SERABI GOLD

Unaudited Interim Financial Results for the three and six month periods to 30 June 2015 and Management's Discussion and Analysis

Serabi Gold (AIM:SRB, TSX:SBI), the Brazilian focused gold mining and development company, today releases its unaudited interim financial results for the three month and six periods ending 30 June 2015 and at the same time has published its Management's Discussion and Analysis for the same period..

Key Financial Information

	3 months to 30 June 2015 US$	**6 months to 30 June 2015 US$**	3 months to 30 June 2014 US$	6 months to 30 June 2014 US$
Revenue	11,194,178	**18,678,393**	–	–
Cost of Sales [(1)]	(8,188,141)	**(13,048,050)**	–	–
Depreciation and amortisation charges	(1,614,514)	**(2,732,234)**	–	–
Gross profit	1,391,523	**2,898,109**	–	–
(Loss)/profit before and after tax	**(114,501)**	**76,897**	(1,668,737)	(2,926,358)
(Loss)/profit per ordinary share (basic)	**(0.02c)**	**0.01c**	(0.25c)	(0.50c)
		As at 30 June 2015		As at 31 December 2014
Cash and cash equivalents		**4,481,970**		9,813,602
Net assets		**58,010,152**		66,918,551

Cash Costs and All-In Sustaining Costs

	6 months to 30 June 2015
Gold ounces produced	**15,626**
Gold production from Sao Chico	**(783)**
Gold production for cash costs and AISC purposes	**14,843**
Total Cash Cost of production (per ounce)	**US$767**
Total All-In Sustaining Cost of production (per ounce)	**US$967**

(1) During the second quarter of 2015, the Group has revised the basis on which it calculates the value of inventories of work in progress and finished products in particular the allocation of site overhead costs to each stage of production. The overall effect has been to reduce the value ascribed to each unit of inventory of copper/concentrate which comprises 40% of the inventory valuation at 31 March and 41% as at 30 June. Had the same basis of valuation been adopted at 31 March 2015 the Group estimates that inventories of work in progress and finished goods would have reduced by approximately US$1.08 million. The Group is not restating its previously published results for the first quarter of 2015 and this additional expense is therefore being recognised in the 3 month period to 30 June 2015.

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Key Operational Information

SUMMARY PRODUCTION STATISTICS FOR THE THREE AND SIX MONTHS ENDING 30 JUNE 2015		Quarter 1	Quarter 2	6 months to 30 June 2015
Horizontal development	**Metres**	**1,491**	**2,078**	**3,569**
Mined ore	**Tonnes**	**25,812**	**31,488**	**57,300**
	Gold grade (g/t)	**10.90**	**9.18**	**9.95**
Milled ore	**Tonnes**	**31,412**	**33,279**	**64,691**
	Gold grade (g/t)	**8.52**	**8.28**	**8.40**
Gold production (1)	**Ounces**	**7,389**	**8,237**	**15,626**

(1) Gold production figures are subject to amendment pending final agreed assays of the gold content of the copper/gold concentrate and gold dore that is delivered to the refineries. Amendments when realised are applied retrospectively to the relevant month of production and therefore figures reported for past periods are subject to change.

Financial Highlights

- All-In Sustaining Costs of US$967 for the year to date with cash costs of US$767.
- Cash holdings of US$4.48 million at 30 June 2015.
- At 30 June 2015, the Brazilian Real to US Dollar exchange rate had weakened by approximately 17% compared against 31 December 2014 and by 31% as at 12 August 2015.
- Average gold price of US$1,182 received on gold sales in the second quarter of 2015 and US$1,186 for the year to date.
- Inflation in Brazil as of July 2015 was 9.56%.

Operational Highlights

- Gold production for the quarter totaled 8,237 ounces(1); 7,141 ounces from the processing of Palito run of mine ore and surface stockpiles, 783 ounces from Sao Chico ore, with the balance from processing of some of 2014 flotation tailings.
- Quarterly Mill production combined for both Palito and Sao Chico ore totalled 33,279 tonnes.
- Quarterly Mine production for Palito and Sao Chico ore totalled 29,052 tonnes @ 9.56 g/t gold, and 2,436 tonnes @ 4.58 g/t gold respectively.
- Current forecast for gold production in 2015 remains at approximately 35,000 ounces with All-In Sustaining Costs ("AISC") of between US$900 and US$950 per ounce.

