borrowing costs related to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are recognised net in "other income". The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised.

Depreciation is recorded on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment or over the remaining life of the mine if shorter. Depreciation commences when fixed assets are ready for its intended use. Land is not depreciated. The estimated useful lives of the assets are as follows:

- Office equipment – 4-5 years
- Furniture and accessories – 5 years
- Other – 3-5 years.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Trade and Other Payables

Liabilities are recognised for amounts to be paid in the future for goods and services received. Trade payables are normally settled between 30 and 60 days.

Provisions

Provisions are recognised when there is a present obligation (legal, equitable or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Financial Instruments

Financial instruments are initially measured at fair value when the Company becomes a party to an agreement regarding a financial instrument. Transaction costs are included in the initial measurement of financial instruments, except financial instruments classified as at fair value through profit and loss (the **FVTPL**). The subsequent measurement of financial instruments is dealt with below.

A financial asset is derecognised when the right to receive cash flows from the asset has expired or the Company has transferred its rights to receive cash and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the assets.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

On derecognition of a financial asset, the difference between the proceeds received or receivable and the carrying amount of the asset is included in the Statement of Profit or Loss and Other Comprehensive Income.

On derecognition of a financial liability, the difference between the carrying amount of the liability extinguished or transferred to another party and the amount paid is included in the Statement of Profit or Loss and Other Comprehensive Income.

Equity

An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received net of direct issue costs.

The share capital account represents the amount subscribed for shares.

The share based payment reserve represents the fair value, calculated at the date of grant, of warrants or options unexercised at the balance sheet date.

Accumulated losses includes all current and prior period results as disclosed in the statement of comprehensive income.

Financial Assets

Classification

The Company classifies its financial assets into one of the following categories: cash and cash equivalents, loans and receivables and investments available for sale. The Company has not classified any of its financial assets as held to maturity, held for trading or designated at fair value through profit or loss.

All financial assets are recognised when the Company becomes party to the contractual provisions of the instrument. All financial assets are initially recognised at fair value, plus transaction costs.

Cash and cash equivalents

Cash and cash equivalents comprise cash at hand and current and deposit balances at banks, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insufficient risk of changes in value.

Loans and receivables

Loans receivable from third parties are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

Available-for-sale investments

Investments are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value in accordance with IAS 39. In respect of quoted investments, this is either the bid price at the period end date or the last traded price, depending on the convention of the exchange on which the investment is quoted, with no deduction for any estimated future selling cost. Unquoted investments are valued by the Directors using primary valuation techniques such as recent transactions, last price or asset value.

Investments are recognised as available-for-sale financial assets. Gains and losses on measurement are recognised in other comprehensive income except for impairment losses and foreign exchange gains and losses on monetary items denominated in a foreign currency, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss.

The Company assesses at each period end date whether there is objective evidence that a financial asset or group of financial assets classified as available-for-sale has been impaired. An impairment loss is recognised if there is objective evidence that an event or events since initial recognition of the assets have adversely affected the amount or timing of future cash flows from the asset. A significant or prolonged decline in fair value of a security below its cost shall be considered in determining whether the asset is impaired.

When a decline in the fair value of a financial asset classified as available-for-sale has been previously recognised in other comprehensive income and there is objective evidence that the asset is impaired, the cumulative loss is removed from other comprehensive income and recognised in profit or loss. The loss is measured as the difference between the cost of the financial asset and its current fair value less any previous impairment.

Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets, using the effective interest rate method.

Income Tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the balance sheet date.

Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss. Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Deferred tax is credited in the income statement except where it relates to items that may be credited directly to equity, in which case the deferred tax is adjusted directly against equity. Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised. The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Indirect Tax

Revenues, expenses and assets are recognised net of the indirect taxes, except where the amount of indirect taxes incurred is not recoverable from the taxation authority. In these circumstances, the indirect taxes are recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated as other receivable amounts. The net amount of indirect taxes recoverable from, or payable to, the taxation authorities are included as a current asset, or a liability in the Statement of Financial Position.