(1) Gold production figures are subject to amendment pending final agreed assays of the gold content of the copper/gold concentrate and gold dore that is delivered to the refineries.

Palito development

- Quarterly mine development at Palito totalled 1,608 metres, exceeding plan by 6%.

Sao Chico development

- Quarterly mine development total was 470 metres.

- By the end of the quarter, the first production stope was underway at Sao Chico, with 2,800 tonnes broken and stockpiled in the stope.
- The main ramp at Sao Chico has now reached the next planned development level, 182mRL, with the ore zone intersected as expected in early July.
- At the end of the second quarter, surface stockpiles at Palito and Sao Chico totaled 11,392 tonnes @ 3.50 g/t gold.
- By the end of June, over 4,300 metres had been completed of the planned 5,000 metre Sao Chico surface drill programme.

Mike Hodgson, CEO of Serabi commented,

"As I reported on 28 July 2015, when the Company issued its second quarter operational update, this was our best quarter to date from Palito and was boosted further by initial gold production from Sao Chico. We anticipate an increased contribution to our gold production from Sao Chico in the coming months.

"Palito is operating very well and this is reflected by the gross profit from operations of US$2.9 million for the first six months of 2015. The direct mining and development costs at Sao Chico have been capitalised during the period and the revenues generated from gold production have been set off against these costs but this does mean that Palito production is carrying all of our current overhead and general mine site costs. As production from Sao Chico steps up and these overheads and general site costs can be spread over a larger revenue and production base I anticipate improvement in our margins.

"The recent unexpected fall in the gold price as with all other producers directly impacts on our short term cash generation and we continue to look closely at our cost base. However, with Sao Chico still in a ramp-up phase opportunities for cost reductions in the short term are limited. We are benefitting from the devaluation of the Brazilian Real but this is countered by inflationary pressures and the inflation rate in Brazil for July 2015 had reached 9.6%, its highest level since 2003.

"We remain on target to meet our 2015 production guidance of approximately 35,000 ounces at an all-in sustaining cost of US$900 to US$950 per ounce."

An interview with Clive Line, Finance Director of Serabi, can be accessed using the following link
http://brrmedia.co.uk/event/140078?popup=true

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Condensed Consolidated Statements of Comprehensive Income
For the three and six month periods ended 30 June 2015

(expressed in US$)	For the three months ended 30 June **2015 (unaudited)**	 2014 (unaudited)	For the six months ended 30 June **2015 (unaudited)**	 2014 (unaudited)
CONTINUING OPERATIONS				
Revenue	**11,194,178**	—	**18,678,393**	—
Operating expenses [1]	**(8,188,141)**	—	**(13,048,050)**	—
Depreciation of plant and equipment	**(1,614,514)**	—	**(2,732,234)**	—
Gross Profit / (loss)	**1,391,523**	—	**2,898,109**	—
Administration expenses	**(1,248,013)**	(1,482,040)	**(2,153,518)**	(2,394,018)
Share based payments	**(101,018)**	(43,840)	**(202,037)**	(73,428)
Depreciation of plant and equipment	**—**	(140,322)	**—**	(266,305)
Operating Profit / (loss)	**42,492**	(1,666,202)	**542,554**	(2,733,751)
Foreign exchange gain/(loss)	**(35,032)**	18,794	**193,631**	8,876
Finance expense	**(408,378)**	(25,802)	**(972,179)**	(205,956)
Investment income	**286,417**	4,473	**312,891**	4,473
(Loss) / Profit before taxation	**(114,501)**	(1,668,737)	**76,897**	(2,926,358)
Income tax expense	**—**	—	**—**	—
(Loss) / Profit for the period from continuing operations [2] [3]	**(114,501)**	(1,668,737)	**76,897**	(2,926,358)
Other comprehensive income (net of tax)				
Items that may be reclassified subsequently to profit or loss				
Exchange differences on translating foreign operations	**1,826,193**	1,797,215	**(9,187,333)**	3,717,965
Total comprehensive income/(loss) for the period [3]	**1,711,692**	128,478	**(9,110,436)**	791,607
(Loss) / profit per ordinary share (basic) [2]	**(0.02c)**	(0.25c)	**0.01c**	(0.50c)
(Loss) / profit per ordinary share (diluted) [2]	**(0.02c)**	(0.25c)	**0.01c**	(0.50c)

(1) During the second quarter of 2015, the Group has revised the basis on which it calculates the value of inventories of work in progress and finished products in particular the allocation of site overhead costs to each stage of production. The overall effect has been to reduce the value ascribed to each unit of inventory of copper/concentrate which comprises 40% of the inventory valuation at 31 March and 41% as at 30 June. Had the same methodology basis of valuation been adopted at 31 March 2015 the Group estimates that inventories of work in progress and finished goods would have reduced by approximately US$1.08 million. The Group is not restating its previously published results for the first quarter of 2015 and this additional expense is therefore being recognised in the 3 month period to 30 June 2015.

(2) All revenue and expenses arise from continuing operations.

(3) The Group has no non-controlling interests and all losses are attributable to the equity holders of the Parent Company.

Condensed Consolidated Balance Sheets

(expressed in US$)	**As at 30 June 2015 (unaudited)**	As at 30 June 2014 (unaudited)	As at 31 December 2014 (audited)
Non-current assets			
Deferred exploration costs	**10,857,942**	26,508,924	11,799,271
Property, plant and equipment	**48,840,812**	43,412,368	54,103,898
Total non-current assets	**59,698,754**	69,921,292	65,903,169
Current assets			
Inventories	**8,625,790**	4,482,101	8,070,215
Trade and other receivables	**8,429,901**	5,278,884	6,772,046
Prepayments and accrued income	**1,876,494**	2,358,282	2,503,877
Cash and cash equivalents	**4,481,970**	5,920,963	9,813,602
Total current assets	**23,414,155**	18,040,230	27,159,740
Current liabilities			
Trade and other payables	**5,607,205**	3,675,731	4,601,337
Interest bearing liabilities	**14,376,286**	4,241,523	16,228,220
Derivative financial liabilities	**544,374**	—	528,503
Accruals	**177,340**	137,739	167,377
Total current liabilities	**20,705,205**	8,054,993	21,525,437
Net current assets	**2,708,950**	9,985,237	5,634,303
Total assets less current liabilities	**62,407,704**	79,906,529	71,537,472
Non-current liabilities			
Trade and other payables	**1,773,567**	456,979	1,424,798
Provisions	**2,422,365**	1,574,875	2,829,468
Interest bearing liabilities	**201,620**	527,168	364,655
Total non-current liabilities	**4,397,552**	2,559,022	4,618,921
Net assets	**58,010,152**	77,347,507	66,918,551
Equity			
Share capital	**61,668,212**	61,668,212	61,668,212
Share premium	**67,656,848**	69,119,848	67,656,848
Option reserve	**2,545,378**	2,214,909	2,400,080
Other reserves	**450,262**	931,144	450,262
Translation reserve	**(27,923,625)**	(7,053,208)	(18,736,292)
Accumulated loss	**(46,386,923)**	(49,533,398)	(46,520,559)
Equity shareholders' funds	**58,010,152**	77,347,507	66,918,551

The interim financial information has not been audited and does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. Whilst the financial information included in this announcement has been compiled in accordance with International Financial Reporting Standards ("IFRS") this announcement itself does not contain sufficient financial information to comply with IFRS. The Group statutory accounts for the year ended 31 December 2014 prepared under IFRS as adopted in the EU and with IFRS and their interpretations adopted by the International Accounting Standards Board have been filed with the Registrar of Companies following their adoption by shareholders at the last Annual General Meeting. The auditor's report on these accounts was unqualified but did contain an Emphasis of Matter with respect to the Company and the Group regarding Going Concern. The auditor's report did not contain a statement under Section 498 (2) or 498 (3) of the Companies Act 2006.