Impairment

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Recoverable Amount of Assets

At each reporting date, the Company assesses whether there is any indication that an asset may be impaired. Where an indicator of impairment exists, the Company makes a formal estimate of recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is the greater of fair value less costs to sell and value in use. It is determined for an individual asset, unless the asset's value in use cannot be estimated to be close to its fair value less costs to sell and it does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case, the recoverable amount is determined for the cash generating unit (**CGU**) to which the asset belongs.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Foreign Currency Transactions

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end spot exchange rate.

Critical Accounting Estimates and Judgments

The Directors evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

<u>Key Judgments – Control of the Kyrgyz Companies</u>

The Directors believe that at 31 December 2015 the Company had lost control of the Kygyrz Companies, and as a consequence of this these have been included within the financial statements as available for sale investments, rather than investments in subsidiaries, and a consolidation has not been carried out. This judgment therefore has a significant impact on the figures presented in these financial statements.

The loss of control was due to the following factors occurring during the year:

- Its expatriate employees in Kyrgyz were relocated out of the country due to management disagreements with the Kyrgyz Companies' management during the period;
- Subsequent to the departure of its employees the Company decided to stop funding the Kyrgyz Companies as it had no control of the expenditure in country; and

- During this period, the Directors and management of the Kyrgyz Companies operated and controlled each entity without the direction of Tengri.

Key Judgments – Carrying Value of Investments

At each reporting period the Directors are required to assess the carrying value of its investments, and the investments which have the most significant impact on the financial statements were those in the Kyrgyz Companies.

At 31 December 2014 the carrying value of the investment in subsidiaries in the Kygyrz Companies was recognised at cost, as the cost of these was assessed by the Directors to be greater than the recoverable amount.

At 31 December 2015 the carrying value of its investment in the Kygyrz Companies, held as an available for sale investment, was recognized at the fair value. This was determined from the post year end sale of the Kyrgyz Companies for US$6 million.

Adoption of New and Revised Standards

New accounting standards adopted effective 1 January 2015.

The mandatory adoption of the following new and revised accounting standards and interpretations on 1 January 2015 had no significant impact on the Company's financial statements for the years presented:

Annual Improvements 2010-2012 Cycle

With the exception of the improvement relating to IFRS 2 *Share-based Payment* applied to share-based payment transactions with a grant date on or after 1 July 2014, all other improvements are effective for accounting periods beginning on or after 1 July 2014. The Company has applied these improvements for the first time in these financial statements. They include:

IFRS 2 *Share-based Payment*

This improvement is applied prospectively and clarifies various issues relating to the definitions of performance and service conditions which are vesting conditions. The clarifications are consistent with how the Company has identified any performance and service conditions which are vesting conditions in previous periods. In addition, the Company had not granted any awards during the second half of 2014 and 2015. Thus, these amendments did not impact the Company's financial statements or accounting policies.

IFRS 8 *Operating Segments*

The amendments are applied retrospectively and clarify that:

- An entity must disclose the judgements made by management in applying the aggregation criteria in paragraph 12 of IFRS 8, including a brief description of operating segments that have been aggregated and the economic characteristics (e.g., sales and gross margins) used to assess whether the segments are 'similar'
- The reconciliation of segment assets to total assets is only required to be disclosed if the reconciliation is reported to the chief operating decision maker, similar to the required disclosure for segment liabilities

The Company has not applied the aggregation criteria in IFRS 8.12.

IAS 16 *Property, Plant and Equipment* and IAS 38 *Intangible Assets*

The amendment is applied retrospectively and clarifies in IAS 16 and IAS 38 that the asset may be revalued by reference to observable data by either adjusting the gross carrying amount of the asset to market value or by determining the market value of the carrying value and adjusting the gross carrying amount proportionately so that the resulting carrying amount equals the market value. In addition, the accumulated depreciation or amortisation is the difference between the gross and carrying amounts of the asset. This amendment did not have any impact to the revaluation adjustments recorded by the Company during the current period.

IAS 24 *Related Party Disclosures*

The amendment is applied retrospectively and clarifies that a management entity (an entity that provides key management personnel services) is a related party subject to the related party disclosures. In addition, an entity that uses a management entity is required to disclose the expenses incurred for management services. This amendment is not relevant for the Company as it does not receive any management services from other entities.