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Condensed Consolidated Statements of Changes in Shareholders' Equity

(expressed in US$) (unaudited)	Share capital	Share premium	Share option reserve	Other reserves (1)	Translation reserve	Accumulated loss	Total equity
Equity shareholders' funds at 31 December 2013	**60,003,212**	**54,479,151**	**2,330,789**	**789,076**	**(10,771,173)**	**(46,796,348)**	**60,034,707**
Foreign currency adjustments	–	–	–	–	3,717,965	–	**3,717,965**
Loss for the period	–	–	–	–	–	(2,926,358)	**(2,926,358)**
Total comprehensive income for the period	–	–	–	–	3,717,965	(2,926,358)	**791,607**
Issue of new ordinary shares for acquisition	1,665,000	14,765,000	–	220,000	–	–	**16,650,000**
Costs associated with issue of new ordinary shares for cash	–	(202,235)	–	–	–	–	**(202,235)**
Warrants lapsed in period	–	77,932	–	(77,932)	–	–	–
Share options lapsed in period	–	–	(189,308)	–	–	189,308	–
Share option expense	–	–	73,428	–	–	–	**73,428**
Equity shareholders' funds at 30 June 2014	**61,668,212**	**69,119,848**	**2,214,909**	**931,144**	**(7,053,208)**	**(49,533,398)**	**77,347,507**
Foreign currency adjustments	–	–	–	–	(11,683,084)	–	**(11,683,084)**
Profit for the period	–	–	–	–	–	2,751,957	**2,751,957**
Total comprehensive income for the period	–	–	–	–	(11,683,084)	2,751,957	**(8,931,127)**
Correction relating to treatment of warrants	–	(1,463,000)	–	(220,000)	–	–	**(1,683,000)**
Convertible Loan Stock Repaid	–	–	–	(260,882)	–	260,882	–
Share option expense	–	–	185,171	–	–	–	**185,171**
Equity shareholders' funds at 31 December 2014	**61,668,212**	**67,656,848**	**2,400,080**	**450,262**	**(18,736,292)**	**(46,520,559)**	**66,918,551**
Foreign currency adjustments	–	–	–	–	(9,187,333)	–	**(9,187,333)**
Profit for the period	–	–	–	–	–	76,897	**76,897**
Total comprehensive income for the period	–	–	–	–	(9,187,333)	76,897	**(9,110,436)**
Share options lapsed in period	–	–	(56,739)	–	–	56,739	–
Share option expense	–	–	202,037	–	–	–	202,037
Equity shareholders' funds at 30 June 2015	**61,668,212**	**67,656,848**	**2,545,378**	**450,262**	**(27,923,625)**	**(46,386,923)**	**58,010,152**

Other reserves comprise a merger reserve of US$361,461 (2014: US$ 361,461) and a warrant reserve of US$88,801 (December 2014: US$88,801).

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Condensed Consolidated Cash Flow Statements