The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3. SEGMENT REPORTING

It is the opinion of the Directors that the operations of the Company represent one segment, as they are treated as such when evaluating the performance

4. IMPAIRMENT EXPENSE

		As at 31 December 2015 US$	As at 31 December 2014 US$
Bashkol farm-in agreement		-	1,175,887
Investment in listed shares		30,172	9,146
Investment in Kyrgyz Companies		12,064,133	-
Loan receivable		39,233	-
Related party loans	**16**	9,604,747	-
Property, plant and equipment		60,150	-
Impairment expense		**21,798,435**	**1,185,033**

The Company's investment in the Kyrgyz Companies and the related party loans from these companies were impaired as at 31 December 2015 due to the following indicators:

- The Company lost operational control of the companies prior to year end; and
- The Scoping Study completed on the Taldybulak project did not meet the Company's investment hurdles.

Subsequent to year end the Company divested its interests in the Kyrgyz Companies for consideration of US$6.000 million. The carrying value of the Kyrgyz Companies investment as at 31 December 2015 has been adjusted to reflect the net consideration subsequent to year end.

The Company's interests in the Bashkol project was fully impaired in the 2014 financial year due to the Company's decision to discontinue the farm-in. This decision was made as the project was considered non-core to the current business plan.

The impairment in listed shares was recognised due to a decline in market value.

5. CASH AND CASH EQUIVALENTS

	As at 31 December 2015 US$	As at 31 December 2014 US$
Cash at bank and in hand	7,012	795,463
Cash and cash equivalents	**7,012**	**795,463**

6. TRADE AND OTHER RECEIVABLES

	As at 31 December 2015 US$	As at 31 December 2014 US$
Other receivables	-	176,683
Prepayments	-	147,635
Current trade and other receivables	**-**	**324,318**

7. OTHER RECEIVABLES

		As at 31 December 2015 US$	As at 31 December 2014 US$
Receivables from subsidiaries	**16**	9,604,747	7,790,442
Impairment		(9,604,747)	-
Other receivables		**-**	**7,790,442**

8. FAIR VALUE MEASUREMENT

The table below sets out the fair value measurements using the IFRS 7 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices in active markets for identical assets.

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable valuation data.

There were no transfers between levels in the 2014 or 2015 financial years.

9. AVAILABLE FOR SALE FINANCIAL ASSETS

		As at 31 December 2015 US$	As at 31 December 2014 US$
Investments at fair value brought forward		39,379	102
Investments acquired in the year		114,825	48,525
Investments in subsidiary companies reclassified (Note 11)		16,511,152	-
Disposal of investments		-	(102)
Impairment of investments	**4**	(12,094,305)	(9,146)
Financial assets at the end of the year		**4,571,051**	**39,379**
Level 1 investments at the end of the year		**9,025**	**39,379**
Level 3 investments at the end of the year		**4,562,026**	**-**

10. FARM-IN INTERESTS

	As at 31 December 2015 US$	As at 31 December 2014 US$
Farm-in interests – Bashkol project		
Farm-in interests acquired	-	256,323
Payments for farm-in interest during the year	-	919,564
Impairment expense during the year	-	(1,175,887)
Farm-in interest at end of the year	**-**	**-**

The Company's interest in the Bashkol project was fully impaired in the 2014 financial year due to the Company's decision to discontinue the farm-in. This decision was made as the project was considered non-core to the business plan.

11. OTHER INVESTMENTS

	As at 31 December 2015 US$	As at 31 December 2014 US$
Investments in subsidiaries		
Investments at cost brought forward	16,511,152	-
Investments acquired in the year		16,511,152
Investments reclassified as available for sale investment (Note 9)	(16,511,152)	-
Investments in subsidiaries at end of year	**-**	**16,511,152**

Investments in subsidiaries relate to the Kyrgyz Companies that the Company lost control of during the year. At the point control was lost, these were reclassified as available for sale financial assets. The investment at 31 December 2015 has been adjusted based on the net consideration received for the divestment of the Kyrgyz Companies subsequent to year end. The divestment of the Kyrgyz Companies resulted in the Company receiving net consideration of US$4.447 million.

12. PROPERTY, PLANT AND EQUIPMENT

As at 31 December 2015 and 2014, property, plant and equipment consisted of the following:

	Mining Equipment US$	Office Equipment and Furniture US$	Total US$
Cost			
At 1 January 2014	-	-	-
Additions	35,538	19,395	54,933
Disposals	-	-	-
At 31 December 2014	35,538	19,394	54,932
Additions	8,523	29,053	37,576
Disposals	-	-	-
At 31 December 2015	44,061	48,447	92,508
Accumulated depreciation			
At 1 January 2014	-	-	-
Depreciation for the year	3,964	3,016	6,980
Disposals	-	-	-
At 31 December 2014	3,964	3,016	6,980
Depreciation for the year	13,332	12,046	25,378
Impairment	26,765	33,385	60,150
Disposals	-	-	-
At 31 December 2015	44,061	48,447	92,508
Carrying amounts			
At 31 December 2014	31,574	16,378	47,952
At 31 December 2015	-	-	-

Impairment

As at 31 December 2015 the Company had identified the following factors indicating a potential trigger for impairment:

- Scoping Study indicated the Kyrgyz projects didn't meet the Company's investment criteria; and
- All operational activities in Kyrgyz were suspended.

The carrying value of the Company's property, plant and equipment has been determined based on the higher of fair value less costs to sell and value in use. Under both methodologies it has been assessed that the carrying value is nil.

13. TRADE AND OTHER PAYABLES

	As at 31 December 2015 US$	As at 31 December 2014 US$
Trade and other payables	666,747	132,894
Trade and other payables	**666,747**	**132,894**

14. INTEREST BEARING LIABILITIES

	As at 31 December 2015 US$	As at 31 December 2014 US$
Convertible note liability (i)	3,241,778	-
Unsecured loan	153,454	-
Interest bearing liabilities	**3,395,232**	**-**

(i) Convertible note liability

During the year the Company issued convertible unsecured loan notes to funds managed by Argyle Street Management Limited (**ASML**) and TIH Limited (**TIH**). The Company also issued convertible unsecured loan notes to its major shareholder Robust Resources Limited (**Robust**).

The convertible note liabilities have the following terms:

	ASML Convertible Note	TIH Convertible Note	Robust Convertible Note
Amount	$0.500 million	$0.500 million	$3.000 million
Maturity	31 March 2018	31 March 2018	31 March 2018
Coupon	5% cash paid	5% cash paid	5% cash paid
Ranking	Unsecured	Unsecured	Unsecured
Conversion price	£0.05	£0.05	£0.05
Conversion price adjustment	Conversion price adjusted for dividends, stock splits, combinations and similar events	Conversion price adjusted for dividends, stock splits, combinations and similar events	Conversion price adjusted for dividends, stock splits, combinations and similar events

Subsequent to initial recognition, the carrying value of the host debt contract associated with the convertible note liabilities is calculated by using the amortised cost method. These loan notes have been treated as current liabilities in these financial statements since no interest has been paid on these in accordance with the agreement in place, and so these were considered to be in default at 31 December 2015.

Reconciliation of the convertible note liabilities at inception:

	ASML Convertible Note	TIH Convertible Note	Robust Convertible Note
Convertible note liability	393,518	393,305	2,340,932
Embedded derivative associated with convertible note liability	106,482	106,695	659,068
Proceeds	**500,000**	**500,000**	**3,000,000**

Reconciliation of the convertible note liabilities movement during the year:

	As at 31 December 2015 US$
Convertible note liability at inception	3,127,755
Capitalise interest payable	267,477
Balance at 31 December 2015	**3,395,232**

15. FINANCIAL DERIVATIVE LIABILITY

	As at 31 December 2015 US$	As at 31 December 2014 US$
Financial derivative associated with convertible note liability	647,504	-
Financial derivative liability	**647,504**	**-**

The convertible note liabilities issued by the Company contain an embedded option to convert the debt to ordinary shares. The embedded options have been separated from the host contract and accounted for as a derivative as the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract. The embedded derivatives are measured at fair value with changes in value being recorded in profit or loss.