(expressed in US$)	For the three months ended 30 June **2015 (unaudited)**	2014 (unaudited)	For the six months ended 30 June **2015 (unaudited)**	2014 (unaudited)
Operating activities				
Operating (loss)/profit	**(114,501)**	(1,668,737)	**76,897**	(2,926,358)
Depreciation – plant, and equipment	**1,614,514**	140,322	**2,732,234**	266,305
Net financial expense	**156,993**	2,535	**465,657**	192,605
Option costs	**101,018**	43,840	**202,037**	73,428
Interest paid	**(335,703)**	5,155	**(769,870)**	(154,753)
Foreign exchange loss	**89,410**	(148,425)	**164,488**	4,024
Changes in working capital				
Decrease/(increase) in inventories	**468,303**	1,426,974	**(1,448,480)**	(330,233)
(Increase) in receivables, prepayments and accrued income	**(1,919,140)**	(5,106,354)	**(1,566,516)**	(6,164,899)
Increase in payables, accruals and provisions	**805,971**	442,743	**1,640,918**	495,381
Net cash inflow/(outflow) from operations	**866,865**	(4,861,947)	**1,497,365**	(8,544,500)
Investing activities				
Sales revenues recognised to date	**927,091**	4,566,868	**927,091**	5,220,713
Capitalised pre-operating costs	**(667,208)**	(6,619,822)	**(667,208)**	(8,132,926)
Purchase of property, plant and equipment and projects in construction	**(1,684,187)**	(1,531,155)	**(3,287,895)**	(2,291,845)
Other development expenditures	**(434,246)**	(24,207)	**(797,832)**	(38,160)
Exploration and development expenditure	**(462,235)**	(724,508)	**(462,235)**	(724,508)
Interest received	**66**	—	**841**	—
Net cash outflow on investing activities	**(2,320,719)**	(3,957,865)	**(4,287,238)**	(5,966,726)
Financing activities				
Issue of ordinary share capital	**—**	—	**—**	16,650,000
Payment of share issue costs	**—**	—	**—**	(202,235)
Repayment of short-term secured loan	**—**	—	**(2,000,000)**	(5,500,000)
Draw-down of short-term secured loan	**—**	—	**—**	2,750,000
Receipts from short-term trade finance	**5,266,690**	3,188,178	**10,687,449**	3,188,178
Repayment of short-term trade finance	**(5,023,755)**	—	**(10,863,935)**	—
Payment of finance lease liabilities	**(110,585)**	(109,350)	**(267,065)**	(255,150)
Net cash inflow/(outflow) from financing activities	**132,350**	3,078,828	**(2,443,551)**	16,630,793
Net (decrease) / increase in cash and cash equivalents	**(1,321,504)**	(5,740,984)	**(5,233,424)**	2,119,567
Cash and cash equivalents at beginning of period	**5,794,982**	11,616,469	**9,813,602**	3,789,263
Exchange difference on cash	**8,492**	45,478	**(98,208)**	12,133
Cash and cash equivalents at end of period	**4,481,970**	5,920,963	**4,481,970**	5,920,963

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Notes

1. General Information

The financial information set out above does not constitute statutory accounts as defined in Section 434 of the Companies Act 2006. Whilst the financial information included in this announcement has been compiled in accordance with International Financial Reporting Standards ("IFRS") this announcement itself does not contain sufficient financial information to comply with IFRS. A copy of the statutory accounts for 2014 has been delivered to the Registrar of Companies. The full audited financial statements for the years end 31 December 2014 do comply with IFRS.

2. Basis of Preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") in force at the reporting date and their interpretations issued by the International Accounting Standards Board ("IASB") as adopted for use within the European Union and with IFRS and their interpretations issued by the IASB. The consolidated financial statements have also been prepared in accordance with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The financial statements do not constitute statutory accounts as defined in Section 434 of the Companies Act 2006.

It is not anticipated that the adoption in the future of the new or revised standards or interpretations that have been issued by the International Accounting Standards Board but are not yet effective will have a material impact on the Group's earnings or shareholders' funds. The Company has not adopted any new standards in advance of the effective dates.

Going concern and availability of project finance

The Group commenced gold production operations at the Palito Mine at the start of 2014 having completed the first phase construction of the gold recovery plant in December 2013. The operations during the first six months of 2014 were in a re-commissioning and ramp-up phase. On 23 July 2014 the Group announced that with effect from 1 July 2014 the Palito mine had achieved Commercial Production. During the 3 months ended 30 September 2014, the Group completed work and commissioned the Carbon in Pulp ("CIP") leaching circuit allowing the Group to maximise the potential recovery of gold from the ore processed. The first "gold pour" of gold recovered from the CIP operations took place in October 2014. During the first six months of 2015 the Group has been undertaking the initial development of its Sao Chico operation and thereafter during 2015 plans to steadily increase the production of ore from Sao Chico for processing using the Palito gold process plant. The Group began processing of ore from its Sao Chico operation during April 2015.

On 3 March 2014 the Group completed a share placement raising gross proceeds of UK£10 million which provided additional working capital to the Group during the start–up phase of production at Palito and also to fund the initial development and further evaluation of the Sao Chico gold project. On 26 September 2014 the Group also entered into a US$8 million secured loan facility which is required to be repaid in full on or before 31 March 2016 with the Sprott Resource Lending Partnership ("the Facility") providing additional working and development capital. The first tranche of US$3 million of this Facility was drawdown on 26 September 2014 with the remaining tranches drawn down in full on 28 December 2014. The Group also makes use of a borrowing facility of US$7.5 million to provide advance payment on sales of copper/gold concentrate. This current facility extends to 31 December 2015.