Reconciliation of the financial derivative liability during the year:

	As at 31 December 2015 US$
Balance at 1 January 2014	-
Financial derivative liability at inception	872,246
Fair value of financial derivative recognised in profit or loss	(224,742)
Balance at 31 December 2015	**647,504**

As at 31 December 2015, the value of the embedded derivative associated with the convertible note liabilities is US$0.648 million. The fair value of the financial derivative associated with the convertible note liabilities is valued using a Black-Scholes option pricing model that takes into account the exercise price, term, non-tradeable nature, share price at issue date and expected price volatility of the underlying share, the expected dividend yield and the risk-free rate for the term of the convertible note liabilities. This is then multiplied against the amount of securities that the Company would be required to issue. The table below summarises the model inputs for the financial derivative associated with the convertible note liabilities at 31 December 2015:

Financial Derivative	
Conversion price per share (£)	£0.05
Valuation date	31 December 2015
Estimated exercise date	31 March 2018
Underlying security spot price at valuation date (£)	£0.03
Estimated price volatility of the Company's shares	71%
Expected dividend yield	0%
Risk-free interest rate	1.13%
Black-Scholes valuation per right (£)	£0.0081

16. RELATED PARTY DISCLOSURES

Control Relationships

Until 14 July 2014 the company did not consider there to be one single controlling party.

Robust Resources Limited became the immediate and ultimate parent company and controlling party from 14 July 2014 following a reverse takeover transaction.

On 29 October 2014, Robust Resources Limited was wholly acquired by Padiham Resources Pty Ltd. The ultimate controlling party following this transaction was the Salim Group which is controlled by Anthoni Salim.

Related Party Loans

		As at 31 December 2015 US$	As at 31 December 2014 US$
Loans from parent			
Included in current liabilities:			
Convertible note liability		2,430,932	-
Unsecured loan		153,454	-
		2,584,386	-
Loans to subsidiaries			
Included in current assets:			
Loan to subsidiaries	**7**	9,604,747	7,790,442
Provisions made		(9,604,747)	-
		-	**7,790,442**

The terms of the loans from the parent company are detailed in Note 14. The loans to subsidiaries are unsecured, interest free and repayable on demand.

During the year, Robust Resources Limited charged the company US$840,205 in relation to services provided to the company in respect of the operations of a branch office in the Kyrgyz Republic.

Key Management Personnel Remuneration

The remuneration of key management personnel is included in employee benefits expenses accounts within the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Directors and key management personnel remuneration for the 2015 and 2014 financial years were as follows:

	Year ended 31 December 2015 US$	Year ended 31 December 2014 US$
Directors of Tengri Resources		
Shahed Mahmood	-	18,552
Charles Goodfellow	-	18,552
Peter Moss	43,047	29,939
Gary Lewis	92,020	17,086
(appointed 14/04/2015, resigned 19/10/2015)		
David King	-	29,286
Joshua Crumb	10,000	-
(appointed 14/04/2015, resigned 11/12/2015)		
Key Management Personnel of Tengri Resources		
Bruce Lumley	304,500	161,855
(Chief Executive Officer) (resigned 15/12/2015)		
Total	**449,567**	**275,270**

Shareholdings of Key Management Personnel

At the balance sheet date and at the date of this report, the following shares and options/warrants were held by Directors and their related entities.

	Number of Shares	Number of Options	Number of Warrants
Peter Moss	-	10,000	-
Idris Khan	-	30,000	80,000
(resigned 11/12/2015)			
Gary Lewis	265,000	-	-
(appointed 14/04/2015, resigned 19/10/2015)			
Joshua Crumb	-	-	-
(appointed 14/04/2015, resigned 11/12/2015)			
John Levings	100,000	40,000	-
(resigned 14/04/2015)			
Allen Wang	-	-	-
(appointed 11 December 2015)			
Total	**365,000**	**80,000**	**80,000**

The options and warrants have expiry dates of between September 2018 and July 2019, with exercise prices ranging between 22.5p and 23p.