The Directors anticipate the Group now has access to sufficient funding for its immediate projected needs. The Group expects to have sufficient cash flow from its forecast production to finance its on-going operational requirements and to, at least in part, fund exploration and development activity on its other gold properties. However the forecasted cash flow projections for the next twelve months include a significant contribution arising from the Sao Chico development. As noted above, whilst development has commenced commercial production has yet to be declared. There are risks associated with the commencement of any new mining operation whereby unforeseen technical and logistical events result in additional time being required for commissioning or additional costs needing to be incurred, giving rise to the possibility that additional working capital may be required to fund these delays or additional capital requirements. Should additional working capital be required the Directors consider that further sources of finance could be secured within the required timescale. On this basis the Directors have therefore concluded that it is appropriate to prepare the financial statements on a going concern basis. However there is no certainty that such additional funds either for working capital or for future development will be forthcoming and these conditions indicate the existence of a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern and therefore that it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements do not include the adjustments that would result if the Group was unable to continue as a going concern.

3. Earnings per Share

	3 months ended 30 June 2015	3 months ended 30 June 2014	**6 months ended 30 June 2015**	6 months ended 30 June 2014	12 months ended 31 Dec 2014
(Loss) / profit attributable to ordinary shareholders (US$)	**(114,501)**	(1,668,737)	**76,897**	(2,926,358)	(174,401)
Weighted average ordinary shares in issue	**656,389,204**	656,389,204	**656,389,204**	588,985,889	656,389,204
Basic and diluted loss per share (US cents)	**(0.02)**	(0.25)	**0.01**	(0.50)	**(0.03)**
Diluted ordinary shares in issue [1]	**656,389,204**	656,389,204	**792,202,164**	588,985,889	656,389,204
Diluted profit /(loss) per share (US cents)	**(0.02)**[2]	(0.25)[2]	**0.01**	(0.50)[2]	**(0.03)**[2]

(1) Assumes exercise of 100,000,000 warrants and 35,812,960 options that have vested as of 30 June 2015.

(2) As the effect of dilution is to reduce the loss per share the diluted loss per share is considered to be the same as the basic loss per share.

4. Post balance sheet events

At the Annual General Meeting of Serabi Gold plc held on 11 June 2015, shareholders of the Company approved resolutions, subject to the confirmation of the High Court of Justice in England and Wales (the "Court"), that the amount standing to the credit of the share premium account of the Company be cancelled and that the issued share capital of the Company be reduced by cancelling and extinguishing all of the issued deferred shares of 4.5p each and 9.5p each in the capital of the Company ("Deferred Shares").

On 29 July 2015, the Court issued an order (the "Order") confirming the cancellation of both the share premium account and the Deferred Shares and the Company received confirmation from the Registrar of Companies of the registration of the Order.

As a result of the cancellation of the Company's share premium account and the Deferred Shares, the Company has eliminated all of its accumulated losses to date and established reserves, based on the financial statements of the Company as at 31 December 2014, of approximately US$82 million that could in the future be distributed to shareholders of the Company through the payment of dividends.

Between the end of the financial period and the date that these unaudited interim financial statements were approved by the Board, the Brazilian Real, the national currency of Brazil, has reduced in value in comparison to the United States dollar, the reporting currency of the Group by approximately 8%. On 31 December 2014 the exchange rate for US$1.00 was BrR$2.6556. As at 30 June 2015 the exchange rate for US$1.00 was BrR$3.1019. As at 12 August 2015 the exchange rate for US$1.00 was BrR$3.4802. Many of the Group's assets and liabilities and in particular the value attributed to non-current assets are recorded in Brazilian Reais. The value of the Group's net assets and liabilities were significantly impacted by the devaluation of the Brazilian Real during the first quarter of 2015 as at 31 March 2015 the exchange rate for US$1.00 was BrR$3.2074. The Group sources the majority of its operational consumables in Brazilian Reais and salaries of all its Brazilian employees are denominated and paid in Brazilian Reais and therefore the Group's operating costs are subject to variation as a result of movements in the exchange rate between the United States Dollar and the Brazilian Real.

Other than as set out above, between the end of the financial period and the date that the financial statements were approved by the board of directors there has been no item, transaction or event of a material or unusual nature likely, in the opinion of the directors of the company, to affect significantly the continuing operations of the company, the results of these operations, or the state of affairs of the company in future financial periods.

Enquiries

SERABI GOLD plc
Michael Hodgson t +44 (0)20 7246 6830
Chief Executive m +44 (0)7799 473621

Clive Line t +44 (0)20 7246 6830
Finance Director m +44 (0)7710 151692

e contact@serabigold.com

www.serabigold.com

BEAUMONT CORNISH Limited
Nominated Adviser & Financial Adviser
Roland Cornish t +44 (0)20 7628 3396
Michael Cornish t +44 (0)20 7628 3396

PEEL HUNT LLP
UK Broker
Matthew Armitt t +44 (0)20 7418 9000
Ross Allister t +44 (0)20 7418 9000

Blytheweigh
UK Financial PR
Tim Blythe t +44 (0)20 7138 3204
m +44 7816 924626
Halimah Hussain t +44 (0)20 7138 3203
m +44 7725 978141

Copies of this release are available from the Company's website at **www.serabigold.com**

Qualified Persons Statement
The scientific and technical information contained within this announcement has been reviewed and approved by Michael Hodgson, a Director of the Company. Mr Hodgson is an Economic Geologist by training with over 26 years' experience in the mining industry. He holds a BSc (Hons) Geology, University of London, a MSc Mining Geology, University of Leicester and is a Fellow of the Institute of Materials, Minerals and Mining and a Chartered Engineer of the Engineering Council of UK, recognising him as both a Qualified Person for the purposes of Canadian National Instrument 43-101 and by the AIM Guidance Note on Mining and Oil & Gas Companies dated June 2009.

Forward Looking Statements
Certain statements in this announcement are, or may be deemed to be, forward looking statements. Forward looking statements are identified by their use of terms and phrases such as ''believe'', ''could'', "should" ''envisage'', ''estimate'', ''intend'', ''may'', ''plan'', ''will'' or the negative of those, variations or comparable expressions, including references to assumptions. These forward looking statements are not based on historical facts but rather on the Directors' current expectations and assumptions regarding the Company's future growth, results of operations, performance, future capital and other expenditures (including the amount, nature and sources of funding thereof), competitive advantages, business prospects and opportunities. Such forward looking statements reflect the Directors' current beliefs and assumptions and are based on information currently available to the Directors. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although any forward looking statements contained in this announcement are based upon what the Directors believe to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with such forward looking statements.

Neither the Toronto Stock Exchange, nor any other securities regulatory authority, has approved or disapproved of the contents of this news release.

The Company will, in compliance with Canadian regulatory requirements, post the Unaudited Interim Financial Statements and the Management Discussion and Analysis for the three month and the six month periods ended 30 June 2015 on SEDAR at www.sedar.com. These documents will also available from the Company's website – www.serabigold.com.

GLOSSARY OF TERMS

The following is a glossary of technical terms:

"Au" means gold.

"assay" in economic geology, means to analyze the proportions of metal in a rock or overburden sample; to test an ore or mineral for composition, purity, weight or other properties of commercial interest.

"DNPM" is the Departamento Nacional de Produção Mineral.

"grade" is the concentration of mineral within the host rock typically quoted as grams per tonne (g/t), parts per million (ppm) or parts per billion (ppb).

"g/t" means grams per tonne.

"granodiorite" is an igneous intrusive rock similar to granite.

"igneous" is a rock that has solidified from molten material or magma.

"Intrusive" is a body of igneous rock that invades older rocks.

"mRL" – depth in metres measured relative to a fixed point – in the case of Palito and Sao Chico this is sea-level. The mine entrance at Palito is at 250mRL.

"saprolite" is a weathered or decomposed clay-rich rock.

"Vein" is a generic term to describe an occurrence of mineralised rock within an area of non-mineralised rock.