17. SHARE CAPITAL

	As at 31 December 2015 Shares	As at 31 December 2015 US$	As at 31 December 2014 Shares	As at 31 December 2014 US$
(a) Issued and paid up capital				
Ordinary shares fully paid	107,618,497	96,931,323	107,618,497	96,931,323
Partly paid shares	500,000	128,286	500,000	128,286
	108,118,497	**97,059,609**	**108,118,497**	**97,059,609**

	Number of Shares	US$
(b) Movement in contributed equity		
Balance at the 1 January 2014	580,037,345	67,562,979
Issue of shares	125,000,000	641,430
Share consolidation	(690,936,598)	-
Issue of shares for the cost of acquisition	93,831,153	28,830,904
Issue of shares	186,597	24,296
Balance at 31 December 2014	108,118,497	97,059,609
Balance at 31 December 2015	108,118,497	97,059,609

(c) Terms and Conditions of Share Capital

Ordinary shares

Ordinary shares have the right to receive dividends as declared and, in the event of winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

18. CASH FLOW STATEMENT RECONCILIATION

The table below is a reconciliation of the loss for the year to net cash flows from operations:

	31 December 2015 US$	31 December 2014 US$
Loss after income tax	(25,507,798)	(4,460,625)
Adjustments for:		
Depreciation	25,378	6,980
Non-cash finance expenses	189,025	-
Net foreign exchange losses	35,727	291,339
Impairment	21,798,435	1,185,033
Fair value of derivative	(224,742)	-
Provision for non-recovery	300,415	-
Changes in assets and liabilities		
(Decrease) / increase in trade and other receivables	(176,682)	317,318
Decrease in prepayments	(147,635)	-
Increase in trade and other payables	89,614	27,893
Increase in provisions and other payables	453,186	-
Net cash used in operating activities	**(3,165,077)**	**(2,632,062)**

19. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Policies

The Company's financial instruments comprise cash and cash equivalents, trade and other receivables, trade and other payables and loans payable to the ultimate parent company and other entities. The Company does not trade in derivatives or in foreign currency.

The main risks arising from the Company's financial instruments are interest rate risk, foreign currency risk and liquidity risks. The Company uses different methods to manage and minimise its exposure to risks. These include monitoring levels of interest rates fluctuations to maximise the return of bank balances and liquidity risk is monitored through the development of future rolling cash flow forecasts.

The final approval and monitoring of any of these policies is done by the Board which reviews and agrees on the policies for managing each of the risks as summarised below.

The primary responsibility to monitor the financial risks lies with the Managing Director under the authority of the Board. The Board agrees and approved policies for managing each of the risks identified below, including the setting up of approval limits for purchases and monitoring projections of future cash flow.

Risk Exposures

(a) Interest rate risk and maturity analysis

The Directors believe that the exposure to interest rate fluctuations is immaterial and therefore no interest rate sensitivity analysis has been disclosed. The borrowings disclosed in the Statement of Financial Position are the Company's fixed rate borrowings and therefore not subject to interest rate risk as defined in IFRS 7 *Financial Instruments: Disclosures*. The short-term loans from the controlling entities and trade creditors are not exposed to interest rate fluctuations.

(b) Liquidity risk

The Company's objective is to maximise its cash availability by evaluating current charges of various suppliers and the Company will seek additional funds from existing investors or new investors or a combination of both.

(c) Foreign currency risk

The Company had operations in Kyrgyz Republic where its operating expenses are incurred in US dollars and accordingly the majority of its cash was held in US dollars. Now the Company is a cash shell the majority of its operating expenditure will be incurred in GBP therefore the fluctuation of the US dollar in relation to GBP will have an impact upon the operations of the Company and will also affect the value of the Company's cash balances. The Company has not entered into any agreements or purchased any instruments to hedge possible currency risks.

(d) Equity price risk

Equity price risk arises from the embedded financial derivative associated with the convertible note liabilities. For financial instruments not quoted in active markets, the Company uses valuation techniques such as present value techniques, comparison to similar instruments for which market observable prices exist and other relevant models used by market participants (Level 2). These valuation techniques use both observable and unobservable market inputs. The fair value of any equity conversion option is derived on the Black-Scholes valuation technique.

As at 31 December 2015, if the Company's share price had moved as illustrated in the table below, with all other variables held constant, (loss)/profit after income tax and equity would have been affected as follows:

		Post Tax Profit 2015 US$	**Equity 2015 US$**
Tengri share price	+10%	132,010	132,010
Tengri share price	-10%	(123,073)	(123,073)

Reasonably possible movements in the Company's share price were determined based on observations of historical movements from the date of issue of the convertible note liabilities.

The reasonably possible movement was calculated by updating the share price input in a Black-Scholes valuation mode, keeping all other variables constant.

Credit Risk Management

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure to, and the credit ratings of, its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Periodic evaluation is performed on the financial condition of accounts and other receivables.

Capital Management

The Company's objective when managing capital is to ensure that adequate funding and resources are obtained to enable it to develop its projects through to profitable production, whilst in the meantime safeguarding the Company's ability to continue as a going concern. This is to enable the Company, once projects become commercially and technically viable, to provide appropriate returns for shareholders and benefits for other stakeholders.

Since admission to the AIM market of the London Stock Exchange plc, the Board intends to utilise financing sources, be that debt or equity that best suits the Company's working capital requirements and market conditions.

Fair Value

The fair value of the financial assets and financial liabilities of the Company, at each reporting date, approximates to their carrying amount as disclosed in the Consolidated Statement of Financial Position and in the related notes.

The fair value of the financial assets and liabilities are included at the amounts at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The cash and cash equivalents, other receivables, trade payables and other current liabilities approximate their carrying value amounts largely due to the short-term maturities of these instruments.

Set out below is a comparison of the carrying amounts and fair values of financial instruments as at 31 December 2015:

	Carrying Amount 31 December 2015 US$	**Fair Value 31 December 2015 US$**
Financial assets:		
Available for sale financial assets	4,571,051	4,571,051
Total	4,571,051	4,571,051
Financial liabilities:		
Payables	666,747	666,747
Financial derivatives	647,504	647,504
Convertible note liability	3,395,232	3,250,000
Total	4,709,483	3,916,747

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

Level 1 – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities

Level 2 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable)

Level 3 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

For financial instruments that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level of input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(a) Convertible note and financial derivative

As at 31 December 2015, the value of the financial derivative associated with the convertible notes is US$0.648 million. The fair value of the financial derivative has been determined using the techniques detailed in Note 15.

The following methods have been used for the Company's valuation derivatives:

Financial derivative Level 2

For financial instruments not quoted in active markets, the Company uses valuation techniques such as present value techniques, comparison to similar instruments for which the market observable prices exist and other relevant models used by market participants (Level 2). These valuation techniques use both observable and unobservable market inputs.

As at 31 December 2015 the Company held the following financial instruments measured at fair value:

	Level 1 US$	**Level 2 US$**	**Level3 US$**	**Total US$**
Financial liabilities measured at fair value:				
Financial derivative	-	647,504	-	647,504
Financial liabilities for which fair value is disclosed:				
Convertible note liability (i)	-	-	3,325,000	3,325,000

(i) The fair value of US$3.325 million has been estimated using inputs for the convertible note liability that are based on the Company's current net asset position. The fair value takes into account the total current assets and the current non-interest bearing liabilities of the Company.

20. AUDITORS' REMUNERATION

	Year Ended 31 December 2015 US$	As at 31 December 2014 US$
Lubbock Fine, Chartered Accountants	48,918	38,835

21. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

On 12 April 2016, the Company entered into a conditional agreement with Socagest SA to sell its Kyrgyz assets relating to the Taldybuluk and Andash projects for US$6.000 million. The sale provided that Tengri use US$0.553 million of the sales proceeds to repay trade creditor balances relating to its subsidiaries that formed part of the sale. The sale was completed on 31 May 2016. At the same time the Company and its majority shareholder Robust Resources Limited entered into an agreement with Gold Fields Orogen Holdings BVI Limited (**Goldfields**) to settle all ongoing and future obligations owed to Goldfields in respect of the Kyrgyz projects for a consideration of US$1.000 million allowing it to complete a full and clean exit from its activities in the Kyrgyz Republic.

The completion of the disposal represented a fundamental change of business under AIM Rule 15 and as such, the Company is now an "AIM Rule 15 cash shell" for the purpose of the AIM Rules and has until 1 December 2016 to make an acquisition or acquisitions which constitute a reverse takeover under Rule 14 of the AIM Rules or otherwise seek readmission as an "investing company" with the attendant requirement to raise at least £6.000 million on or immediately before such readmission.

In June 2016, the Company repaid in full the principal amounts outstanding to TIH Limited and Argyle Street Management Limited of US$1.000 million. The Company also partly repaid US$2.250 million of the outstanding principal owing to Robust Resources Limited.